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June 30, 2026

LWDA
Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612
(***Via Online Submission***)

SeeScan, Inc.
3855 Ruffin Road
San Diego, CA 92123
(***Via Certified Mail, Return Receipt Requested***)
#9489-0090-0027-6780-5311-74

Steven C. Tietsworth
Agent for Service of Process for:
SeeScan, Inc.
3855 Ruffin Road
San Diego, CA 92123
(***Via Certified Mail, Return Receipt Requested***)
#9489-0090-0027-6780-5311-81

Notice of Labor Code Violations
Pursuant to California Labor Code Sections 2698, *Et Seq.*

To: California Labor and Workforce Development Agency; SeeScan, Inc.

From: Ream Dimarucot Clark, on behalf of herself and all other current and former hourly-paid or non-exempt employees of SeeScan, Inc.

Re: ***Ream Dimarucot Clark v. SeeScan, Inc.***

To Whom It May Concern:

Wilshire Law Firm has been retained by your former employee, Ream Dimarucot Clark ("Ms. Clark"), to seek compensation and all other available relief, including civil penalties, on her behalf and on behalf of all similarly aggrieved current and former hourly-paid or non-exempt employees of SeeScan, Inc. ("SeeScan") who have been injured by SeeScan's violations of the California Labor Code at any time within the applicable statutory period (collectively with Ms. Clark, "Aggrieved Employees"). Ms. Clark, on behalf of herself and all other Aggrieved Employees, intends to seek civil penalties, attorneys' fees, costs, and all other available relief for violations of the California Labor Code, which are recoverable under sections 2698, *et seq.* of the Labor Code Private Attorneys General Act of 2004 ("PAGA"). The purpose of this letter is to comply with PAGA and to set forth the facts and theories of the California Labor Code violations at issue.

Ms. Clark and Aggrieved Employees suffered the Labor Code violations described below.

Ms. Clark's Employment with SeeScan

SeeScan designs, engineers, and manufactures professional tools.[1] Ms. Clark is a resident of Chula Vista, California and worked for SeeScan in San Diego, California as an hourly-paid, non-exempt employee from approximately August 2021 to March 2026. Ms. Clark worked as a Payroll Specialist throughout her employment with SeeScan.

Ms. Clark was typically scheduled to work eight (8) hours a day five (5) days a week, but she frequently worked in excess of eight (8) hours per workday and 40 hours per workweek. Ms. Clark's primary job responsibility included processing payroll for company employees.

Due to a heavy workload, SeeScan frequently failed to provide Ms. Clark an opportunity to take legally compliant meal periods and rest breaks, including because the meal periods and rest breaks she took were often late or missed entirely. For example, Ms. Clark was frequently required to work through her meal periods and skip rest breaks in order to keep up with work tasks. Ms. Clark also worked off-the-clock in order to finish work assignments.

Despite repeatedly depriving Ms. Clark of an opportunity to take legally compliant meal periods and rest breaks, SeeScan failed to provide Ms. Clark with adequate meal period premiums. Even worse, SeeScan has never paid Ms. Clark any rest period premiums.

Additionally, throughout Ms. Clark's employment, SeeScan has required Ms. Clark to use her personal cell phone to complete work duties, such as communicating with her manager to answer work-related questions. SeeScan, however, failed to reimburse Ms. Clark for such necessary, business-related expenses.

Throughout Ms. Clark's employment and upon her separation from employment with SeeScan, SeeScan failed to pay Ms. Clark for all hours worked, including those worked off the clock (i.e., minimum, straight time, and overtime wages), failed to provide Ms. Clark with legally compliant meal periods or meal period premiums in lieu thereof, failed to authorize and permit Ms. Clark to take legally compliant rest breaks or rest break premiums in lieu thereof, failed to reimburse Ms. Clark for all necessary, business-related expenses, failed to furnish timely, accurate wage statements to Ms. Clark, and failed to provide Ms. Clark mandated sick leave.

These instances are just non-exhaustive examples of the facts and theories Ms. Clark asserts, which are developed in further detail below.

Failure to Pay for All Hours Worked, Including Minimum, Straight, and Overtime Wages

Under California law, employers must pay employees for all hours worked. "Hours worked" is the time during which an employee is subject to the control of the employer and includes all the time

[1] SeeScan owns and operates a business within the State of California. As such and based on all of the facts and circumstances incident to its business in California, SeeScan is subject to the California Labor Code, Wage Orders issued by the Industrial Welfare Commission ("IWC"), and the California Business & Professions Code.

the employee is suffered or permitted to work, whether or not the employee is required to do so.

In addition, Labor Code sections 510, 1194, and 1198 provide that employees in California shall not be employed more than eight (8) hours in a workday or forty (40) hours in a workweek, unless their employer pays them additional compensation beyond Aggrieved Employees' regular rates of pay in amounts specified by law.

Throughout the relevant time period, SeeScan has failed and continues to fail to pay Aggrieved Employees for all hours worked, including minimum, straight time, and overtime wages. For example, Ms. Clark was permitted to perform work off-the-clock, without compensation, after clocking out, including finishing assigned work. In addition, SeeScan required Aggrieved Employees to perform work during unpaid, off-the-clock meal periods and during paid rest breaks in order to keep up with the heavy workload.

As a result, SeeScan is liable to Aggrieved Employees for the civil penalties provided for in Labor Code sections 210, 1197.1, and 2699(f)(2) for failing to pay for all hours worked, including minimum, straight time, and overtime wages.

Failure to Provide Meal Periods

Under California law, employers have an affirmative obligation to relieve employees of all duty so employees can take their first 30-minute, duty-free meal periods no later than the end of fifth hour of work in a workday, and to allow employees to take their second 30-minute, duty-free meal period no later than the start of the eleventh hour of work in the workday. Further, employees are entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s). Despite these legal requirements, SeeScan has wrongfully failed to provide Aggrieved Employees with their legally mandated 30-minute, uninterrupted, duty-free meal period in a manner required by law. For example, Aggrieved Employees regularly take meal periods late or miss meal periods entirely because the heavy workload prevents timely meal periods.

SeeScan has denied and continues to deny Aggrieved Employees permission to take timely, full-length, off-duty and uninterrupted meal periods, while also failing to compensate Aggrieved Employees with meal period premiums for noncompliant meal periods or else SeeScan did pay Aggrieved Employees some meal period premiums owed but not all of them and not at the regular rate of pay. Accordingly, SeeScan has failed to provide meal periods to Aggrieved Employees in compliance with California law.

Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s). SeeScan, however, failed to pay Aggrieved Employees the meal period premiums for noncompliant meal periods.

As a result, SeeScan is liable to Aggrieved Employees for the civil penalties provided for in Labor Code sections 210 and 2699(f)(2) for failing to provide meal period premiums.

Failure to Authorize and Permit Rest Breaks

California law requires employers to authorize and permit rest breaks of 10 uninterrupted, off-duty minutes for each four (4) hours of work or major fraction thereof (i.e., more than two (2) hours). Thus, for example, if an employee's work time is six hours and ten minutes, the employee is entitled to two (2) rest breaks.

Throughout the relevant period, SeeScan has regularly failed to authorize and permit Aggrieved Employees to take legally compliant rest breaks. Due to the heavy workload imposed by SeeScan, Aggrieved Employees have been required to work in excess of four (4) consecutive hours a day without being authorized and permitted to take 10-minute, uninterrupted, duty-free rest breaks every four (4) hours of work (or major fraction thereof—i.e., two (2) hours)—and without compensating Aggrieved Employees for those noncompliant rest breaks.

Instead, SeeScan asserts control over Aggrieved Employees by preventing Aggrieved Employees from taking rest breaks. Due to the heavy workload, SeeScan makes it impossible for Aggrieved Employees to take legally compliant rest breaks.

Accordingly, SeeScan has failed to authorize and permit Aggrieved Employees to take rest breaks in compliance with California law, so SeeScan should have compensated Aggrieved Employees with an additional hour of pay at the regular rate each workday on which a noncompliant rest break occurred. SeeScan failed to compensate Aggrieved Employees with these owed rest break premiums each pay period, but even if SeeScan did pay such premiums, SeeScan failed to pay those premiums at the regular rate of pay. Thus, because Aggrieved Employees regularly missed their rest breaks at least once per pay period, Aggrieved Employees are entitled to PAGA penalties for each pay period they worked.

As a result, SeeScan is liable to Aggrieved Employees for the civil penalties provided for in Labor Code sections 210 and 2699(f)(2) for failing to authorize and permit rest breaks and pay rest break premium wages.

Failure to Pay All Earned Wages Owed During Employment

Based on SeeScan's failure to pay Aggrieved Employees all wages as discussed above, SeeScan also violated Labor Code section 204.

Labor Code section 204 requires employers to pay employees all earned wages twice a month. Throughout the relevant time period, employees were entitled to be paid twice a month at their regular rates, including all meal period premium wages, all rest break premium wages, and all overtime wages. Here, however, SeeScan has failed and continues to fail to pay Aggrieved Employees all wages due every pay period, in that SeeScan has not paid Aggrieved Employees the correct amounts for all straight-time and overtime wages earned, as well as all meal periods premiums owed, and all rest break premiums owed. That is, to the extent SeeScan did pay Aggrieved Employees for the foregoing items mentioned, SeeScan did not make those payments using the correctly calculated regular rate of pay. As a result, SeeScan owes Aggrieved Employees these amounts based on Aggrieved Employees' correct regular rates of pay.

In addition to the PAGA penalties for each violation for each pay period for each Aggrieved Employee, SeeScan is also liable to Aggrieved Employees for civil penalties under Labor Code section 210 for failing to pay all earned wages during employment.

Failure to Timely Pay All Wages at Termination

Labor Code section 201 provides that if an employer terminates an employee, the employee's unpaid wages earned as of the time of termination are due and payable immediately. By contrast, Labor Code section 202 provides that if an employee voluntarily resigns his or her employment, the employee's unpaid wages earned through the employee's last day of employment are due on the employee's last day of employment if notice of resignation was given more than 72 hours beforehand, but if notice of resignation was not provided more than 72 hours beforehand, then the employee's final wages are due and payable not later than 72 hours from the time of the notice of resignation. Direct deposits of wages to an employee's bank, saving and loan, or credit union account that were previously authorized by the employee are immediately terminated when an employee quits or is terminated, and the payment of wages upon termination of employment in the manner described above shall apply unless the employee has voluntarily authorized that deposit and provided that the employer complies with the provisions of Labor Code section 213(d) relating to the payment of wages upon termination or resignation of employment.

Within the applicable statute of limitations, the employment of Ms. Clark and many other Aggrieved Employees ended, i.e., was terminated by quitting or being discharged, and the employment of others will be terminated. However, during the relevant time period, SeeScan at times failed, and continue at times to fail, to pay Ms. Clark and terminated Aggrieved Employees, without abatement, all wages required to be paid by Labor Code sections 201 and 202 either at the time of discharge, or within seventy-two (72) hours of their leaving SeeScan's employment. These unpaid wages include wages for unpaid work time (including minimum, straight time, and overtime wages), missed meal period premium wages, and missed rest period premium wages.

Within the applicable statute of limitations, many other Aggrieved Employees' employment with SeeScan ended by termination. As to those terminated Aggrieved Employees, SeeScan fail/failed to pay terminated Aggrieved Employees all unpaid wages earned through the time of termination immediately when SeeScan terminated those Aggrieved Employees, as required under Labor Code section 201. Similarly, within the applicable statute of limitations, many other Aggrieved Employees' employment with SeeScan ended by voluntary resignation. As to those resigned Aggrieved Employees, SeeScan fail/failed to pay those resigned Aggrieved Employees all unpaid wages earned through their last day of work within 72 hours of resignation without advance notice of at least 72 hours, or, for those who gave advance notice of at least 72 hours, then on their last day of work, as required under Labor Code section 202.

SeeScan's failure to timely pay all unpaid wages owed at the time of separation to these terminated and resigned Aggrieved Employees violated Labor Code sections 201 and 202, respectively. Labor Code section 203 provides that if an employer willfully fails to pay all wages owed in accordance with sections 201 and 202, then up to 30 days of the employee's wages at their regular hourly rate of pay shall continue as a penalty wage from the due date through the date Defendants pay the employee's wages or until an action is commenced.

Accordingly, pursuant to Labor Code section 203, Ms. Clark and separated Aggrieved Employees are entitled to recover from SeeScan waiting time penalties equal to up to 30 days of pay at their regular rates of pay for the period from the date the unpaid wages should have been paid through the date they were paid or the date an action is commenced, up to a maximum of 30 days.

Moreover, SeeScan is liable to Ms. Clark and the Aggrieved Employees, for the civil penalties provided for in Labor Code section 2699(f)(2) for failing to timely pay all wages at termination.

Failure to Furnish Accurate, Itemized Wage Statements

Labor Code section 226(a) provides that every employer shall, semimonthly or at the time of each payment of wages, furnish each employee an accurate, itemized wage statement that provides: (1) gross wages earned that pay period and that year, (2) total hours worked by the employee that pay period, (3) the number of piece-rate units earned that pay period with the applicable piece rate (for employees paid on a piece-rate basis), (4) all deductions that pay period and that year, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned that pay period and that year, (6) the start and end dates of the pay period, (7) the employee's name and last four digits of the employee's social security number or employee identification number, (8) the name and address of the legal entity that is the SeeScan, and (9) all applicable hourly rates in effect during the pay period with the employee's corresponding number of hours worked at each hourly rate. An employee is presumed to suffer an injury if any of this information is missing. Lab. Code § 226(e)(2)(B)(iii).

"An employee suffering injury as a result of a knowing and intentional failure by an employer to comply with subdivision (a) is entitled to recover the greater of all actual damages or fifty dollars ($50) for the initial pay period in which a violation occurs and one hundred dollars ($100) per employee for each violation in a subsequent pay period, not to exceed an aggregate penalty of four thousand dollars ($4,000), and is entitled to an award of costs and reasonable attorney's fees." Lab. Code § 226(e)(1).

Throughout the statutory period, SeeScan has failed to and continues to fail to furnish showing the legal name of the employer's legal entity, the last four digits of the employee's Social Security Number or an employee identification number, and the employee's sick leave balance. Aggrieved Employees' wage statements also failed to show the correct amount of gross wages earned that pay period and that year, the correct net wages earned that pay period and that year, the correct hours worked that pay period, and the correct wages owed for noncompliant meal periods and noncompliant rest breaks, among other things.

Because SeeScan has violated Labor Code section 226, Aggrieved Employees have suffered injury and damage to their statutorily protected rights. Accordingly, Aggrieved Employees are entitled to recover from SeeScan the greater of their actual damages caused by SeeScan's failure to comply with Labor Code section 226(a), or an aggregate penalty of up to $4,000 per employee. Moreover, SeeScan is liable to Aggrieved Employees for the civil penalties provided for in Labor Code section 226.3 for failing to timely furnish accurate, itemized wage statements.

Failure to Reimburse Necessary, Business-Related Expenses

Labor Code section 2802(a) provides that employers shall reimburse their employees for all necessary, business-related expenses or losses incurred by employees in direct discharge of their duties. Throughout the relevant time period, SeeScan failed to reimburse Aggrieved Employees for Aggrieved Employees' expenses they incurred in direct discharge of their duties for SeeScan including, but not limited to, usage of personal cell phones. Aggrieved Employees used their personal cell phones to complete duties necessary for work, such as communicating with managers to answer work-related questions. In sum, Aggrieved Employees incurred substantial necessary, business-related expenses in carrying out their duties for SeeScan, which SeeScan never reimbursed.

As a result, SeeScan is liable to Aggrieved Employees for the civil penalties provided for in Labor Code sections 2802 and 2699(f)(2) for failing to reimburse Aggrieved Employees for all necessary, business-related expenses.

Recordkeeping Requirement Violations

California Labor Code section 1174 requires employers to keep "accurate and complete" payroll records showing, among other things, each employees' hours worked daily and the wages the SeeScan paid to each employee, the number of piece-rate units each employee earned and any applicable piece rate the SeeScan paid to each employee. Section 7 of all applicable IWC Wage Orders similarly requires employers to keep accurate time records of the times SeeScan owed each non-exempt employee a meal period and all start- and stop-times of the meal periods provided to each non-exempt employee each day.

Based on information and belief, SeeScan failed, and continues to fail, to keep accurate and complete payroll records required by law, including but not limited to the following records: total daily hours worked; applicable rates of pay for each of those hours worked; overtime owed and paid based on the regular rate of pay; meal period premiums and rest break premiums (calculated at the regular rate of compensation) that are owed and were paid; accrued sick time available and sick time used; and accurate, itemized wage statements.

SeeScan's failure to keep accurate and complete payroll records for Aggrieved Employees violates Labor Code sections 1174, 1198, 1199, and section 7 of all applicable IWC Wage Orders. These violations subject SeeScan to civil penalties under Labor Code sections 558.1, 226.6, 1174.5, and 2699. Each violation of each Labor Code section and Wage Order provision, for each Aggrieved Employee, results in a separate civil penalty.[2]

<u>Action for Civil Penalties Under PAGA</u>

In light of the foregoing, Ms. Clark alleges that SeeScan violated the following Labor Code provisions with respect to her as an individual and as to Aggrieved Employees:

1. Labor Code sections 204, 510, 1194, 1197, and 1198 by failing to pay for all hours worked, including minimum wages, straight-time wages, and overtime wages;
2. Labor Code section 226.7 and applicable Wage Orders by failing to provide meal periods;
3. Labor Code section 226.7 and applicable Wage Orders by failing to authorize and permit rest breaks;
4. Labor Code section 204 by failing to pay all earned wages during employment;
5. Labor Code sections 201 to 203 by willfully failing at times to pay all wages owed at termination;
6. Labor Code section 1174.5 and applicable Wage Orders by failing to maintain accurate records of hours worked;
7. Labor Code section 226 by failing to provide accurate, itemized wage statements;
8. Labor Code section 2802 by failing to indemnify for necessary expenditures; and
9. Labor Code section 1174 by failing to keep accurate and complete payroll records.

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[2] *See* Lab. Code § 2699(f)(2) (establishing that the civil penalty is "for each aggrieved employee per pay period").

Therefore, on behalf of all Aggrieved Employees, Ms. Clark seeks all applicable penalties related to the violations alleged above pursuant to PAGA. These include, but are not limited to, penalties for violations of Labor Code sections 204, 210, 226(a), 226.7, 510, 512(a), 1174(d), 1182.12, 1194, 1197, 1197.1, and 2802.

Thank you for your attention to this matter. Should you require any additional information, please feel free to contact me.

Sincerely,

WILSHIRE LAW FIRM

Cheryl Kenner

Tyler Woods, Esq.
Cheryl A. Kenner, Esq.
Tanner F. Hosfield, Esq.