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July 15, 2026

NOTICE VIA ONLINE SUBMISSION

California Labor and Workforce Development Agency ("LWDA")

VIA CERTIFIED U.S. MAIL WITH RETURN RECEIPT

AAA Cooper Transportation, Inc.
1751 Kinsey Road
Dothan, Alabama 36303

Re: Notice pursuant to California Labor Code § 2698, *et seq.*, the Private Attorneys General Act ("PAGA") submitted by Patrick Lee Ward on behalf of himself and all other employees of AAA Cooper Transportation, Inc., as an individual and as a proposed Representative of the State of California

Dear PAGA Administrator:

This letter shall serve as Patrick Lee Ward's (hereafter "Claimant") Notice pursuant to the California Private Attorneys General Act of 2004 ("PAGA"), California Labor Code sections 2698, *et seq*. regarding claims against AAA Cooper Transportation, Inc. and any related entities, all other worksite employers, and their managers, agents, officers, and directors (referred to herein as "the Employer"). Claimant submits this notice on behalf of himself and all current and former employees employed by the Employer in California.

If the Labor Workforce Development Agency does not intend to investigate the alleged violations, Claimant intends to file a representative action for PAGA civil penalties on behalf of himself and all other aggrieved employees of the Employer, seeking civil penalties on behalf of himself and all other aggrieved employees in the State of California. A copy of this notice is being sent to the Employer by certified mail at the address above.

Claimant and other employees were subject to the same policies and practices alleged herein, which impermissibly denied aggrieved employees their rights pursuant to the California Labor Code and caused violations of the Labor Code as set forth below.

FACTUAL STATEMENT

Employer violated minimum and overtime laws under the California Labor Code by failing to pay Claimant and other aggrieved employees for all hours worked when employees were forced to work off-the clock, including during breaks and before and after clocking in. Moreover, Claimant and other aggrieved employees were not paid overtime at the correct rate because Employer failed to include all bonuses and other remuneration into the regular rate of pay and failed to pay all bonuses earned. Additionally, Claimant and other aggrieved employees were not given legally compliant off-duty meal and rest periods. Moreover, Employer failed to pay meal break premiums at the regular rate in violation of California law. *Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal. 5th 858 (meal period premiums must be paid at the regular rate of pay, including all compensation). Employer also failed to reimburse Claimant and other aggrieved employees for business expenses including use of their personal cell phones for work purposes. Employer failed to timely pay Claimant and other aggrieved employees all compensation due and owing upon termination or separation of employment. Finally, Employers also failed to maintain accurate and complete records.

Claimant now seeks civil penalties individually and on behalf of other aggrieved employees based on the alleged violations of the California Labor Code and applicable IWC Wage Order, including civil penalties pursuant to Labor Code section 558(a). Claimant's claims are set forth in further detail below.

For reasons set forth herein, Claimant alleges the following violations of the California Labor Code and the applicable IWC Wage Order on behalf of himself and all other aggrieved employees of Employer. Claimant alleges that Employer:

1. Failed to pay Claimant and other aggrieved employees all wages due including minimum, regular, and overtime wages;

2. Failed to provide legally compliant off-duty meal periods or pay compensation in lieu thereof;

3. Failed to authorize and permit legally compliant duty-free rest periods or pay compensation in lieu thereof;

4. Failed to reimburse Claimant and other aggrieved employees for necessary business expenses;

5. Failed to provide accurate and itemized wage statements;

6. Failed to maintain accurate records;

7. Failed to timely pay all wages due upon termination or separation of employment; and

8. Failed to timely produce all employment records upon written request.

Accordingly, Claimant now seeks civil penalties on behalf of himself and other aggrieved employees based on the Employer's alleged violations of the California Labor Code and applicable IWC Wage Order. Claimant's claims are set forth below.

FAILURE TO PAY MINIMUM, REGULAR, AND OVERTIME WAGES

(Labor Code §§ 218, 510, 1194, 1197, 1197.1, 1198, and 1199(c) and the "Minimum Wages" and "Hours and Days of Work" Sections of the Applicable Wage Order)

Labor Code section 510 provides in pertinent part: "Eight hours of labor constitutes a day's work. Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee. Any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less than twice the regular rate of pay of an employee."

Labor Code section 1194(a) states: "Notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney's fees, and costs of suit."

Labor Code section 1198 provides: "The maximum hours of work and the standard conditions of labor fixed by the commission shall be the maximum hours of work and the standard conditions of labor for employees. The employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful."

Labor Code section 1199, which is a statute listed for which PAGA default civil penalties are recoverable pursuant to Labor Code sections 2699.5 and 2699(f)(2), provides that:

Every employer or other person acting either individually or as an officer, agent, or employee of another person is guilty of a misdemeanor and is punishable by a fine of not less than one hundred dollars ($100) or by imprisonment for not less than 30 days, or by both, who does any of the following:

(a) Requires or causes any employee to work for longer hours than those fixed, or under conditions of labor prohibited by an order of the commission.
(b) Pays or causes to be paid to any employee a wage less than the minimum fixed by an order of the commission.
(c) Violates or refuses or neglects to comply with any provision of this chapter or any order or ruling of the commission.

Labor Code section 1197 states: "The minimum wage for employees fixed by the commission or by any applicable state or local law, is the minimum wage to be paid to employees, and the payment of a lower wage than the minimum so fixed is unlawful. This section does not change the applicability of local minimum wage laws to any entity."

Labor Code section 1197.1 states: "Any employer or other person acting either individually or as an officer, agent, or employee of another person, who pays or causes to be paid to any employee a wage less than the minimum fixed by an applicable state or local law, or by any order of the commission, shall be subject to a civil penalty, restitution of wages, liquidated damages payable to the employee, and any applicable penalties imposed pursuant to Section 203 as follows: (1) For any initial violation that is intentionally committed, one hundred dollars ($100) for each underpaid employee for each pay period for which the employee is underpaid ... (2) For each subsequent violation for the same specific offense, two hundred fifty dollars ($250) for each underpaid employee for each pay period for which the employee is underpaid regardless of whether the initial violation is intentionally committed."

Pursuant to the "Hours & Days of Work" Section of the applicable Wage Order, an employer may not pay non-exempt employees less than the applicable overtime rate for all overtime hours worked.

Pursuant to the "Minimum Wages" and "Hours & Days of Work" Sections of the applicable Wage Order, an employer may not pay employees less than the applicable minimum wage for all hours worked and provides that an employer may not pay non-exempt employees less than the applicable overtime rate for all overtime hours worked.

The Employer violated Labor Code sections 218, 510, 1194, 1197, and 1198, and the "Minimum Wages" and "Hours and Days of Work" Sections of the applicable Wage Order because it did not pay Claimant and other aggrieved current and former employees all minimum, regular, and overtime wages for all hours worked. The Employer failed to pay for all minimum wages (and overtime wages when applicable) earned due to off-the-clock work. Further, Employer did not pay all overtime worked during the pay period due to the same off-the-clock work.

For example, Claimant and other aggrieved employees routinely worked off the clock prior to their scheduled shifts. Claimant typically reported for his shift 30 to 45 minutes before his scheduled start time, and on many occasions arrived up to one hour early, to perform pre-trip inspections of his tractor, including but not limited to checking the oil, steering, and tires. A majority of drivers followed the same practice, completing pre-trip inspections before clocking in so they could identify mechanical problems before formally beginning their shifts. On other occasions, managers and supervisors instructed Claimant not to clock in until he was assigned a delivery, causing Claimant to wait in a "driver's check-in area" for 30 to 45 minutes under the direction and control of Employer. Employer failed to compensate Claimant or any other aggrieved employee for the pre-shift inspections or Employer-enforced waiting time in violation of Labor Code sections 510, 1194, 1197, and 1198.

Moreover, Employer failed to pay overtime correctly based on its failure to include bonuses and other remuneration in the regular rate of pay and by failing to pay Claimant and other aggrieved employees all bonuses earned.

Accordingly, Claimant now seeks civil penalties pursuant to the PAGA on behalf of himself and other aggrieved employees based on the alleged violations of the California Labor Code and applicable IWC Wage Orders.

FAILURE TO PROVIDE MEAL AND REST PERIODS

(Labor Code §§ 226.7, 512, and 1198, and the "Meal Period" and "Rest Period" Sections of the applicable IWC Wage Order)

Labor Code section 512(a) states in pertinent part: "[A]n 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. An employer may not employ an employee for a work period of more than 10 hours per day without providing the employee with a second meal period of not less than 30 minutes . . . ." Labor Code section 226.7(a) states that "no employer shall require any employee to work during any meal or rest period mandated by an applicable order of the Industrial Welfare Commission."

The "Rest Period" Section of the applicable IWC Wage Order states: "Every employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period. The authorized rest period 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." If an employer fails to provide an employee a rest period in accordance with the applicable provision of the order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each workday that the rest period is not provided.

Labor Code section 226.7(c) states: "[I]f an employer fails to provide an employee a meal period or rest period in accordance with an applicable order of the IWC, the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each work day that the meal or rest period is not provided."

Employer failed to provide Claimant and other aggrieved employees with legally compliant meal and rest periods on eligible workdays as required by Labor Code sections 226.7 and 512, and the applicable IWC Wage Order. The Employer regularly failed to provide a timely off-duty meal period of at least 30 minutes before the end of the fifth hour of work, and timely off-duty rest periods of at least 10 minutes each. For example, Claimant regularly worked through his meal and rest periods least three to four days per week without being paid meal or rest period premiums. Because Employer expected Claimant and other aggrieved employees to complete two deliveries per hour, Claimant could not secure an uninterrupted, off-duty 30-minute meal period before the end of his fifth hour of work or an uninterrupted, off-duty rest period of at least 10 minutes for every 4 hours of work, or major fraction thereof . To meet the two-delivery-per-hour expectation and complete his assigned route, Claimant would clock out for his meal periods on his truck's onboard computer system, but was still required to continue unloading freight and completing deliveries while clocked out. Claimant raised the issue directly with Employer, informing it that Claimant was unable to take compliant meal or rest periods given the production-rate expectation, but Employer did not adjust the metric or authorize compliant off-duty meal or rest periods. Moreover, Employer failed to pay meal and rest break premiums at the regular rate, including all non-discretionary bonuses and all bonuses earned, in violation of California law. *Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal. 5th 858 (meal period premiums must be paid at the regular rate of pay, including all compensation). Furthermore, the Employer failed to provide duty-free and uninterrupted rest periods.

Accordingly, Claimant now seeks civil penalties pursuant to the PAGA on behalf of himself and other aggrieved employees based on the alleged violations of the California Labor Code and applicable IWC Wage Orders.

<u>FAILURE TO REIMBURSE BUSINESS-RELATED EXPENSES</u>

(Labor Code §§ 2802 and 2804, and the "Tools and Equipment" section of the applicable IWC Wage Order)

Labor Code section 2802(a) provides that "[a]n employer shall indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer, even though unlawful, unless the employee, at the time of obeying the directions, believed them to be unlawful."

Labor Code section 2802(c) states that "[f]or purposes of [section 2802], the term 'necessary expenditures or losses' shall include all reasonable costs, including, but not limited to, attorney's fees incurred by the employee enforcing the rights granted by [section 2802]."

Section 9(b) of the applicable IWC Wage Order states in pertinent part: "When tools or equipment are required by the employer or are necessary to the performance of a job, such tools and equipment shall be provided and maintained by the employer."

Labor Code section 2802 prohibits employers from shifting their cost of doing business onto the employee. California Labor Code section 2802 states that employers must "indemnify" an employee for "all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer." This means that if the expense in question is "necessary" for performance of the job, the employer must reimburse the employee 100% of the cost. An expense is considered "necessary" if it directly results from the employee's performance of his or her work duties. An expense is also "necessary" if it occurs because the employee is following the directions given by the employer.

"Any contract or agreement, express or implied, made by any employee to waive the benefits of this article or any part thereof is null and void, and this article shall not deprive any employee or his personal representative of any right or remedy to which he is entitled to under the laws of this State." Cal. Labor Code § 2804.

The Employer failed to comply with Labor Code section 2802 and the applicable IWC Wage Order by failing to reimburse Claimant and other aggrieved employees for necessary business-related expenses incurred in direct consequence of the discharge of their duties. For example, Claimant and other aggrieved employees were required to use their personal cell phone to perform work for Employer, including receiving and returning dispatch calls, communicating with managers and supervisors, and directly communicating with customers regarding pickups and deliveries. Although Employer maintained an internal computer system capable of transmitting these communications, Employer required Claimant and other aggrieved employees to use their personal cell phones instead without reimbursing Claimant and other aggrieved employee for the costs of such usage. As such, the Employer failed to reimburse Claimant and other aggrieved employees for the costs incurred by employees in direct consequence of the discharge of their duties.

Accordingly, Claimant now seeks civil penalties pursuant to the PAGA on behalf of himself and other aggrieved employees based on the alleged violations of the California Labor Code and applicable IWC Wage Orders.

FAILURE TO PROVIDE ACCURATE AND ITEMIZED WAGE STATEMENTS

(Labor Code § 226, and the "Records" section of the applicable IWC Wage Order)

Labor Code section 226(a) states in pertinent part that every employer shall provide an accurate itemized statement in writing with respect to each one of its employees showing: (1) gross wages earned; (2) total hours worked by an employee, except for any employee whose compensation is solely based on a salary and who is exempt from payment of overtime under subdivision (a) of Section 515 or any applicable order of the Industrial Welfare Commission; (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis; (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item; (5) net wages earned; (6) the inclusive dates of the period for which the employee is paid; (7) the name of the employee and the last four digits of his or her social security number or an employee identification number other than a social security number; (8) the name and address of the legal entity that is the employer; and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee.

The itemized wage statements provided by Employer to Claimant and other aggrieved employees were inaccurate and failed to accurately list all of the items required by Section 226. Since Employer did not pay for all hours worked and did not factor bonuses and other renumeration into the regular rate calculations, Employer failed to accurately list (1) gross wages earned; (2) total hours worked by an employee; and (3) net wages earned. As a result, Employer failed to provide Claimant and other current and former employees with accurate, timely, itemized wage statements complying with the requirements of the Labor Code and applicable IWC Wage Order.

Moreover, Employer required Claimant and other aggrieved employees to access their wage statements exclusively through a downloadable mobile application. Claimant and other aggrieved employees complained to Employer on multiple occasions that they were unable to log into the application and could not access their wage statements. Further, Employer failed to provide Claimant and other aggrieved employees with itemized wage statements in connection with their final wages.

Accordingly, Claimant now seeks civil penalties pursuant to the PAGA on behalf of himself and other aggrieved employees based on the alleged violations of the California Labor Code and applicable IWC Wage Orders.

FAILURE TO TIMELY PAY WAGES DUE DURING AND UPON TERMINATION OR SEPARATION OF EMPLOYMENT

(Labor Code §§ 201, 202, 203, 204, 256, 1198, and 2699)

Labor Code section 201 states: "If an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately." Labor Code section 202 states: "If an employee not having a written contract for a definite period quits his or her employment, his or her wages shall become due and payable not later than 72 hours thereafter, unless the employee has given 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."

Labor Code section 203(a) states, in relevant part: "If an employer willfully fails to pay, without abatement or reduction, in accordance with Sections 201, 201.3, 201.5, 202, and 205.5, any wages of an employee who is discharged or who quits, the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until an action therefor is commenced; but the wages shall not continue for more than 30 days. An employee who secretes or absents himself or himself to avoid payment to his or her, or who refuses to receive the payment when fully tendered to his or her, including any penalty then accrued under this section, is not entitled to any benefit under this section for the time during which he or she so avoids payment."

Labor Code section 204(a) states, in pertinent part: "All wages . . . earned by any person in any employment are due and payable twice during each calendar month, on days designated in advance by the employer as the regular paydays." The "Minimum Wages" Section of the applicable Wage Order further states "every employer shall pay to each employee, on the established payday for the period involved, not less than the applicable minimum wage for all hours worked in the payroll period."

Labor Code section 256 states: "The Labor Commissioner shall impose a civil penalty in an amount not exceeding 30 days of pay as waiting time under the terms of Section 203."

As detailed above, the Employer failed to pay Claimant and other aggrieved employees all wages that were due to them, including, for example, meal and rest period premiums, and regular, minimum, and overtime wages, within the required time during their employment and upon their separation of employment, in violation of the Labor Code and the applicable IWC Wage Order because of the violations alleged herein.

Accordingly, Claimant now seeks civil penalties pursuant to the PAGA on behalf of himself and other aggrieved employees based on the alleged violations of the California Labor Code and applicable IWC Wage Orders.

FAILURE TO TIMELY PRODUCE ALL EMPLOYMENT RECORDS

(Labor Code §§ 226 (b), 226(c), 1198.5, and the "Records" section of the applicable IWC Wage Order)

Labor Code section 226(c) provides: "An employer who receives a written or oral request to inspect or receive a copy of records pursuant to subdivision (b) pertaining to a current or former employee shall comply with the request as soon as practicable, but no later than 21 calendar days from the date of the request." Labor Code section 1198.5(b)(1) requires that an employer make personnel records available for inspection or copying not later than 30 calendar days from the date the employer receives a written request.

The "Records" Section of applicable IWC Wage Order states: "Every employer shall keep accurate information with respect to each employee including the following: … (3) Time records showing when the employee begins and ends each work period. Meal periods, split shift intervals and total daily hours worked shall also be recorded. Meal periods during which operations cease and authorized rest periods need not be recorded."

Employer was required to provide Plaintiff with his personnel file, including his time records, upon request. However, despite sending a formal request for his personnel file on February 5, 2026, Employer did not produce Claimant's personnel file until April 13, 2026, approximately 46 days late. Moreover, Employer wholly failed to produce Claimant's time records. As such, Employer has violated Labor Code sections 226, 1198.5, and the "Records" section of the applicable IWC Wage Order.

Accordingly, Claimant now seeks civil penalties pursuant to PAGA on behalf of himself and other aggrieved employees based on the alleged violations of the California Labor Code and applicable IWC Wage Orders.

CIVIL PENALTIES FOR VIOLATION OF THE LABOR CODE AND IWC WAGE ORDERS

(Labor Code §§ 558, 558.1, and 1197.1)

Labor Code section 558 subjects any employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of Part 2, Chapter 1, of the Labor Code or any provision regulating hours and days of work in any IWC Wage Order to a civil penalty in the amount of $50 for any initial violation for each pay period in which an employee is underpaid in addition to an amount sufficient to recover underpaid wages, and $100 for each subsequent violation in addition to an amount sufficient to recover underpaid wages, which shall be paid to each affected employee.

Labor Code section 558.1(a) states: "Any employer or other person acting on behalf of an employer, who violates, or causes to be violated, any provision regulating minimum wages or hours and days of work in any order of the Industrial Welfare Commission, or violates, or causes to be violated, Sections 203, 226, 226.7, 1193.6, 1194, or 2802, may be held liable as the employer for such violation." Labor Code section 558.1 expressly defines "employer or other person acting on behalf of an employer" to include a "natural person who is an owner, director, officer, or managing agent of the employer."

Labor Code section 1197.1 states that any employer or other person acting either individually or as an officer, agent or employee of another person, which pays or causes to be paid to any employee a wage less than the minimum fixed by an order of the commission shall be subject to a civil penalty and restitution of wages payable to the employee in an amount of $100 for the initial violation for each pay period in which an employee is underpaid in addition to an amount sufficient to recover underpaid wages, and $250 for each subsequent violation in addition to an amount sufficient to recover underpaid wages, which shall be paid to each affected employee.

As set forth above, Employer violated the IWC Wage Order regulating the hours and days of work, Labor Code sections 510, 1197, and 1198, and caused the employees to be paid less than the minimum set by the IWC Wage Order. As a result, Employer is liable for civil penalties under Labor Code sections 558, 558.1, and 1197.1.

Accordingly, Claimant will pursue civil penalties or other lawful remedies for himself and other current and former employees, including recovery of attorney's fees, costs, and civil penalties to the extent allowed by law.

DUTIES OF EMPLOYER

(Labor Code §§ 1174, 1174.5, 1175, and 1198, and the Applicable Wage Order)

Labor Code section 1174 describes certain duties of every employer in this state. Subsection (d) of this Labor Code section requires that payroll records show the hours worked daily by employees and the corresponding wages to be paid for the hours worked. The Employer violated this requirement by its failure to accurately record employee hours worked and/or paid, including wages owed for off-the-clock time and meal and rest period premiums. Labor Code section 1174.5 imposes a civil penalty of $500 for the Employer's failure to maintain accurate and complete records. This civil penalty is in addition to the civil penalty of $100 per pay period, per aggrieved employee, that would be imposed pursuant to Labor Code section 2699 for a violation of Labor Code section 1174(d). Furthermore, Claimant and all other aggrieved current and former employees are entitled to collect 35% of the penalty imposed pursuant to Section 2699.

The Employer failed to accurately record all hours worked by Claimant and other aggrieved employees and failed to record all accurate wages to be paid.

Claimant will pursue all remedies on behalf of himself and other current and former employees, including recovery of attorneys' fees, costs, damages, and penalties to the extent allowed by law.

ATTORNEY'S FEES, COSTS, INTEREST AND PENALTIES
(Labor Code §§ 218.6, 226(e), 1194, 1194.2, and 2699, *et seq*.)

Labor Code sections 218.6, 226(e), 1194, 1194.2, and 2699, *et seq*. give employees the right to recover in a civil action the unpaid balance of the full amount of minimum wages, regular wages, overtime compensation, damages, liquidated damages, and penalties, including interest thereon, reasonable attorney's fees, and costs of suit.

Pursuant to Labor Code sections 2699, *et seq*., aggrieved employees are entitled to collect 35% of the penalty assessment and 100% of the underpaid wages. Accordingly, the Employer is liable for these items in addition to the unpaid wages. Claimant has already incurred actual damages, costs, and attorneys' fees, and Claimant will continue to incur costs as a result of the Employer's unlawful actions.

CONCLUSION

The Employer violated Labor Code sections as set forth herein. Claimant will pursue all remedies on behalf of himself and other aggrieved employees, including recovery of attorneys' fees, costs, and penalties to the extent allowed by law. The facts and claims contained herein are based on the information available at the time of this writing. Therefore, if through discovery and/or expert review, Claimant becomes aware of additional claims, Claimant reserves the right to revise these facts and/or add any new claims by amending the claim letter or by adding applicable causes of action in the complaint.

Should you have any questions, please feel free to contact me at your convenience.

Sincerely,

Jonathan M. Lebe, Esq.
Attorney for Patrick Lee Ward,
Individually, and on behalf of all other Aggrieved Employees