



Justin Lo (SBN: 280102)
justin@caworklawyer.com
WORK LAWYERS PC
22939 Hawthorne Blvd., #300
Torrance, CA 90505
Tel: (424) 355-8535
Fax: (424) 355-8335

Attorneys for Plaintiff JORGE SOLIS FLORES, as representative of the State of California and the Labor and Workforce Development Agency, and on behalf of himself and Aggrieved Employees

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SANTA CRUZ COUNTY**

JORGE SOLIS FLORES, on behalf of himself
and all other Aggrieved Employees,

Plaintiff,

v.

S. MARTINELLI & COMPANY , a California
Corporation.; and DOES 1- 50, Inclusive,

Defendant,

Case No. 24CV00325

COMPLAINT

1. Civil Penalties under the Private Attorneys General Act (PAGA)

1 Plaintiff, JORGE SOLIS FLORES, (“Plaintiff”), as a representative of the State of
2 California and the Labor and Workforce Development Agency (LWDA), and on behalf of himself
3 and other current or former Aggrieved Employees, complains and alleges as follows:

4 **INTRODUCTION**

5 1. This is a representative action brought by Plaintiff, as a representative of the State
6 of California and the LWDA, and on behalf of himself and other Aggrieved Employees, to collect
7 civil penalties for Defendant’s Labor Code violations.

8 2. Defendant and employer, S. MARTINELLI & COMPANY, (“Defendant”),
9 violated numerous wage and hour laws with respect to Plaintiff and other Aggrieved Employees
10 by failing to provide, for example: accurate and itemized wages statements, payment for all hours
11 worked (including regular wages and overtime), failure to provide a minimum wage, lawful meal
12 periods, lawful rest periods, timely payment during employment, failure to reimburse for
13 expenses incurred during the course and scope of employment, and payment upon separation of
14 employment.

15 **PARTIES**

16 **The Plaintiff**

17 3. Plaintiff is, and at all times herein mentioned was, a resident of California,
18 currently residing in Santa Cruz County.

19 4. Aggrieved Employees are all former and/or current non-exempt employees
20 holding various positions and employed by Defendant within California during the relevant time
21 period who were subject to at least one or more Labor Code violations set forth in the PAGA
22 Notice dated November 14, 2023 and attached hereto as **Exhibit A** (“Aggrieved Employees”).

23 **The Defendants**

24 5. Defendant S. MARTINELLI & COMPANY., is a California corporation which,
25 at all relevant times mentioned herein, existing, doing business and employing individuals in the
26 County of Santa Cruz, State of California. Plaintiff is informed and thereon alleges that Defendant
27 exercised control over Plaintiff and Aggrieved Employees’ wages, hours, and working conditions.
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1 6. Defendant S. MARTINELLI & COMPANY., is a California corporation which,
2 at all relevant times mentioned herein, existing, doing business and employing individuals in the
3 County of Orange, State of California. Plaintiff is informed and thereon alleges that Defendant
4 exercised control over Plaintiff and Aggrieved Employees' wages, hours, and working conditions.

5 7. The true names and capacities, whether individual, corporate, associate, or
6 otherwise of Defendants named herein as DOES 1-50, inclusive, are unknown to Plaintiff at this
7 time and therefore said Defendants are sued by such fictitious names. Plaintiff will seek leave to
8 amend this Complaint to insert the true names and capacities of said Defendants when the same
9 become known to Plaintiff. Plaintiff is informed and believes and thereupon alleges that each of
10 the fictitiously-named Defendants are responsible for the wrongful acts alleged herein and is
11 therefore liable to Plaintiff as alleged hereinafter.

12 8. Plaintiff is informed and believes, and based thereupon alleges, that at all times
13 relevant hereto, Defendants, and each of them, were the agents, employees, managing agents,
14 supervisors, conspirators, parent corporation, joint employers, alter ego, and/or joint ventures of
15 the other Defendants, and each of them, and in doing the things alleged herein, were acting at
16 least in part within the course and scope of said agency, employment, conspiracy, joint
17 employment, alter ego status, and/or joint venture and with the permission and consent of each of
18 the other Defendants.

19 9. Plaintiff is informed and believes, and based thereupon alleges, that Defendants,
20 and each of them, including those Defendants named DOES 1-50, acted in concert with one
21 another to commit the wrongful acts alleged therein, and aided, abetted, incited, compelled,
22 and/or coerced one another in the wrongful acts alleged herein, and/or attempted to do so.
23 Plaintiff is further informed and believes, and based thereupon alleges, that the Defendants, and
24 each of them, including those Defendants named as DOES 1-50, formed and executed a
25 conspiracy or common plan pursuant to which they would commit the unlawful acts alleged
26 herein, with all such acts alleged herein done as part of and pursuant to said conspiracy, intended
27 to and actually causing Plaintiff harm.
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1 10. Whenever and wherever reference is made in this Complaint to any act or failure
2 to act by a defendant or co-defendant, such allegations and references shall also be deemed to
3 mean the acts and/or failures to act by each defendant acting individually, jointly and severally.

4 **JURISDICTION AND VENUE**

5 11. Venue is proper in Santa Cruz County, because Defendant maintains its locations
6 and transacts business in this county, the obligations and liability primarily arise in this county,
7 and work was primarily performed by Plaintiff and other Aggrieved Employees in this county.

8 12. The California Superior Court has jurisdiction over this matter. The individual
9 claims are under the seventy-five thousand dollar (\$75,000.00) jurisdictional threshold for
10 federal court and PAGA penalties cannot be aggregated to meet the minimum jurisdictional
11 amount required for diversity removal. Further, there is no federal question at issue as the issues
12 herein are based solely on California statutes and law, including, but not limited to, the California
13 Labor Code, Industrial Welfare Commission Wage Orders, California Code of Civil Procedure,
14 and California Rules of Court.

15 **GENERAL ALLEGATIONS**

16 13. Defendant is in the business of manufacturing and distributing apple cider.
17 Defendant employed Plaintiff and Aggrieved Employees in California during the relevant PAGA
18 period. Aggrieved Employees are all former and/or current non-exempt employees holding
19 various positions and employed by Defendant within California during the relevant time period
20 who were subject to at least one or more Labor Code violations set forth in the PAGA Notice
21 dated November 14, 2023, and attached hereto as **Exhibit A**

22 14. Plaintiff was employed by Defendant as a Fork Lift driver from about September
23 6, 2022 to October 18, 2023. Plaintiff's primary duties include shipping, receiving, and loading
24 product onto trailers.

25 15. The position required Plaintiff to work more than 8 hours a day and/or 40 hours
26 per week without lawful compensation. Plaintiff and Aggrieved Employees were regularly not
27 paid for minimum wages and overtime for compensable work time spent under the control of
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1 Defendant, including off-the-clock work which was in excess of regularly scheduled, eight-hour
2 daily shifts.

3 16. Plaintiff and Aggrieved Employees were subject to not having all their
4 compensable work time recorded due to Defendant's lack of adequate staffing. Not all of Plaintiff
5 and Aggrieved Employees' compensable work time spent under the control of Defendant was
6 accounted for and compensated. Specifically, Plaintiff is informed and believes that Defendant
7 (1) adjusted clock in and clock out times to the disadvantage of Plaintiff and other Aggrieved
8 Employees by rounding up clock-in times when Plaintiff and Aggrieved Employees clocked-in
9 before the scheduled start of their respective shifts and rounded down clock-out times when
10 Plaintiff and Aggrieved Employees worked past the scheduled end time for their shifts, as well
11 as (2) requiring Plaintiff and Aggrieved Employees to continue working when ostensibly on
12 duty-free meal periods, or requiring them to return to work before the end of their thirty-minute
13 meal periods but prohibiting them from clocking back in until the legally required thirty-minute
14 mark.
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16 17. Based on information and belief, Plaintiff believes he and Aggrieved Employees
17 were also not being reimbursed for all necessary expenses incurred in the performance of their
18 job duties. Specifically, Defendant required Plaintiff and Aggrieved Employees, regardless of
19 classification, to use their personal cellular telephones to communicate with colleagues and
20 supervisors in the course of performing their respective duties but failed to reimburse them for
21 use of the personal cellular devices nor the consumption of personal calling or home internet
22 data plans. Specifically, Plaintiff used his personal cellular telephone to communicate with
23 delivery drivers to direct them to the correct loading gate. Additionally, he would have to drive
24 his personal vehicle to reach Defendants other business and warehouse locations that were
25 several miles away.

26 18. Defendant failed to authorize and permit all required meal and rest periods for
27 Plaintiff and Aggrieved Employees because, upon information and belief, Defendant maintained
28 unlawful meal/rest period policies and practices. In order to curtail labor costs, Defendant

regularly did not staff enough employees to provide sufficient coverage to maintain their business operations so Plaintiff and Aggrieved Employees could not both complete their assigned daily duties and take complete, timely and uninterrupted meal and rest breaks. Defendant prioritized completion of daily duties and customer satisfaction ahead of meal and rest period compliance. Defendant's paid Plaintiff and Aggrieved Employees varying amounts and rates of non-discretionary income where Defendant failed to provide Plaintiff and Aggrieved Employees with an additional hour of premium pay at the regular rate of pay for each meal/rest period violation, as required by Labor Code section 226.7.

19. As a result of the violations described above, Plaintiff and Aggrieved Employees experienced collateral or derivative violations. Specifically, Defendant failed to provide Plaintiff and Aggrieved Employees accurate itemized wage statements in writing in compliance with Labor Code section 226 and failed to compensate Plaintiff and Aggrieved Employees for all wages owed at the time employment with Defendant had ended.

20. Pursuant to Labor Code section 2699, subdivision (a), any provision of the Labor Code that provides for a civil penalty to be assessed and collected by the LWDA or any of its departments, divisions, commissions, boards, agencies or employees for violation of the code may, as an alternative, be recovered through a civil action brought by an aggrieved employee on behalf of himself and other current or former employees pursuant to the procedures specified in Labor Code section 2699.3.

21. For all provisions of the Labor Code except those for which a civil penalty is specifically provided, Labor Code section 2699, subdivision (f) imposes upon Defendant a penalty of one hundred dollars (\$100.00) for each Aggrieved Employee per pay period for the initial violation and two hundred dollars (\$200.00) for each Aggrieved Employee per pay period for each subsequent pay period in which Defendant violated these provisions of the Labor Code.

22. Defendant's conduct during the PAGA period with respect to Plaintiff and Aggrieved Employees violates numerous Labor Code sections as detailed herein.

23. Plaintiff alleges that Defendant has engaged in a systematic pattern of wage and

1 hour violations under the California Labor Code and IWC Wage Orders.

2 24. At all relevant times herein, Defendant employed Plaintiff and Aggrieved
3 Employees who were subject to the employment policies described herein, in whole or in part,
4 and therefore suffered at least one or more of the violations set forth herein.

5 25. Plaintiff is informed and believes, and based thereon alleges, that Defendant knew
6 or should have known that Plaintiff and Aggrieved Employees were entitled to receive wages
7 for all hours worked, including the applicable minimum, regular, and overtime wages, and that
8 they were not receiving all wages earned for work that was required to be performed. In violation
9 of the Labor Code and IWC Wage Orders, Defendant failed to pay Plaintiff and Aggrieved
10 Employees for all hours worked. Accordingly, Defendant failed to pay Plaintiff and Aggrieved
11 Employees all earned minimum, regular, and/or overtime compensation.

12 26. Plaintiff is informed and believes, and based thereon alleges, that Defendant knew
13 or should have known that Plaintiff and Aggrieved Employees were entitled to receive all
14 required meal periods or payment of one (1) additional hour of pay at Plaintiff and Aggrieved
15 Employees' regular rate of pay when they did not receive a timely, uninterrupted off-duty meal
16 period. In violation of the Labor Code and IWC Wage Orders, Defendant had a pattern, practice,
17 and policy of not providing timely meal periods. Defendant failed to pay an additional hour of
18 pay to Plaintiff and Aggrieved Employees for late meal periods. As a result of Defendant's
19 unlawful policy and practice, Plaintiff and aggrieved employees did not receive all meal periods
20 or payment of one (1) additional hour of pay at Plaintiff's and Aggrieved Employees' regular
21 rate of pay when they did not receive a timely, uninterrupted 30 minute off-duty meal period.

22 27. Plaintiff is informed and believes, and based thereon alleges, that Defendant knew
23 or should have known that Plaintiff and Aggrieved Employees were entitled to receive all
24 required rest periods or payment of one (1) additional hour of pay at Plaintiff and Aggrieved
25 Employees' regular rate of pay when they did not receive a timely, uninterrupted off-duty rest
26 period. In violation of the Labor Code and IWC Wage Orders, Defendant had a pattern, practice,
27 and policy of not providing timely rest periods. Defendant failed to pay an additional hour of
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1 pay to Plaintiff and Aggrieved Employees for each rest periods were not provided or was
2 interrupted. As a result of Defendant's unlawful policy and practice, Plaintiff and Aggrieved
3 Employees did not receive all required rest periods or payment of one (1) additional hour of pay
4 at Plaintiff's and Aggrieved Employees' regular rate of pay when they did not receive a timely,
5 uninterrupted 10 minute off-duty rest period.

6 28. Plaintiff is informed and believes, and based thereon alleges, that Defendant knew
7 or should have known that Plaintiff and certain Aggrieved Employees were entitled to timely
8 payment of wages due upon separation of employment. In violation of the Labor Code, Plaintiff
9 and certain Aggrieved Employees did not receive payment of all wages due, within permissible
10 time periods, upon separation of employment.

11 29. Plaintiff is informed and believes, and based thereon alleges, that Defendant knew
12 or should have known that Plaintiff and Aggrieved Employees were entitled to receive itemized
13 wage statements that accurately showed their actual hours worked, total hours worked, number
14 of hours worked at each hourly rate, gross and net wages earned, and correct employer
15 information in accordance with California law. As a result of the wage violations specified
16 above, and in violation of the Labor Code, Plaintiff and Aggrieved Employees were not provided
17 with accurate itemized wage statements that accurately reported their gross and net wages
18 earned, total hours worked, each applicable rate of pay in effect during the pay period with the
19 corresponding number of hours worked, and the address of the legal entity that is the employer,
20 among other things.

21 30. Plaintiff is informed and believes, and thereon alleges, that Defendant knew or
22 should have known that Defendant was required to maintain accurate records of the hours
23 worked by Plaintiff and Aggrieved Employees. In violation of the Labor Code, Defendant failed
24 to maintain accurate records of hours worked by Plaintiff and Aggrieved Employees due to its
25 off-the-clock and/or unfair rounding practices, among other things.

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1 **FIRST CAUSE OF ACTION**

2 **(Civil Penalties Under the Private Attorneys General Act,**
3 **Labor Code § 2699 et seq., For Violations of the Labor Code)**

4 31. Plaintiff realleges and incorporates by reference the preceding paragraphs of this
5 Complaint as if fully alleged herein.

6 32. By this complaint, Plaintiff brings this case as a representative action seeking
7 penalties for himself, the Aggrieved Employees, and the State of California in a representative
8 capacity, as provided by the PAGA, Labor Code sections 2698 et seq. Plaintiff is an Aggrieved
9 Employee who was employed by Defendant and subject to at least one of the Labor Code
10 violations set forth in Labor Code section 2699.5. Plaintiff specifically alleged the following in
11 their notice to the LWDA and Defendants: violation of Labor Code sections 201, 202, 203, 204,
12 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198 and
13 2802.

14 33. Under Labor Code section 2699.3, subdivision (a), a plaintiff may bring a cause
15 of action under PAGA only after giving the LWDA and the employer notice of the Labor Code
16 sections alleged to have been violated, and after receiving notice from the LWDA of its intention
17 not to investigate, or after 65 days have passed without notice from the LWDA.

18 34. Prior to filing this complaint, on November 14, 2023, Plaintiff gave written notice
19 of the specific provisions alleged to have been violated, including the facts and theories to
20 support the alleged violations, as required by Labor Code section 2699.3 to Defendant S.
21 MARTINELLI & COMPANY. The written notice was given via certified mail to Defendant,
22 and the LWDA by electronically filing the notice via the Department of Industrial Relations
23 website. Plaintiff was given an LWDA case number of LWDA-CM-994176-23 True and correct
24 copies of Plaintiff's notices to the LWDA and Defendant are attached hereto as **Exhibit A**.

25 35. The LWDA has not provided Plaintiff with any notice that it intends to investigate
26 the violations as alleged in Plaintiff's notices, and more than 65 calendar days have elapsed since
27 the postmark date on the latter notice.
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36. California Labor Code §§2698-2699.5, in relevant part provides, “any provision of this code that provides for a civil penalty to be assessed and collected by the Labor and Workforce Development Agency...for a violation of this code, may, as an alternative, be recovered through a civil action brought by an Aggrieved Employee on behalf of himself or herself and other current or former employees pursuant to the procedures specified in Section 2699.3.”

37. As an Aggrieved Employee, Plaintiff brings this civil action to recover civil penalties for Defendant's Labor Code violations.

First Violation

(Failure to Provide Meal Periods, in Violation of Labor Code Section 512)

38. Under California Labor Code §512(a), “An employer may not employ an employee for a work period of more than five hours per day without providing the employee with a meal period of not less than 30 minutes, except that if the total work period per day of the employee is no more than six hours, the meal period may be waived by mutual consent of both the employer and employee.”

39. Defendant violated Labor Code § 512 by failing to provide Plaintiff and Aggrieved Employees who worked shifts of greater than five hours, uninterrupted and/or timely meal periods within the first five hours of the shifts worked. Defendant furthermore did not provide the requisite second meal period after working more than 10 hours.

40. Defendant failed to pay Plaintiff one hour's pay at Plaintiff's regular rate of pay for each day Defendant failed to provide a meal period in compliance with section 512.

Second Violation

(Failure to Provide Rest Periods, in Violation of Labor Code Section 226.7)

41. Under California Labor Code §226.7(b), “An employer shall not require an employee to work during a meal or rest or recovery period mandated pursuant to an applicable statute, or applicable regulation, standard, or order of the Industrial Welfare Commission”

42. Industrial Welfare Commission (IWC) provides, “Every employer shall authorize

1 and permit all employees to take rest periods, which insofar as practicable shall be in the middle
2 of each work period. The authorized rest period time shall be based on the total hours worked
3 daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof.”

4 43. Defendant failed to authorize and permit Plaintiff and Aggrieved Employees to
5 take rest periods and mandated by the Wage Order.

6 44. Under §226.7(c), an employer who violates §226.7(b), “...shall pay the employee
7 one additional hour of pay at the employee’s regular rate of compensation for each workday that
8 the meal or rest or recovery period is not provided.”

9 45. Defendant failed to pay Plaintiff and Aggrieved Employees who were not
10 provided rest periods one hour of pay at their regular rate of pay.

11 **Third Violation**

12 **(Failure to Provide Complete and Accurate Wage Statements,**
13 **in Violation of Labor Code Section 226)**

14 46. Under California Labor Code §226(a), an employer is legally obligated to provide
15 its employees, semi-monthly or at the time of payment of wages, “an accurate itemized statement
16 in writing...”

17 47. Plaintiff, on behalf of the State of California and the LWDA, seeks civil penalties
18 for Defendant’s Labor Code violations alleged herein, as well as attorney’s fees and costs, under
19 Labor Code § 2699.

20 **Fourth Violation**

21 **(Failure to Pay Overtime Wages)**

22 48. Pursuant to California Labor Code §§ 510, 1194, and IWC Wage Orders, an
23 employer is required to compensate employees for all overtime, which is calculated at one and
24 one-half (1½) times the regular rate of pay for all hours worked in excess of eight (8) hours per
25 day and/or forty (40) hours per week, and for the first eight (8) hours on the seventh consecutive
26 workday, with double time for all hours worked in excess of twelve (12) hours in any workday
27 and for all hours worked in excess of eight (8) hours on the seventh consecutive day of work in
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any workweek.

49. Plaintiff, on behalf of the State of California and the LWDA, seeks civil penalties for Defendant's Labor Code violations alleged herein, as well as attorney's fees and costs, under Labor Code § 2699.

Fifth Violation

(Failure to Pay Minimum Wages)

50. Pursuant to California Labor Code §§ 1194, 1197, and IWC Wage Orders, payment to an employee of less than the applicable minimum wage for all hours worked in a payroll period is unlawful.

51. Plaintiff, on behalf of the State of California and the LWDA, seeks civil penalties for Defendant's Labor Code violations alleged herein, as well as attorney's fees and costs, under Labor Code § 2699.

Sixth Violation

(Failure to Timely Pay Wages During Employment)

52. Pursuant to California Labor Code § 204, for all labor performed between the 1st and 15th days of any calendar month, an employer is required to pay its employees between the 16th and 26th day of the month during which the labor was performed. California Labor Code § 204 also provides that for all labor performed between the 16th and 26th days of any calendar month, Defendant was required to pay their employees between the 1st and 15th day of the following calendar month. In addition, California Labor Code § 204 provides that all wages earned for labor in excess of the normal work period shall be paid no later than the payday of the next regular payroll period.

53. Plaintiff, on behalf of the State of California and the LWDA, seeks civil penalties for Defendant's Labor Code violations alleged herein, as well as attorney's fees and costs, under Labor Code § 2699.

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1 **Seventh Violation**

2 **(Failure to Pay All Wages Due to Discharged and Quitting Employees)**

3 54. Pursuant to California Labor Code § 201, 202, and 203, Defendant is required to
4 pay all earned and unpaid wages to an employee who is discharged. California Labor Code §
5 201 mandates that if an employer discharges an employee, the employee's wages accrued and
6 unpaid at the time of discharge are due and payable immediately.

7 55. Plaintiff, on behalf of the State of California and the LWDA, seeks civil penalties
8 for Defendant's Labor Code violations alleged herein, as well as attorney's fees and costs, under
9 Labor Code § 2699.

10 **Eighth Violation**

11 **Failure to Reimburse Business Expenses in Violation of Labor Code § 2802**

12 **(Against all Defendants and DOES 1 to 50, inclusive)**

13 56. Labor Code § 2802 provides that an employer shall indemnify his or her
14 employee for all necessary expenditures or losses incurred by the employee in direct
15 consequence of the discharge of his or her duties, or of his or her obedience to the directions of
16 the employer.

17 57. Defendants failed to indemnify and reimburse Plaintiff for all necessary
18 expenditures or losses incurred by Plaintiff in direct consequence of the discharge of Plaintiff's
19 job duties.

20 58. Pursuant to Labor Code § 2802, Plaintiff is entitled to recover business expenses
21 incurred as a result of discharging his duties, including interest.

22 59. Plaintiff, on behalf of the State of California and the LWDA, seeks civil penalties
23 for Defendants' Labor Code violations alleged herein, as well as attorney's fees and costs, under
24 Labor Code § 2699.

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Dated: February 2, 2024

- Respectfully Submitted,


Justin Lo, Esq.
Attorney for Plaintiff JORGE SOLIS FLORES and
Aggrieved Employees

EXHIBIT A



NOTICE OF LABOR CODE VIOLATIONS - PAGA
(Labor Code § 2699.3)

DATE November 14, 2023

DELIVERY Online Filing and Certified U.S. Mail

RECIPIENTS California
Workforce Development Agency
PAGAfilings@dir.ca.gov

SUBJECT: Jorge Solis Flores v. S. Martinelli & Company. ET AL —NOTICE OF LABOR CODE VIOLATIONS UNDER CAL. LABOR CODE §2699.3

Dear Representative:

This office represents Jorge Solis Flores (“Mr. Solis”) or Complainant) with respect to their claims against S. Martinelli & Company (“Employer”) for violations of the California Labor Code and IWC Wage Orders. This letter is being sent simultaneously to Employers by certified mail.

Employers are a corporation doing business in the State of California. Employers employed Mr. Solis from approximately September 6, 2022, to the present. During their employment with Employers, Mr. Solis is employed as a “General Laborer” at Employers’ factory located at 735 W Beach Street Watsonville, CA 95076.

Mr. Solis intends to seek penalties for violations of the California Labor Code which are recoverable under California Labor Code section 2698, et seq., the Private Attorneys General Act of 2004 (“PAGA”). Mr. Solis is seeking penalties on behalf of themselves and in a representative capacity on behalf of the State of California and all current and former non-exempt employees of any of the Employers working within California holding various positions who experienced at least one or more of the violations set forth in this notice. (“Aggrieved Employees”). This letter is being sent in compliance with California Labor Code section 2699.3.

As detailed below, Employers violated several of California’s wage and hour laws during Complainant’s employment, including but not limited to violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 227.3, 510, 512(a), 1174(d), 1194, 1197, 1197.1,



1198, 2800 and 2802, and the Industrial Welfare Commission Wage Orders (“IWC Wage Order”) including inter alia, IWC Wage Order No. 5. The claims made on behalf of Complainant and Aggrieved Employees are based upon the following facts and theories:

1. FAILURE TO PAY FOR ALL TIME WORKED AT CORRECT RATES OF PAY, INCLUDING MINIMUM WAGES, STRAIGHT TIME WAGES, AND OVERTIME COMPENSATION.

Employers have engaged in numerous unlawful practices which resulted in the failure to pay Complainant and Aggrieved Employees for all time worked at the correct rates of pay, including minimum wages, straight time wages, and overtime compensation. Complainant and Aggrieved Employees were provided non-discretionary pay such as shift differentials and training overtime that was not incorporated in their regular rate of pay thus causing underpayment of wages and premium payments, including but not limited to rest and meal period premiums and overtime compensation.

First, Employers regularly required Complainant and Aggrieved Employees to work off-the-clock in order to complete their duties and responsibilities. This off-the-clock work included, amongst other things, requiring Complainant and Aggrieved Employees to: (1) respond to Employers and work-related requests and perform work while clocked out for purported meal breaks; (2) perform work before clocking in for the start of their shift; and (3) perform work after clocking out for the end of their shift. Complainant and Aggrieved Employees were not compensated for this off-the-clock work, resulting in a failure to pay minimum wages and straight time wages.

Employers also failed to accurately record the actual time worked by Complainant and Aggrieved Employees. Finally, and as a matter of policy and/or practice, Employers failed to pay overtime to Complainant and Aggrieved Employees for all overtime hours worked based on regular rates of pay correctly calculated to include all applicable remuneration and all compensable work time.

As a result of the foregoing practices, Employers have failed to pay Complainant and Aggrieved Employees all owed wages for all wages earned at the correct rates of pay, including minimum wages, straight time wages, and overtime compensation. Accordingly, Employers violated IWC Wage Order No. 5 and California Labor Code sections 204, 510, 1194, 1197, 1197.1 and 1198.

Complainant and Aggrieved Employees will therefore seek PAGA default penalties; penalties pursuant to paragraph (20)(A) of IWC Wage Order No. 5; penalties pursuant to California Labor Code sections 558, 1197.1, and 1199; and attorneys’ fees and costs.



2. FAILURE TO PROVIDE MEAL PERIODS AND PAY MEAL PERIOD PREMIUMS

Employers required Complainant and Aggrieved Employees to work more than five (5) hours per day but were not provided with uninterrupted 30-minute meal periods. Further, Complainant and Aggrieved Employees were not provided with a second uninterrupted 30-minute meal period when they worked over ten (10) hours per day. Employers regularly required Complainant and Aggrieved Employees to work through their first and second meal periods, to take their first meal period after their fifth (5th) hour of work, and/or to take their second meal periods after their tenth (10th) hour of work. On the occasions that Complainant and Aggrieved Employees did take a meal period, their meal periods were frequently interrupted or cut short.

Employers' policies, practices, and procedures were responsible for the violations alleged above and prevented Complainant and Aggrieved Employees from taking timely, complete and duty-free meal periods because, amongst other reasons: (1) Employers did not have legally-compliant policies regarding the provision and timing of meal periods or systematically disregarded its own purported meal period policies; (2) Employers' management at various levels, affecting all non-exempt/hourly employees, failed and refused to implement and enforce legally compliant meal period policies and practices; (3) Employers failed to adequately inform and train Complainant and other Aggrieved Employees regarding their right to take timely, uninterrupted, and duty-free meal periods; (4) Employers failed to adequately inform and train Complainant and other Aggrieved Employees about their right to premium wages for non-compliant meal periods; (5) Employers failed to ensure that there was adequate staffing to allow Complainant and other Aggrieved Employees to take timely, uninterrupted, and duty-free meal periods; and (6) Employers' policy and culture prevented Complainant and other Aggrieved Employees from taking timely, uninterrupted, and duty-free meal periods because of the priority placed on completing job requirements over employees' right to receive timely, uninterrupted, and duty-free meal periods.

Accordingly, Employers violated IWC Wage Order No. 5 and California Labor Code sections 226.7(a), 512(a) and 1198.

Complainant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to paragraph (20)(A) of IWC Wage Order No. 5; penalties pursuant to California Labor Code California Labor Code sections 558 and 1199; and attorneys' fees and costs.

3. FAILURE TO AUTHORIZE AND PERMIT REST PERIODS AND PAY REST PERIOD PREMIUMS.

Employers failed to authorize and permit Complainant and Aggrieved Employees to take legally compliant 10-minute periods. Employers required Complainant and Aggrieved Employees to



work through rest periods. Complainant and Aggrieved Employees were not provided with uninterrupted, duty-free rest periods when they worked more than four (4) hours or a major fraction thereof. Further, Complainant and Aggrieved Employees were not provided with a second uninterrupted, duty-free rest period when they worked more than six (6) hours in a day, or a third uninterrupted, duty-free rest period after working more than ten (10) hours in day. In the rare event that a rest period was taken, it was frequently interrupted or cut short. Moreover, Complainant and Aggrieved Employees were never completely relieved of duty as required by *Augustus v. ABM Security Services, Inc.*, 2 Cal.5th 257 (2016).

Employers' policies, practices, and procedures were responsible for the violations alleged above and prevented Complainant and other Aggrieved Employees from taking timely and complete rest periods because, amongst other reasons: (1) Employers did not have legally-compliant policies regarding the provision and timing of rest periods or systematically disregarded its own purported rest period policies; (2) Employers' management at various levels, affecting all hourly-non-exempt employees, failed and refused to implement and enforce legally compliant rest period policies and practices; (3) Employers failed to adequately inform and train Complainant and other Aggrieved Employees regarding their right to take timely, uninterrupted, and duty-free rest periods; (4) Employers failed to adequately inform and train Complainant and other Aggrieved Employees about their right to premium wages for non-compliant rest periods; (5) Employers failed to ensure that there was adequate staffing to allow Complainant and other Aggrieved Employees to take timely, uninterrupted, and duty-free rest periods; (6) Employers required Complainant and other Aggrieved Employees to remain on-call and respond to work-related requests at all times, including during rest periods, which included responding to in person verbal interruptions; and (7) Employers' policy and culture prevented Complainant and other Aggrieved Employees from taking timely, uninterrupted, and duty-free rest periods because of the priority placed on completing job requirements over employees' right to receive rest periods.

Complainant and Aggrieved Employees did not receive an extra hour of wages at their regular rate of pay for the rest periods which were not provided to them in compliance with California law.

Accordingly, Employers violated IWC Wage Order No. 5 and California Labor Code sections 226.7(a), and 1198.

Complainant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to paragraph (20)(A) of IWC Wage Order No. 5; California Labor Code sections 558 and 1199 penalties; and attorneys' fees and costs.



4. FAILURE TO TIMELY PAY WAGES DURING EMPLOYMENT.

As to each pay period, Employers have failed to timely pay all wages earned because Complainant and Aggrieved Employees were not paid all the wages they were owed including, inter alia, overtime compensation, straight time wages, and meal and rest period premiums. Accordingly, Employers violated California Labor Code section 204(a).

Complainant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to California Labor Code sections 210 and 1199; and attorneys' fees and costs.

5. FAILURE TO PAY ALL WAGES DUE TO DISCHARGED AND QUTTING EMPLOYEES.

As to each pay period, Employers have failed to timely pay all wages earned because Complainant Aggrieved Employees were not paid all the wages they were owed including, inter alia, overtime compensation, straight time wages, and meal and rest period premiums. Accordingly, Employers violated California Labor Code section 201(a), 202(a) and 203(a).

Complainant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to California Labor Code sections 210 and 1199; and attorneys' fees and costs.

6. FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS.

As a result of the practices described above, the wage statements provided to Complainant and Aggrieved Employees never included the actual hours worked the time worked was detrimentally rounded, the correct name and address of the legal employing entity, and the correct rates of pay. Accordingly, Employers violated California Labor Code section 226(a).

Complainant and Aggrieved Employees will therefore seek PAGA default penalties; penalties pursuant to California Labor Code section 226.3; and attorneys' fees and costs.

7. FAILURE TO MAINTAIN ACCURATE RECORDS.

Employers have failed to maintain accurate records relating to Complainant and Aggrieved Employees' work periods, meal periods, total daily hours worked, and total hours worked per payroll period. Accordingly, Employers violated IWC Wage Order No. 5 and California Labor Code sections 1198.5 and 1174(d).

Complainant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to paragraph (20)(A) of IWC Wage Order No. 5; California Labor Code section 1174.5 penalties; and attorneys' fees and costs.



8. FAILURE TO REIMBURSE NECESSARY EXPENDITURES.

California Labor Code sections 2800 and 2802 require an employer to reimburse its employees for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. IWC Wage Order No. 5 requires employers to provide employees with the tools or equipment necessary for the performance of their job. During the relevant time period, Complainant and Aggrieved Employees incurred necessary business-related expenses and costs that were not fully reimbursed by Employers. These costs include but are not limited to the use of Complainant's use of their personal cell phone to communicate with truck drivers to inform them of the location to position their truck for products to be loaded or unloaded. Complainant and Aggrieved Employees also used their personal vehicles every work shift to transport themselves from one warehouse to another since most warehouses had a distance of one mile to two miles from one another. Complainant and Aggrieved Employees were not reimbursed for the use of their vehicles.

Accordingly, Employers violated IWC Order No. 5 and California Labor Code sections 2800 and 2802.

Complainant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to paragraph (20)(A) of IWC Wage Order No. 5; and attorneys' fees and costs.

9. FAILURE TO PAY VACATION TIME.

Pursuant to California Labor Code section 227.3, ". . .whenever a contract of employment or employer policy provides for paid vacations, and an employee is terminated without having taken off his vested vacation time, all vested vacation shall be paid to him as wages at his final rate in accordance with such contract of employment or employer policy respecting eligibility or time served." During the relevant time period, Employers failed to pay Complainant and other Aggrieved Employees for all earned and unused and accrued vacation time at their final rate of pay at the time of termination of their employment. Accordingly, Employers have violated California Labor Code section 227.3.

Complainant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; California Labor Code section 227 penalties; and attorneys' fees and costs.

Sincerely,

Justin Lo
JUSTIN LO ESQ.



Notice via Certified Mail

S. Martinelli & Company
Human Resources/ Legal Department
735 W Beach Street
Watsonville, CA 95076

1505 Corporation
GKL Corporate/Search, Inc.
Matthew Clint Congdon
One Capitol Mall Ste 660
Sacramento, CA 95814