

BRADLEY/GROMBACHER LLP
CLASS ACTIONS, MASS TORTS & CATASTROPHIC INJURIES

Marcus J. Bradley
Kiley L. Grombacher
Maya Hussein
Theodore H. Chase
Talal Al-Hindi
Marie Appel

May 22, 2026

Via Online Submission

Labor and Workforce Development Agency
Attn: PAGA Administrator
455 Golden Gate Avenue, 9th Floor
San Francisco, CA 94102

**Re: Written Notice – Private Attorney General Act (“PAGA”) – Labor Code § 2698 et seq.
*Francisco Vargas v. G & C Auto Body, Inc., et al.***

PAGA Administrator:

Notice is hereby provided that, pursuant to Labor Code § 2699.3, Francisco Vargas (“Employee”) contends that G & C Auto Body, Inc. (“Employer”) has violated, and continues to violate, provisions of the Labor Code and wage orders promulgated by the Industrial Welfare Commission (“IWC wage order”), including, but not limited to, Labor Code §§ 201–203, 226(a), 226.7, 510, 512, 516, 1174.5, 1194, 1198, and 2802, and the applicable IWC wage order.

In accordance with the required notice under Labor Code § 2699.3 of the Private Attorney General Act (“PAGA”), this letter shall serve as formal written notice to the Labor and Workforce Development Agency (“LWDA”).

Employee Francisco Vargas worked for Employer as an Auto Body Mechanic at G & C Auto Body, Inc., located in Fremont, California, in the County of Alameda, from approximately September 2023 through approximately April 15, 2026. Employee Vargas resides at Fremont, California. Employee Francisco Vargas worked for Employer as a non-exempt employee at G & C Auto Body, Inc. during the relevant time period and resides in the County of Alameda.

Employee are “aggrieved employees” as defined in Labor Code § 2699(a) and bring this action on behalf of himself and all other aggrieved employees of Employer, and seek penalties under PAGA for Employer’s violations of the Labor Code.

Employer G & C Auto Body, Inc. is a California limited liability company with its principal place of business at Santa Rosa, California, that manages and operates G & C Auto Body, Inc. and does business in the State of California.

Employer G & C Auto Body, Inc. is a California limited liability company that is affiliated with and/or involved in the management and/or operation of G & C Auto Body, Inc. and does business in the State of California.

At all relevant times, Employer issued and maintained uniform, standardized scheduling, timekeeping, and compensation practices and procedures for all aggrieved, hourly paid employees in California, including Employee and others similarly situated, regardless of their location or position.

Employee and other aggrieved employees seek penalties and other compensation from Employer for the relevant time period because Employer:

1. Failed to Provide Employee with Compliant Meal Periods (Lab. Code §§ 226.7, 512, 516, and 1198);
2. Failed to Provide Employee with Compliant Rest Periods (Lab. Code §§ 226.7, 516, and 1198);
3. Failed to Pay All Wages Owed at Termination (Lab. Code §§ 201–203);
4. Failed to Provide Employee and Aggrieved Employee with Accurate, Itemized Wage Statements and Failed to Maintain Accurate Records (Lab. Code §§ 226(a), 1174.5);
5. Failed to Pay Overtime Wages (Lab. Code §§ 510, 1194, 1198); and
6. Failed to Reimburse Employee for Necessary Business Expenses (Lab. Code § 2802).

Below please find the relevant facts and legal theories to support the aforementioned violations.

Failure to Provide Compliant Meal Periods

During the Relevant Time Period, upon information and belief, Employer had, and continues to have, a company-wide policy and/or practice of failing to provide Employee and other aggrieved employees with timely, off-duty, uninterrupted meal periods of not less than thirty (30) minutes. Specifically, Employer does not maintain a policy or practice of requiring employees to clock in or out for meal periods. As a result, there are no accurate records of when, or whether, employees received compliant meal periods, and Employer has systematically failed to provide compliant meal periods while simultaneously failing to record those violations. Throughout their employment, Employee' meal periods were regularly provided late — after they had already worked in excess of five (5) hours — and were frequently shortened or interrupted such that Employee was not relieved of all duties for a full thirty (30) minutes. On many occasions, Employee did not receive a meal period at all before working more than five (5) hours.

Under California law, employers must provide meal periods during which employees are completely relieved of all duties. In *Augustus v. ABM Security Services, Inc.* (2016) 2 Cal.5th 257, the California Supreme Court reaffirmed that the required meal and rest periods must be “off-duty,” which means that employees must be relieved of “all work-related duties” and must be “free from employer control” over how they “spend their time.” *Id.* at 264, 269. The mere existence of a facially lawful meal period policy is unavailing if there are practical constraints and pressures on employees to perform their duties in ways that omit or curtail breaks. See *Brinker Rest. Corp. v. Superior Court* (2012) 53 Cal.4th 1004, 1040.

On July 15, 2021, the California Supreme Court issued its decision in *Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.5th 858, holding that employers must pay premium payments to employees for missed meal, rest, and recovery breaks at the employee’s “regular rate of pay” instead of their base hourly rate.

Employer knew or should have known that as a result of their policies and/or practices, Employee and other aggrieved employees were not actually relieved of all duties to take timely, uninterrupted meal periods of not less than thirty (30) minutes. Employer further knew or should have known that they did not pay Employee and other aggrieved employees all meal period premiums when meal periods were missed, late, short, and/or interrupted. Accordingly, Employer failed to provide all meal periods in violation of Labor Code §§ 226.7, 512(a), 516, and 1198. Employee and other aggrieved employees are entitled to civil penalties, attorney’s fees, costs, and interest thereon, pursuant to Labor Code §§ 2699(a), (f)-(g).

Failure to Provide Compliant Rest Periods

Labor Code §§ 226.7, 516, and 1198, and the applicable IWC wage order require employers to provide rest periods and to pay an employee one (1) additional hour of pay at the employee’s regular rate for each work day that a rest period is not provided. The applicable IWC wage order provides that “[e]very employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period” and that the “rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof.”

During the Relevant Time Period, Employer regularly failed to authorize and permit Employee and other aggrieved employees to take a full ten (10) net minutes of off-duty rest period time per each four (4) hour period worked or major fraction thereof. Employee did not always receive rest breaks to which they were entitled under California law. On many occasions, Employee’ rest breaks were either not provided at all, were cut short, or were otherwise not compliant with the requirements of California law.

Employer has engaged in a company-wide practice and/or policy of not authorizing or permitting rest periods and not paying any rest period premiums. Because of this practice and/or

policy, Employee and other aggrieved employees have not received any rest periods and have received no premium pay for the rest periods they were systematically denied.

Accordingly, Employer failed to authorize and permit all compliant rest periods in violation of Labor Code §§ 226.7, 516, and 1198. Employee and other aggrieved employees are entitled to civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code §§ 2699(a), (f)-(g).

Failure to Timely Pay Final Wages Upon Termination

Employee Vargas's employment with Employer ended on or about April 15, 2026. As a pattern and practice, Employer regularly failed to pay Employee and other aggrieved employees their final wages pursuant to Labor Code §§ 201–203, including all unpaid wages (including earned commissions), meal period premiums, and rest period premiums for the violations described herein.

Labor Code §§ 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

On information and belief, Employer has a company-wide practice or policy of failing to pay all accrued wages to departing employees and do not adhere to the time requirements set forth in Labor Code §§ 201 and 202.

Employer willfully failed to pay Employee and other aggrieved employees the earned and unpaid wages set forth above, including but not limited to unpaid meal and rest period premiums, either at the time of discharge or within seventy-two (72) hours of their leaving Employer's employ. Employee and other aggrieved employees are entitled to civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code §§ 2699(a), (f)-(g).

Failure to Provide Accurate, Itemized Wage Statements

Labor Code § 226(a) requires employers to make, keep, and provide true, accurate, and complete wage records. Employer have not provided Employee and other aggrieved employees with properly itemized wage statements. During the Relevant Time Period, Employer knowingly and intentionally provided Employee and other aggrieved employees with uniform, incomplete, and inaccurate wage statements. Because Employer did not record meal period clock-in and clock-out times and failed to pay meal and rest period premiums owed, Employer's wage statements fail to correctly list: gross wages earned; total hours worked; net wages earned; and all applicable

hourly rates in effect during the pay period, including rates of pay for meal and rest period premiums and the corresponding number of hours worked at each hourly rate.

Employer violated Labor Code §§ 226(a)(1), 226(a)(2), 226(a)(5), and 226(a)(9). Because Employer did not record the time Employee and other aggrieved employees spent working through meal periods, and failed to pay meal and rest period premiums, Employer did not list the correct amount of gross wages and net wages earned in compliance with §§ 226(a)(1) and 226(a)(5), respectively. For the same reason, Employer failed to accurately list the total number of hours worked, in violation of § 226(a)(2), and failed to list the applicable hourly rates of pay in effect during the pay period and the corresponding accurate number of hours worked at each hourly rate, in violation of § 226(a)(9).

As a result of Employer's failure to keep accurate records, Employee and other aggrieved employees suffered injuries in the form of confusion over whether they received all wages owed to them, and difficulty and expense in reconstructing pay records, in addition to other injuries which may come to light during the discovery process. Employee and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code §§ 226.3, 1174.5, and/or 2699(a), (f)-(g).

Failure to Pay Overtime Wages

Labor Code § 510 requires employers to pay non-exempt employees one and one-half (1.5) times the employee's regular rate of pay for all hours worked in excess of eight (8) hours in a workday and forty (40) hours in a workweek, and double the employee's regular rate of pay for all hours worked in excess of twelve (12) hours in any workday. Labor Code § 1194 provides that any employee receiving less than the legal overtime compensation is entitled to recover the unpaid balance in a civil action.

During the Relevant Time Period, Employee regularly worked in excess of eight (8) hours per day and forty (40) hours per week. Specifically, Employee routinely worked twelve (12) to fourteen (14) hours per day, Monday through Friday, and on occasion worked Saturdays as well. Despite regularly working well in excess of the statutory thresholds, Employer failed to pay Employee and other aggrieved employees all overtime wages owed at the applicable overtime rate. Because Employee's compensation included a commission component in addition to an hourly rate, Employer was required to calculate overtime based on Employee's "regular rate of pay" as defined under California law, inclusive of all remuneration earned during the workweek, including commissions. On information and belief, Employer failed to include commissions in the regular rate calculation for overtime purposes, further understating overtime compensation owed.

The wage statements produced by Employer confirm this violation. For example, the pay stub for the period of December 14–20, 2025 reflects total earnings of \$6,367.56 on 46.42 hours worked, consisting of: Regular pay of \$3,659.48 at a rate of \$121.11/hour (30.22 hours); PTO pay of \$1,218.43 at \$152.30/hour (8.00 hours); and Overtime pay of \$1,489.65 at \$181.66/hour (8.20

hours). The overtime rate of \$181.66 is exactly 1.5 times the base hourly rate of \$121.11 — demonstrating that Employer calculated overtime solely on the base rate without any commission component. Employee's W-2 for 2025 reflects total [REDACTED], confirming annual earnings far in excess of what base wages alone could explain. The difference — approximately \$215,000 above base wages for 2025 — represents commission income that was entirely excluded from Employer's overtime calculations throughout the year, resulting in systematic and substantial underpayment of overtime.

Additionally, the December 14–20, 2025 pay stub includes 8.00 hours of PTO in the total 46.42 hours used as the denominator for all wage calculations. Under California law, PTO is not “hours worked” and must not be included in the total hours worked when computing the regular rate of pay for overtime purposes. Including PTO hours artificially suppresses the regular rate, further understating overtime owed to Employee and all aggrieved employees compensated on a similar commission-plus-hourly basis.

Accordingly, Employer failed to pay all overtime wages in violation of Labor Code §§ 510, 1194, and 1198. Employee and other aggrieved employees are entitled to civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code §§ 2699(a), (f)-(g).

Failure to Reimburse Necessary Business Expenses

Labor Code § 2802 requires employers to indemnify employees for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties. This obligation extends to the reasonable cost of employees' personal cell phone usage where the employer requires or permits the employee to use a personal device for work purposes. See *Cochran v. Schwan's Home Service, Inc.* (2014) 228 Cal.App.4th 1137, 1140.

Throughout his employment, Employer required Employee to use his personal cell phone to photograph vehicles as part of his job duties as an Auto Body Mechanic. This was a mandatory job requirement. Despite requiring Employee to use his personal device for this work purpose, Employer provided no reimbursement for the costs incurred. On information and belief, Employer maintained a company-wide policy and/or practice of requiring aggrieved employees to use personal cell phones for work-related purposes without providing any reimbursement for the associated costs.

Accordingly, Employer failed to reimburse Employee and other aggrieved employees for necessary business expenses in violation of Labor Code § 2802. Employee and other aggrieved employees are entitled to civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code §§ 2699(a), (f)-(g).

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Conclusion

Enclosed please find a copy of the class action complaint being filed concurrently in the Superior Court for the State of California, County of Alameda. Employee respectfully request that the LWDA notify this office within sixty (60) days if it wishes to investigate this matter further. A copy is being sent via certified mail to Employer. Should you have any questions or concerns or require additional information, please do not hesitate to contact the undersigned.

Thank you for your time and consideration.

Very truly yours,

BRADLEY GROMBACHER, LLP

By: Marcus J. Bradley
Marcus J. Bradley

Enclosure – as stated above.

cc: G & C AUTO BODY, INC.
100 STONY POINT RD.
SANTA ROSA, CA 95401

INCorp SERVICES, INC.
REGISTERED AGENT FOR G & C AUTO BODY, INC
5716 CORSA AVE, SUITE 110
WESTLAKE VILLAGE, CA 91362