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Attorneys for Plaintiffs and the Aggrieved Employees

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN DIEGO

FLOYD LINDLEY and ANDREW SALSE,
on behalf of the State of California,

Plaintiffs,

v.

GLEIBERMAN PROPERTIES, INC., a
California Corporation; and DOES 1-50,
inclusive.

Defendants.

CASE NO.: JCCP 5386

Assigned to the Hon. Katherine A. Bacal

**DECLARATION OF MEHRDAD
BOKHOUR IN SUPPORT OF MOTION TO
APPROVE PAGA SETTLEMENT**

Hearing Information:

Date: July 24, 2026

Time: 1:30 p.m.

Dept.: SD-63

1 John G. Yslas (SBN 187324)
Eugene Zinovyev (SBN 267245)
2 Gabriella Solé (SBN 346164)
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4 Los Angeles, California 90010
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6 Attorneys for Plaintiffss, on behalf of the State of California
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1 7. I am admitted to practice before all courts of the State of California as well as the
2 United States District Courts for the Central, Northern, Eastern, and Southern Districts of
3 California. I have litigated numerous class and representative actions under the Private Attorneys
4 General Act (“PAGA”) in courts throughout the state.

5 8. In addition to the present case, I have served as counsel in numerous wage-and-hour
6 class and PAGA representative actions. I have substantial experience litigating complex
7 employment matters and have devoted the majority of my practice to California wage-and-hour
8 class and PAGA actions on behalf of employees. My firm possesses the experience, resources,
9 and commitment necessary to provide effective and adequate representation as Plaintiffs’
10 Counsel. Currently, my firm serves as counsel in more than twenty-five wage-and-hour class
11 and/or PAGA actions and as co-counsel in at least twenty additional such matters. I am well-
12 versed in evaluating PAGA claims and assessing the viability of potential defenses.

13 9. Here, Plaintiffs’ operative claims are brought on behalf of all non-exempt employees
14 who worked for Defendant in California between December 5, 2022, and December 31, 2025 (the
15 “Aggrieved Employees”).

16 10. First, Defendant failed to properly calculate and pay overtime and sick time wages.
17 Plaintiffs and the Aggrieved Employees were denied compliant meal and rest periods, as a result of
18 Defendant’s policies, practices, and operational requirements.

19 11. Defendant failed to reimburse necessary business expenses, failed to timely pay
20 wages, failed to pay timely wages at separation, and issued inaccurate itemized wage statements or
21 otherwise failed to maintain records, thereby incurring civil penalties under PAGA.

22 12. Following informal discovery—including the exchange and review of workplace
23 policies, time and payroll data for all employees, and an exposure analysis based on the Aggrieved
24 Employees’ pay periods—the Parties participated in private mediation before Tagore Subramaniam,
25 Esq., an experienced wage-and-hour and employment mediator.

26 13. Defendant Gleiberman Properties, Inc. is a fully integrated real estate company
27 specializing in investing, redeveloping, and managing multifamily residential properties throughout
28 California.

1 14. Plaintiffs Floyd Lindley and Andrew Salse were employed by Defendant in
2 nonexempt positions. Plaintiffs allege that Defendant maintained unlawful wage and hour policies
3 and practices affecting them and other aggrieved employees, including Assistant Managers, Leasing
4 Consultants, Community Managers, Maintenance Technicians, Porters, Leasing Agents, and other
5 nonexempt employees throughout California.

6 15. On April 11, 2024, Plaintiff Lindley filed a representative action asserting claims for
7 civil penalties under the Private Attorneys General Act ("PAGA") based on alleged failures to pay
8 minimum and overtime wages, provide compliant meal and rest periods or premium pay in lieu
9 thereof, properly compensate sick leave, furnish accurate wage statements, timely pay wages during
10 employment and upon separation, and related Labor Code violations.

11 16. On April 30, 2024, Plaintiff Salse submitted a timely PAGA notice to the LWDA.

12 17. That same day, Plaintiff Salse filed a class action complaint alleging numerous wage
13 and hour violations, including failures to pay minimum and overtime wages, provide compliant
14 meal and rest periods, furnish accurate wage statements, maintain accurate time records, timely
15 produce employment records, timely pay wages, reimburse necessary business expenses, and
16 violations of Business and Professions Code section 17200, et seq.

17 18. On July 5, 2024, Plaintiff Salse filed a separate representative PAGA action asserting
18 civil penalty claims arising from substantially the same alleged Labor Code violations.

19 19. Defendant denies all material allegations, denies violating any provision of the
20 California Labor Code, and denies any liability. (Settlement Agreement, Recitals ¶ 2.6.)

21 20. Prior to mediation, the Parties engaged in an informal exchange of relevant
22 information and documents. Defendant produced policy documents and payroll and timekeeping
23 records, enabling Plaintiffs' counsel to evaluate the factual and legal merits of the claims, analyze
24 Defendant's pay practices, assess potential exposure, and prepare a comprehensive damages and
25 civil penalties analysis.

26 21. Plaintiffs' counsel also analyzed issues including regular rate calculations, meal and
27 rest period compliance, expense reimbursement practices, wage statement compliance, and waiting
28 time penalties in evaluating the strengths and risks of continued litigation.

22. On June 10, 2025, after conducting this investigation and exchanging sufficient information to meaningfully evaluate the claims, the Parties participated in a full-day mediation before Jeffrey Fuchsman, Esq., an experienced wage-and-hour mediator. Through good-faith, arm's-length negotiations, the Parties reached a settlement of this Action.

23. Attached hereto as **Exhibit A** is a true and correct copy of the fully executed PAGA Settlement Agreement.

24. Based upon my experience and after factoring in the risks explained below, I believe that the proposed settlement is fair and reasonable. As such and for the reasons set forth below, I believe that the PAGA Settlement Agreement (the “Settlement Agreement” and/or the “Settlement”) should be approved.

25. This experience helps assess the reasonableness of settlements such as the one at issue here. Based on my years of experience representing Plaintiffs in wage and hour cases, including PAGA representative and class actions, the Settlement herein is fair, adequate, and reasonable under the facts and law applicable to this case.

SETTLEMENT CONSIDERATIONS

26. I have performed substantial work and diligently investigated and prosecuted this case to a successful conclusion. I believe this Settlement to be fair, reasonable, and adequate.

27. In evaluating the fairness and reasonableness of this proposed Settlement, my co-counsel and I had to consider both the potential maximum and Defendant's various defenses. This is significant because in a PAGA action, the Court has the same discretion "to assess a civil penalty" that the Labor Commissioner would have, as well as complete discretion to "award a lesser amount than the maximum civil penalty amount specified by PAGA if, based on the facts and circumstances of the particular case, to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory." Lab. Code § 2699(e)(2). Such considerations include Defendant's defenses to the alleged claims.

28. In the end, Defendant urged that the trial court would exercise its discretion to substantially reduce any PAGA penalties if it were to find Defendant liable for any of Plaintiffs' claims. As a result, Plaintiffs' Counsel made appropriate discounts for the associated risks.

29. The following chart reflects the estimated payments from the Settlement Agreement:

	Amount
Gross Settlement Amount	\$734,580.00
PAGA Counsel Fees Payment	\$244,860
PAGA Counsel Litigation Expenses Payment	\$21,077.09
Administration Expenses Payment	\$6,000.00
Plaintiffs' Service Awards	\$20,000.00
PAGA Fund	\$442,642.91
75% to the LWDA	\$331,982.18
25% to Aggrieved Employees	\$110,660.72

30. As such, the LWDA will receive approximately \$331,982.18 (75 percent of the PAGA Fund) and the Aggrieved Employees will collectively receive approximately \$110,660.72 (25 percent of the PAGA Fund), which will be paid on a pro-rata basis according to the number of pay periods worked during the PAGA Period. The average payment to the Aggrieved Employees is approximately \$167 .

31. Plaintiffs estimate that Defendant's maximum potential penalty exposure was approximately \$2,413,300, based on approximately 24,133 PAGA Pay Periods and the statutory \$100 per-pay-period penalty for a first violation.

THE ATTORNEYS' FEES AND LITIGATION COSTS REQUESTED

32. Moreover, as part of the Settlement, the Parties have agreed that Plaintiffs will request a PAGA Counsel Fees Payment in an amount not to exceed one-third of the Gross settlement amount. Here, Plaintiffs' Counsel seeks one-third (33.33%) of the Gross Settlement Amount, thus \$244,860, subject to court approval, plus actual litigation costs for \$21,077.09.

33. This request is fair, reasonable, and adequate to compensate Plaintiffs' Counsel for the substantial work they have put into this case and the risk they assumed by taking it in the first place. Additionally, it is consistent with the contingency-fee agreement entered into by the named Plaintiffs. The attorneys' fees award is intended to reimburse Plaintiffs' Counsel for all uncompensated work that they have already done and for all the work they will continue to do in carrying out and overseeing the administration of the Settlement, communicating with Aggrieved

Employees regarding their Individual PAGA Payment checks, and communicating with the Settlement Administrator regarding the administration of the Settlement, if it is approved.

34. My firm took this case on a contingent-fee basis against a business represented by a reputable defense firm. When we take contingent cases, we must pay careful attention to the economics involved, or one bad case can destroy years of work. Accordingly, when we take on contingent cases, we anticipate that, if successful, we shall receive a fee that exceeds our normal hourly rate; otherwise, the risk is often too great to bear. Even when we work long hours, the number of hours a day is limited. Because of this, when we take on one particular matter, we are unable to take on other matters. When my firm became involved in this case, we realized the time commitment it would entail and were forced to turn down matters we otherwise could have handled.

35. The requested attorneys' fees are reasonable for the services provided to the LWDA and the Aggrieved Employees and for the benefits they are to receive.

36. Moreover, the case involved significant risks of non-payment of attorneys' fees and non-recovery of litigation costs if the Settlement was not granted approval, or if Plaintiffs did not prevail. California courts consider the risks counsel takes in litigating a case where they may not prevail on the merits in granting attorneys' fees awards. *See Graham v. Daimler Chrysler Corp.* (2004) 34 Cal.4th 553, 583.

37. The actual aggregated lodestar between the attorneys who worked on this case is \$\$230,040. This results in a negative multiplier, demonstrating that the requested fee is justified, reasonable, and appropriate. The total lodestar is summarized in the following table:

Lodestar Summary

Attorney	Experience	Hourly Rate	Total Hours	Lodestar
Mehrdad Bokhour	13 years	\$750	85 ¹	\$63,750
Joshua Falakassa	12 years	\$725	80	\$58,325
Aram Boyadjian	5 years	\$600.00	1.9	\$1,140.00

¹ Includes an estimated 10-15 hours of additional work in preparation for and attending the hearing, as well as work that is anticipated to be performed after the hearing with counsel, administrator, employees, and the court.

Courtney M. Miller	7 years	\$700.00	1.9	\$2,100
Gabriella Solé	4 years	\$550.00	40.7	\$22,385
Eugene Zinovyev	17 years	\$950.00	56.9	\$54,055
John G. Yslas	30 years	\$1,500.00	12.2	\$18,300.
TOTAL				\$230,040

38. In compliance with California Rules of Professional Conduct section 1.5.1, Plaintiffs signed a fee split agreement that provides fees will be allocated between Class Counsel as follows: forty percent (40%) to the Bokhour Law Group, P.C., forty percent (40%) to Falakassa Law, P.C.; and twenty percent (20%).

39. The actual litigation costs incurred in this case by Plaintiffs' Counsel to date amount to \$21,077.09 expended by Bokhour Law Group, P.C. and Wilshire Law Firm.

40. The following table sets forth the specific costs incurred by my firm to date:

BOKHOUR LAW GROUP, P.C.		
Type	Description	Charge
Process	Service of Process Fee	\$174
Mediation	Mediation Fees	\$5,000
Expert Data	Analysis of Time Records	\$6,840
Filing Fees	Complaint & Other Filings	\$4,149.30
EWDA Notice	PAGA Filing Fee	\$75
TOTAL		\$16,238.30

41. Based on my years of experience representing Plaintiffs in wage and hour matters—including both PAGA representative actions and class actions—I believe the Parties' proposed settlement is fair, adequate, and reasonable in light of the applicable facts and law.

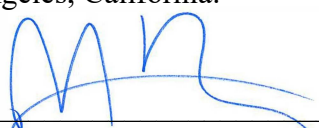
42. Attached hereto as **Exhibit "B"** is a true and correct copy of Plaintiffs' PAGA Notice letters.

43. Pursuant to Labor Code § 2699(l)(2), the proposed settlement has been submitted to the Labor and Workforce Development Agency in addition to a copy of Plaintiffs' Motion for Approval. A true and correct copy of the confirmation of this submission is attached hereto as **Exhibit "C"**.

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I declare under the penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 30th day of June 2026, at Los Angeles, California.



Mehrdad Bokhour, Esq.

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EXHIBIT “A”

TRUE AND CORRECT COPY OF
PAGA SETTLEMENT AGREEMENT

[SEE ATTACHED]

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiffs Floyd Lindley (“Plaintiff Lindley”) and Andrew Salse (“Plaintiff Salse”) (collectively, “Plaintiffs”) and Defendant Gleiberman Properties, Inc. (“Defendant”). The Agreement refers to Plaintiffs and Defendant collectively as “Parties” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiffs’ representative Private Attorney General Act (“PAGA”) lawsuit alleging wage and hour violations against Defendant captioned *Lindley v. Gleiberman Properties, Inc.*, San Diego County Superior Court Case No. 37-2024-00017232-CU-OE-CTL, filed on April 11, 2024; *Salse v. Gleiberman Properties, Inc. dba MG Properties*, Alameda County Superior Court Case No. 24CV082436, filed on July 5, 2024; and *Salse v. Gleiberman Properties, Inc. dba MG Properties*, San Bernardino County Superior Court Case No. CIVSB2417639, filed on April 30, 2024.
- 1.2. “Administrator” means ILYM Group, Inc., the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with approval of this Settlement.
- 1.4. “Aggrieved Employee(s)” or “PAGA Members” means all non-exempt employees who worked for Defendant in California during the PAGA Period.
- 1.5. “Aggrieved Employee Data” means Aggrieved Employee identifying information in Defendant’s possession, including the Aggrieved Employee’s name, last-known mailing address, Social Security number, and number of PAGA Pay Periods.
- 1.6. “Aggrieved Employee Address Search” means the Administrator’s investigation and search for current Aggrieved Employee mailing addresses using all reasonably available sources, methods, and means, including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Aggrieved Employees.
- 1.7. “Approval Order” means the Court’s order granting approval of the Settlement.
- 1.8. “Court” means the Superior Court of California, County of San Diego.
- 1.9. “Defense Counsel” means Marie Burke Kenny and Karina J. Lo of Procopio, Cory Hargreaves & Savitch LLP.
- 1.10. “Effective Date” means the date on which the Judgment becomes final. If the Court does not approve the proposed settlement, it shall be null and void, and the Parties shall return to their respective positions in the action as though no Settlement were reached.

- 1.11. "Gross Settlement Amount" means Seven Hundred Thirty-Four Thousand Five Hundred Eighty Dollars (\$734,580), which is the maximum total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 8, below. The Gross Settlement Amount will be paid by Defendant in satisfaction of all claims arising in the Action, including, but not limited to, amounts used to pay Plaintiffs' Service Awards, the Individual PAGA Payments, the LWDA PAGA Payment, the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, and the Administrator's Expenses Payment.
- 1.12. "Individual PAGA Payment" means an Aggrieved Employee's pro rata share of 25% of the PAGA Penalties calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.
- 1.13. "Judgment" means the judgment entered by the Court based upon the Approval Order.
- 1.14. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled to 75% of the PAGA Penalties recovered by Aggrieved Employees under Labor Code section 2699, subd. (i).
- 1.15. "LWDA PAGA Payment" means 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.16. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Plaintiffs' Service Awards, the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The Net Settlement Amount constitutes the total PAGA Penalties to be paid under the Settlement, of which 75% shall be paid to the LWDA as the LWDA PAGA Payment and 25% shall be distributed to Aggrieved Employees as Individual PAGA Payments pursuant to Labor Code section 2699(i).
- 1.17. "PAGA Counsel" means Mehrdad Bokhour, Esq. of Bokhour Law Group, P.C., Joshua Falakassa, Esq. of Falakassa Law, PC, and Eugene Zinovyev of Wilshire Law Firm, the attorneys representing the Plaintiffs in the Action.
- 1.18. "PAGA Counsel Fees Payment" and "PAGA Counsel Litigation Expenses Payment" mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action.
- 1.19. "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.
- 1.20. "PAGA Period" means the period from December 5, 2022 through December 31, 2025.
- 1.21. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698 *et seq.*).
- 1.22. "PAGA Notices" means Plaintiffs' letters to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd. (a). This includes the Amended Notice jointly submitted to the LWDA by Plaintiff Lindley and Plaintiff Salse.

- 1.23. “PAGA Penalties” means the Net Settlement Amount, which constitutes the total amount of civil penalties to be paid in settlement of the PAGA claims, of which 75% shall be paid to the LWDA as the LWDA PAGA Payment and 25% shall be distributed to the Aggrieved Employees as Individual PAGA Payments pursuant to Labor Code section 2699(i).
- 1.24. “Plaintiffs” means Floyd Lindley and Andrew Salse, the named Plaintiffs in the Action.
- 1.25. “Plaintiffs’ Service Awards” means the service award paid to Plaintiffs for serving as the named Plaintiffs in this matter, subject to the approval of the Court.
- 1.26. “Released PAGA Claims” means the claims being released by the Plaintiffs and Aggrieved Employees as described in Paragraph 5, below.
- 1.27. “Released Parties” means Defendant and its joint employers, joint venturers, owners, staffing companies, parent companies, subsidiaries, affiliated and related entities for which Defendant acts as the property manager, as well as its/their officers, directors, investors, shareholders, agents, assigns, attorneys, insurers, independent contractors, employees, predecessors, successors, and any other representatives of any kind.
- 1.28. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.29. “Defendant” means Gleiberman Properties, Inc., the named Defendant in the Action.

2. RECITALS.

- 2.1. Pursuant to California Labor Code section 2699.3, subdivision (a), Plaintiff Lindley gave timely written notice to Defendant and the Labor and Workforce Development Agency (“LWDA”) by submitting the required PAGA Notice on December 5, 2023.
- 2.2. Pursuant to California Labor Code section 2699.3, subdivision (a), Plaintiff Salse gave timely written notice to Defendant and the Labor and Workforce Development Agency (“LWDA”) by submitting the required PAGA Notice on April 30, 2024.
- 2.3. On April 11, 2024, Plaintiff Lindley commenced an action by filing a Complaint against Defendant Gleiberman Properties, Inc. on behalf of himself and the allegedly Aggrieved Employees, asserting a claim for civil penalties under the PAGA arising out of or based on alleged: failure to pay minimum wages, failure to pay overtime wages or pay overtime at the regular rate of pay, failure to provide compliant meal periods or pay meal period premiums, failure to provide compliant rest periods or pay rest period premiums, failure to pay sick leave at correct rate, failure to provide accurate wage statements, failure to timely pay wages during employment, and failure to timely pay wages upon separation or pay required waiting time penalties.
- 2.4. On April 30, 2024, Plaintiff Salse commenced an action by filing a Complaint against Defendant Gleiberman Properties, Inc. on behalf of himself, and all other similarly situated, asserting claims arising out of or based on alleged: failure to pay minimum wages, failure to pay overtime wages or pay overtime at the regular rate of pay, failure to provide compliant meal periods or pay meal period premiums, failure to provide

compliant rest periods or pay rest period premiums, failure to provide accurate itemized wage statements, failure to maintain accurate time records, failure to timely produce requested employment records, failure to timely pay wages during employment, failure to timely pay wages upon separation or pay required waiting time penalties, failure to reimburse necessary business expenses, and violation of California Business and Professions Code section 17200, et seq.

- 2.5. On July 5, 2024, Plaintiff Salse commenced another action by filing a Complaint against Defendant Gleiberman Properties, Inc. on behalf of himself and other allegedly Aggrieved Employees, asserting a claim for civil penalties under the PAGA arising out of or based on alleged: failure to pay minimum wages, failure to pay overtime wages or pay overtime at the regular rate of pay, failure to provide compliant meal periods or pay meal period premiums, failure to provide compliant rest periods or pay rest period premiums, failure to provide accurate itemized wage statements, failure to maintain accurate time records, failure to timely produce requested employment records, failure to timely pay wages during employment, failure to timely pay wages upon separation or pay required waiting time penalties, and failure to reimburse necessary business expenses.
- 2.6. Defendant denies the allegations in the Action, denies any failure to comply with the laws identified therein, and denies any and all liability for the causes of action alleged.
- 2.7. On June 10, 2025, the Parties participated in an all-day mediation presided over by Jeffrey Fuchsman, Esq., a well-respected and experienced wage and hour mediator. These good-faith, arm's-length negotiations resulted in the settlement of the Action and are memorialized in this Settlement Agreement following extensive negotiations regarding the terms and conditions of the Settlement.
- 2.8. PAGA Counsel conducted extensive investigation, discovery, review, and analysis of data and documents, and evaluation concerning the claims set forth in the Action.
- 2.9. PAGA Counsel has conducted an investigation of the law and facts relating to the claims asserted in the Action and has concluded, taking into account the sharply contested issues involved, the defenses asserted by Defendant, the expense and time necessary to pursue the Action through trial and any appeals, the risks and costs of further prosecution of the Action, the risk of an adverse outcome, the uncertainties of complex litigation, and the substantial benefits to be received by Plaintiffs and the Aggrieved Employees and State of California pursuant to this Agreement, that a settlement with Defendant on the terms and conditions set forth herein is fair, reasonable, adequate, and in the best interests of the Aggrieved Employees and State of California. Plaintiffs, on their own behalf and as a private attorney general on behalf of the State of California with respect to PAGA Members, have agreed to settle the Action with Defendant on the terms set forth herein.
- 2.10. Defendant has concluded that, because of the substantial expense of defending against the Action, the length of time necessary to resolve the issues presented herein, the inconvenience involved, and the concomitant disruption to its business operations, it is in Defendant's best interest to accept the terms of this Agreement. Defendant generally

and specifically denies any and all liability or wrongdoing of any kind associated with the claims alleged in the Action, disputes that any wages, damages and penalties claimed by Plaintiffs, alleged in the Operative Complaint(s), and alleged in Plaintiffs' PAGA Notices are owed, and further contends that the Action is not appropriate for representative treatment, other than for the limited purpose of effectuating this Settlement. Defendant asserts a number of defenses to the alleged claims and contends, among other things, that it has made substantial good faith efforts to comply with the California Labor Code and the Industrial Welfare Commission Wage Orders at all times during the PAGA Period. Defendant asserts that it adopted compliant wage-and-hour practices. Neither this Agreement, nor any document referred to or contemplated herein, nor any action taken to carry out this Agreement, is or may be construed as a concession, admission, or indication by or against Defendant, or any of the Released Parties, of any fault, wrongdoing, or liability whatsoever. This Agreement is not a concession or admission by Defendant that Plaintiffs have standing or can serve as adequate representatives, except for the limited purpose of effectuating this Settlement. There has been no determination by any court as to the merits of the claims Plaintiffs assert against Defendant or whether this Action is appropriate for representative treatment for any purpose other than settlement. However, Defendant nevertheless desires to settle the Action for the purpose of avoiding the burden, expense and uncertainty of continuing litigation and for the purpose of putting to rest the controversies engendered by the Action.

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8, below, Defendant promises to pay Seven Hundred Thirty-Four Thousand Five Hundred Eighty Dollars (\$734,580) and no more than the Gross Settlement Amount. Defendant has no obligation to pay the Gross Settlement Amount before the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.
- 3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount in the amounts specified by the Court in the Approval Order:
 - 3.2.1. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than one third of the Gross Settlement Amount, which is currently estimated to be \$244,860, and a PAGA Counsel Litigation Expenses Payment of not more than \$40,000.00. Defendant will not oppose requests for Court approval of these payments, provided they do not exceed the amounts set forth above. Plaintiffs and/or PAGA Counsel will file an application or motion for PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other Plaintiffs' Counsel arising from any claim to any portion of any PAGA Counsel Fees Payment and/or PAGA

Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment using one or more IRS Form 1099s. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these payments.

- 3.2.2. To Plaintiffs: From the Gross Settlement amount, Plaintiffs will receive Service Awards in the amount of \$10,000 each for serving as the Plaintiffs in this matter, subject to the approval of the Court. If the Court approves Service Awards less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount.
- 3.2.3. To the Administrator: An Administration Expenses Payment not to exceed \$6,000, except for a showing of good cause and as approved by the Court. To the extent the expenses incurred by the Administrator in connection with this Settlement are less, or the Court approves an Administration Expenses Payment of less than \$6,000.00, the Administrator will allocate the remainder to the Net Settlement Amount.
- 3.2.4. To the LWDA and Aggrieved Employees: PAGA Penalties to be paid from the remaining Gross Settlement Amount, with 75% of the remaining Gross Settlement Amount (~\$317,790) allocated to the LWDA PAGA Payment and 25% (~\$105,930) allocated to the Individual PAGA Payments.
 - 3.2.4.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.
 - 3.2.4.2. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

- 4.1. Aggrieved Employee Pay Periods. Based on a review of its records to date, Defendant estimates the Aggrieved Employees worked a total of 24,133 PAGA Pay Periods.
- 4.2. Aggrieved Employee Data. Within fifteen (15) business days of the Effective Date of this Agreement, Defendant will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employees' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to

effect and perform under this Agreement. Defendant has a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee-identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

- 4.3. Funding of Gross Settlement Amount. Defendant shall fund the total Gross Settlement Amount within thirty (30) days after the Effective Date.
- 4.4. Payments from the Gross Settlement Amount. Within fourteen (14) days after Defendant fully funds the Gross Settlement Amount, the Administrator will mail checks for Plaintiffs' Service Awards, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Fees Payment, and the PAGA Counsel Litigation Expenses Payment. Disbursement of the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment shall not precede disbursement of Individual PAGA Payments.
 - 4.4.1. The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Administrator must update the recipients' mailing addresses using the National Change of Address Database.
 - 4.4.2. The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned undelivered without USPS forwarding addresses. Within seven (7) days of receiving a returned check, the Administrator must re-mail the check to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, upon the Aggrieved Employee's request prior to the void date.
 - 4.4.3. For any Aggrieved Employee whose Individual PAGA Payment check remains uncashed and is cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Unclaimed Property Fund in the name of the Aggrieved Employee.
 - 4.4.4. The payment of Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to the Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. **RELEASES OF CLAIMS.** Effective on the date when Defendant fully funds the entire Gross Settlement Amount, Plaintiffs and Aggrieved Employees will release claims against all Released Parties as follows:

5.1. Plaintiffs' Release. Plaintiffs and their respective former and present spouses, representatives, agents, attorneys (including PAGA Counsel), heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences arising during the PAGA Period, including, but not limited to: (a) all individual claims that were, or reasonably could have been, alleged, based on the facts contained in the operative Complaint filed by Plaintiff Lindley, in the operative Complaints filed by Plaintiff Salse, in the Operative Complaint as amended in the Action, Plaintiffs' PAGA Notices and Amended PAGA Notice ("Plaintiffs' Release"). Plaintiffs' Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the PAGA Period. Plaintiffs acknowledge that Plaintiffs may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now know or believe to be true but agree, nonetheless, that Plaintiffs' Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs' discovery of them.

5.1.1. Plaintiffs' Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiffs' Release, Plaintiffs expressly waive and relinquish the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her would have materially affected his or her settlement with the debtor or Released Party.

5.2 Release by the LWDA, State of California, and Aggrieved Employees: Upon the occurrence of the Effective Date and the full funding of the Gross Settlement Amount, Plaintiffs, the PAGA Employee Group, the State of California, and the Labor and Workforce Development Agency shall release any and all claims under the California Labor Code Private Attorneys General Act of 2004 ("PAGA") against Defendant and the Released Parties. This release includes all PAGA claims asserted or that could have been asserted in the operative Complaint filed by Plaintiff Lindley, in the operative Complaint filed by Plaintiff Salse, in the Operative Complaint as amended in the Action, and/or in Plaintiffs' PAGA Notices based on the facts and allegations contained therein. The claims released include, but are not limited to, alleged violations for failure to pay for all hours worked, including off-the-clock work; failure to pay minimum wages; failure to pay overtime wages; failure to pay overtime wages at the regular rate of pay; failure to provide meal periods and premium pay; failure to pay meal period premium pay at the regular rate of pay; failure to authorize and permit rest periods and premium pay; failure to pay rest period premium pay at the regular rate of pay; failure to pay sick leave at the regular rate of pay; failure to provide one day of rest in seven; failure to provide reporting time pay; failure to reimburse necessary business expenses; failure to

timely pay wages during employment; failure to provide timely wages upon separation of employment (waiting time penalties); failure to maintain accurate records; failure to timely produce requested employment records; failure to furnish complete, accurate, itemized wage statements; and violations of California's paid sick leave requirements. This release includes all claims for civil penalties arising under the California Labor Code, including but not limited to Labor Code sections 200, 201, 202, 203, 204, 204b, 210, 213(d), 216, 218, 218.5, 218.6, 221, 222.5, 223, 225.5, 226, 226(a), 226(e), 226(h), 226.3, 226.7, 227.3, 231, 245 through 248.5, 248.6, 248.7, 256, 404, 432, 450, 510, 512, 512(a), 516, 551, 552, 558, 558.1, 1174, 1174(d), 1174.4, 1174.5, 1181.12, 1194, 1194(a), 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2698 through 2699.5, 2800, 2802, 2804, 2810.5, and the applicable Wage Orders of the Industrial Welfare Commission. This release encompasses all PAGA claims, known and unknown, arising from the facts and allegations pleaded in the Actions during the PAGA Release Period.

6. **MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT.** The Parties agree that Plaintiffs' counsel will subsequently draft and file an application or motion for approval of this Settlement, including the notice to be provided to the Aggrieved Employees. The Parties will jointly seek to immediately vacate or stay all dates in the Action, pending approval by the Court of the Settlement, and will seek a date for the hearing on the motion for approval of this Settlement as soon as possible.

- 6.1 Plaintiffs' Responsibilities. Plaintiffs will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code Section 2699, subd. (f)(2) including (i) a draft proposed Order Granting Approval of PAGA Settlement; (ii) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Aggrieved Employee Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees or the LWDA; and the nature and extent of any financial relationship with Plaintiffs, PAGA Counsel or Defense Counsel; (iii) a signed declaration from PAGA Counsel attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); and (iv) all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator.
- 6.2 Responsibilities of Counsel. PAGA Counsel are responsible for expeditiously finalizing and filing the application or motion for approval of this Settlement no later than sixty (60) days after the full execution of this Agreement and, if necessary, obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court's Approval Order to the Administrator.
- 6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or motion for approval of this Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on

behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant the motion for approval of this Settlement or conditions its approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

- 7.1 Selection of Administrator. The Parties have jointly selected ILYM Group, Inc. ("Administrator") to serve as the Administrator and verified that, as a condition of appointment, Administrator agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of the Administration Expenses Payment. The Parties, PAGA Counsel, and Defense Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number to provide reports to state and federal tax authorities.
- 7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.
- 7.4 Administrator's Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

- 8. AGGRIEVED EMPLOYEE SIZE ESTIMATES AND ESCALATOR CLAUSE.** The Settlement is based on an estimate that aggrieved employees worked 24,133 pay periods during the PAGA Period as of December 31, 2025. If the number of pay periods worked by aggrieved employees during the PAGA Period exceeds 26,547 (i.e., 10% more than the number of pay periods estimated as of December 31, 2025), then, at Defendant's option, the PAGA Settlement will either increase by 1% for every 1% over the 10% threshold, or the PAGA Period will end on the date the number of pay periods equals 26,547. For example, if the aggrieved employees worked 26,788 pay periods during the PAGA Period, then the PAGA settlement amount will increase by 1% from \$734,580 to \$741,926 or, at Defendant's option, the PAGA Period will end on the date the number of pay periods reaches 26,547.

- 9. CONTINUING JURISDICTION OF THE COURT.** The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement pursuant to CCP section 664.6 solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing Settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

- 9.1 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment, the Parties and their respective

counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If another party appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the Net Settlement Amount.

10. ADDITIONAL PROVISIONS.

- 10.1 No Admission of Liability or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs that Defendant's defenses in the Action have merit. The Parties agree that representative treatment is for purposes of this Settlement only. If, for any reason, the Court does not approve this Settlement, Defendant reserves all available defenses to the claims in the Action, and Plaintiffs reserve the right to contest Defendant's defenses. The Settlement, this Agreement, and the Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).
- 10.2 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement, together with its attached exhibits, shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 10.3 Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement, including any amendments to this Agreement.
- 10.4 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying this Agreement, submitting supplemental evidence, and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution. In the event that the Court refuses to approve any economic term or term related to the scope of the claims release, Defendant, at its option, may void the Settlement. A reduction in the amount of PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment is not a basis to void the Settlement. In the event that the Court refuses to approve any term related to the scope of the release, the Parties

agree to return to mediation in order to attempt to address the concerns of the Court, and, upon reaching an agreement, submit a revised agreement to the Court.

- 10.5 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 10.6 No Tax Advice. Neither Plaintiffs, PAGA Counsel, Defendant, nor Defense Counsel is providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 10.7 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 10.8 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 10.9 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 10.10 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 10.11 Confidentiality. To the extent permitted by law, all agreements made and orders entered, during the Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 10.12 Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Evidence Code section 1152, and all copies and summaries of the Aggrieved Employee Data provided to PAGA Counsel by Defendant in connection with the mediation, other settlement negotiations, or the Settlement, may be used only with respect to this Settlement, and for no other purpose, and may not be used in any way that violates any existing contractual agreement, statute or the California Rules of Court. Not later than 90 days after the Administrator discharges its obligation to pay out all Settlement funds, Plaintiffs shall destroy all paper and electronic versions of Aggrieved Employee Data received from Defendant unless, prior to the Administrator's payment of all Settlement funds, Defendant makes a written request to PAGA Counsel for the return, rather than the destruction, of Aggrieved Employee Data.
- 10.13 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

10.14 Calendar Days. Unless otherwise noted, all references to “days” in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

10.15 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiffs:

Mehrdad Bokhour <i>mehrdad@bokhouralw.com</i> Bokhour Law Group, P.C. 1901 Avenue of the Stars, Suite 520 Los Angeles, California 90067 310-975-1493	Joshua Falakassa <i>josh@falakassalaw.com</i> Falakassa Law, PC 1901 Avenue of the Stars, Suite 520 Los Angeles, California 90067 818-456-6168
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To Defendant:

Marie Burke Kenny <i>marie.kenny@procopio.com</i> Karina J. Lo <i>karina.lo@procopio.com</i> Procopio, Cory, Hargreaves & Savitch LLP 525 B Street, #2200 San Diego, CA 92101 619-238-1900

10.16 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (e.g., DocuSign), or email, which, for purposes of this Agreement, shall be accepted as an original. All executed counterparts, and each of them, will be deemed to be one and the same instrument if counsel for the Parties exchange signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

10.17 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement.

10.18 No Public Comment. The Parties and their counsel agree not to issue any press releases, initiate any contact with the press, respond to any press inquiry, or make any public communication about the fact, amount, or terms of the Settlement, including Defendant’s name, or any reference to Defendant’s industry, except however that this does not prohibit disclosures required by law and/or between Plaintiffs and PAGA Counsel and their expert, or between Defendant and Defense Counsel and their expert, and those within Defendant’s organization or financial advisors/accountants with a need to know to approve or execute the terms of this Agreement. In response to any inquiries, Plaintiffs and PAGA Counsel will state that “the case was resolved with Court approval.” PAGA Counsel shall not report the Settlement or its content in any

medium or in any publication and shall not contact any reporters or media regarding the Settlement, the Action, or their content. PAGA Counsel warrants that they are absolutely restricted from posting or reporting anything regarding the Defendant's names or Defendant's industry, the claims of Plaintiffs or the Aggrieved Employees, or this Settlement, or any reference to the Action on their website. However, Plaintiffs' Counsel is authorized and required by law to make disclosure to the Court and the LWDA for the purposes of obtaining the approval of the Settlement, concluding any superior court or appellate court proceedings in the Action, and complying with any California Rules of Court or ethical requirements. This disclosure is limited to court filings, electronic submission of settlement documents to the LWDA, and verbal statements made at hearings or conferences with a judicial officer. Plaintiffs and PAGA Counsel, and/or their representatives, are not permitted to disseminate or publish, distribute, or discuss the information provided to the Court in those filings outside the filings themselves and any hearing held on those filings, unless ordered otherwise by the Court. Nothing in this provision is intended to prohibit: (i) Plaintiffs from discussing this Settlement with their spouses, attorneys, tax advisors, or taxing authorities; or (ii) PAGA Counsel from communicating with the Administrator, Plaintiffs in this case, the LWDA, or with the court in which this action is pending; (iii) PAGA Counsel to report on the Settlement in other courts as may be required by the California Rules of Court or when responding to any inquiry from another court; (iv) PAGA Counsel from discussing the Settlement with the Aggrieved Employees if contacted with questions about the Settlement or the distribution of settlement proceeds.

Dated: 6/11/2026, 2026

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Floyd Lindley
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Plaintiff Floyd Lindley

Dated: June 11, 2026

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Andrew Salse
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Plaintiff Andrew Salse

Defendant Gleiberman Properties, Inc.

Dated: _____, 2026

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medium or in any publication and shall not contact any reporters or media regarding the Settlement, the Action, or their content. PAGA Counsel warrants that they are absolutely restricted from posting or reporting anything regarding the Defendant's names or Defendant's industry, the claims of Plaintiffs or the Aggrieved Employees, or this Settlement, or any reference to the Action on their website. However, Plaintiffs' Counsel is authorized and required by law to make disclosure to the Court and the LWDA for the purposes of obtaining the approval of the Settlement, concluding any superior court or appellate court proceedings in the Action, and complying with any California Rules of Court or ethical requirements. This disclosure is limited to court filings, electronic submission of settlement documents to the LWDA, and verbal statements made at hearings or conferences with a judicial officer. Plaintiffs and PAGA Counsel, and/or their representatives, are not permitted to disseminate or publish, distribute, or discuss the information provided to the Court in those filings outside the filings themselves and any hearing held on those filings, unless ordered otherwise by the Court. Nothing in this provision is intended to prohibit: (i) Plaintiffs from discussing this Settlement with their spouses, attorneys, tax advisors, or taxing authorities; or (ii) PAGA Counsel from communicating with the Administrator, Plaintiffs in this case, the LWDA, or with the court in which this action is pending; (iii) PAGA Counsel to report on the Settlement in other courts as may be required by the California Rules of Court or when responding to any inquiry from another court; (iv) PAGA Counsel from discussing the Settlement with the Aggrieved Employees if contacted with questions about the Settlement or the distribution of settlement proceeds.

Dated: _____, 2026

Plaintiff Floyd Lindley

Dated: _____, 2026

Plaintiff Andrew Salse

Defendant Gleiberman Properties, Inc.

Dated: June 11, 2026, 2026

DocuSigned by:
Patricia Gray
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By Patricia Gray
Its Vice President

AGREED AS TO FORM BY COUNSEL

Dated: 6/11/2026
_____, 2026

FALAKASSA LAW, P.C.

DocuSigned by:



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Joshua S. Falakassa, Esq.
Counsel for Plaintiffs and the PAGA Members

6/11/2026
Dated: _____, 2026

BOKHOUR LAW GROUP, P.C.

Signed by:

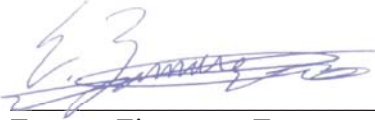


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Mehrdad Bokhour, Esq.
Counsel for Plaintiffs and the PAGA Members

Dated: June 11, 2026

WILSHIRE LAW FIRM



Eugene Zinovyev, Esq.
Counsel for Plaintiffs and the PAGA Members

Dated: _____, 2026

PROCOPIO, HARGREAVES & SAVITCH LLP

Marie Burke Kenny
Counsel for Defendant

AGREED AS TO FORM BY COUNSEL

FALAKASSA LAW, P.C.

Dated: _____, 2026

Joshua S. Falakassa, Esq.
Counsel for Plaintiffs and the PAGA Members

BOKHOUR LAW GROUP, P.C.

Dated: _____, 2026

Mehrdad Bokhour, Esq.
Counsel for Plaintiffs and the PAGA Members

WILSHIRE LAW FIRM

Dated: _____, 2026

Eugene Zinovyev, Esq.
Counsel for Plaintiffs and the PAGA Members

PROCOPIO, HARGREAVES & SAVITCH LLP

Dated June 11, 2026

DocuSigned by:

Marie Burke Kenny _____

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MARIE BURKE KENNY

Counsel for Defendant

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EXHIBIT “B”

TRUE AND CORRECT COPY OF

LWDA LETTERS

[SEE ATTACHED]



MEHRDAD BOKHOUR
Attorney at Law

1901 Avenue of the Stars | Suite 450
Los Angeles | California 90067

tel 310 975 1493
fax 310 675 0861

December 5, 2023

SUBMITTED VIA LWDA'S PAGA CLAIM NOTICE ONLINE PORTAL

COPY SENT VIA CERTIFIED MAIL TO:

GLEIBERMAN PROPERTIES, INC.
10505 SORRENTO VALLEY RD. SUITE # 300
SAN DIEGO, CA 92121

C/O JEFF GLEIBERMAN
10505 SORRENTO VALLEY RD. SUITE # 300
SAN DIEGO, CA 92121

Re: Floyd Lindley v. Gleiberman Properties, Inc.
Notice of Intent to File Suit for California Labor Code § 2698 et seq. Penalties

To Whom It May Concern:

This office, along with Falakassa Law, P.C., represents Floyd Lindley (hereinafter "Mr. Lindley") and a proposed group of current and former non-exempt employees working for Gleiberman Properties, Inc. *dba* MG Properties (hereinafter "Gleiberman Properties") and any of its affiliated, predecessor and/or merged entities in the State of California for violations of the California Labor Code §§ 201-203, 204, 210, 221, 226(a), 226(e), 226.3, 226.7, 227.3, 246, 510, 512, 516, 1174, 1174.4, 1199, and all applicable Industrial Welfare Commission Wage Orders ("Wage Order").

This letter shall serve as notification under Labor Code § 2699.3 (hereinafter "PAGA Notice"). The \$75 filing fee made payable to the California Labor and Workforce Development Agency for the Private Attorneys General Act Notice ("PAGA Notice") was paid online. A copy of this PAGA Notice was submitted electronically to the Department of Industrial Relations.

Mr. Lindley wishes to bring a representative action on behalf of himself and the State of California as well as on behalf of the following group of "aggrieved employees":

All current and former non-exempt hourly employees who work or worked for Gleiberman Properties LLC in California during the one year immediately preceding the filing of this PAGA Notice and continuing into the present and ongoing ("aggrieved employees")

Gleiberman Properties is a fully integrated real estate company specializing in investing, redeveloping, and managing multifamily assets. Mr. Lindley was employed by Gleiberman Properties as a non-exempt employee with the title of “Maintenance Supervisor” beginning approximately in October 2018, until the present. Mr. Lindley and other aggrieved employees (including Assistant Manager, Leasing Consultant, Community Manager, Maintenance Technician, Porter, and all other non-exempt positions) were responsible for all aspects of Gleiberman Properties’ business in California.

At all relevant times, Mr. Lindley and other aggrieved employees regularly worked various shifts, many of which were in excess of 8.0 hours in a workday and 40.0 hours in a workweek. Mr. Lindley alleges that other aggrieved employees were also subjected to the same policies, procedures, practices, working conditions, and corresponding wage and hour violations to which she was subjected during her employment.

First, at all relevant times, Mr. Lindley and other aggrieved employees worked regular shifts that lasted longer than 8.0 hours in a workday and resulted in aggrieved employees regularly working more than 40 hours in a workweek. However, Mr. Lindley and other aggrieved employees were not properly paid at the correct overtime rate for all overtime hours worked due to Gleiberman Properties’ uniform failure to include all forms of compensation/remuneration, including, but not limited to, commissions, incentives, non-discretionary bonuses, and all other forms of remuneration in calculating the “regular rate of pay” for purposes of overtime compensation.

Under the California Labor Code (as well as the FLSA), courts have held that regularly paid non-discretionary bonuses, shift premiums, and other forms of compensation must be included in determining an employee’s “regular rate of pay” for purposes of calculating overtime. (See *Haber v. The Americana Corp.* 378 F. 2d 854, 855-856 (9th Cir. 1967) [holding that regularly paid efficiency bonuses must be included in calculating the “regular rate”]; *Wang v. Chinese Daily News, Inc.* 435 F. Supp. 2d 1042, 1055-1057 (C.D. Cal. 2006) [granting summary judgement to Plaintiff under California and federal law on the grounds, that Defendant improperly calculated overtime by excluding annual bonuses paid to employees from the “regular rate of compensation”]; see *Walling v. Youngerman-Reynolds Hardwood Co.* (1945) 65 S.Ct. 1242, 1245. (“The regular rate by its very nature must reflect all payments which the parties have agreed shall be received regularly during the workweek, exclusive of overtime payments. It is not an arbitrary label chosen by the parties; it is an actual fact. Once the parties have decided upon the amount of wages and the mode of payment the determination of the regular rate becomes a matter of mathematical computation, the result of which is unaffected by any designation of a contrary ‘regular rate’ in the contracts.”); see also 29 CFR §§ 778.110 (“production bonus”) and 778.111 (“piece-rate”).)

Labor Code § 510 requires an employer to compensate an employee who works more than eight (8.0) hours in one workday, forty (40.0) hours in a workweek, and for the first eight (8.0) hours worked on the seventh consecutive day, no less than one and one-half times (1 1/2) the regular rate of pay. In addition, Labor Code § 510 obligates employers to compensate employees at no less than twice the regular rate of pay when an employee works more than twelve (12.0)

hours in a workday or more than eight (8.0) hours on the seventh consecutive day of work. Pursuant to Section 3 of the applicable Wage Orders, non-exempt employees shall not be employed more than eight (8.0) hours in any workday or more than 40.0 hours in any workweek unless the employee receives one and one-half (1 1/2) times such employee's regular rate of pay for all hours worked over 40 hours in the workweek.

By their policy of requiring aggrieved employees to work in excess of eight (8) hours in a workday and/or forty (40.0) hours in a workweek without compensating them at the rate of one-half (1 1/2) their regular rate of pay, Gleiberman Properties willfully violated the provisions of Labor Code § 510 and the applicable Wage Orders.

Based on the foregoing Labor Code violations, Mr. Lindley seeks all civil and statutory penalties available and applicable under Labor Code § 2699(f)(2), and for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

Similarly, at all relevant times, Gleiberman Properties also failed in its obligation to provide Mr. Lindley and other aggrieved employees the legally required paid sick days at the legal rate pursuant to Labor Code §§ 246(a),(b), which requires that "[a]n employee who, on or after July 1, 2015, works in California for the same employer for 30 or more days within a year from the commencement of employment is entitled to paid sick days. . . at the rate of not less than one hour per every 30 hours worked, beginning at the commencement of employment." Labor Code § 246(l)(1) provides that paid sick time for non-exempt employees must be "calculated in the same manner as the regular rate of pay for the workweek in which the employee uses paid sick time, whether or not the employee actually works overtime in that workweek."

Additionally, Labor Code § 246(l)(2) states that the paid sick time must be "calculated by dividing the employee's total wages, not including overtime premium pay, by the employee's total hours worked in the full pay periods of the prior 90 days of employment." Finally, Labor Code § 246(i) requires employers to "provide an employee with written notice that sets forth the amount of paid sick leave available, or paid time off leave an employer provides in lieu of sick leave, for use on either the employee's itemized wage statement described in Section 226 or in a separate writing provided on the designated pay date with the employee's payment of wages."

Here, at all relevant times, Gleiberman Properties failed in its obligation to provide Mr. Lindley and other aggrieved employees the legally required paid sick days at the legal rate, including all forms of compensation, pursuant to Labor Code §§ 246(a),(b). As such, Gleiberman Properties paid sick time below his base rate of pay, rather than the "regular rate of pay" as required by Labor Code §§ 246(l)(1-2). Based on the foregoing Labor Code violations, Mr. Lindley seeks all civil and statutory penalties available and applicable under Labor Code § 2699(f)(2), and for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

Furthermore, at all relevant times, Mr. Lindley and other aggrieved employees were denied compliant and timely 30-minute off-duty meal periods as mandated by California law. Due to

Gleiberman Properties' uniform meal period policies/practices, operational requirements, and work demands, Mr. Lindley and other aggrieved employees were often unable to take timely and uninterrupted net 30-minute first meal periods before the end of the fifth hour of work. In addition, Mr. Lindley and other aggrieved employees were often unable to take a second 30 minute uninterrupted and timely meal period for shifts in excess of 10.0 hours.

In addition, for each missed or non-compliant meal period, Gleiberman Properties failed and continues to fail to maintain a mechanism by which aggrieved employees were paid meal period premiums at the "regular rate of pay" pursuant to *Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 5th 858 and Labor Code § 226.7.

Accordingly, due to Gleiberman Properties' uniform meal period practices, Mr. Lindley and other aggrieved employees were also regularly denied legally compliant meal periods in violation of Labor Code 226.7, 510, 516, and applicable IWC Wage Orders, and are entitled to penalties under Labor Code § 2698 *et seq.*

Moreover, at all relevant times, Mr. Lindley and other aggrieved employees were not provided with all 10-minute rest periods for every four hours worked, or major fraction thereof due to Gleiberman Properties' uniform rest period policies/practices, operational requirements, and work demands. As a result, Mr. Lindley and other aggrieved employees were and are often unable to take a net 10-minute duty free rest periods for every major fraction of four hours worked. This includes a second rest period for shifts in excess of six hours, and a third rest period for shifts in excess of 10 hours in a workday. In addition, Gleiberman Properties had the unlawful policy/practice of making Mr. Lindley and other aggrieved employees remain on premises during their rest periods.

By not relieving all non-exempt employees of all duties during rest periods, Gleiberman Properties failed to provide legally compliant rest periods. See *Augustus v. ABM Security Services, Inc.* (2016) 2 Cal. 5th 257, 269 [concluding that "during rest periods employers must relieve employees of all duties and relinquish control over how employees spend their time."]. In *Augustus*, the California Supreme Court expressly rejected the employers' assertion that it could provide an on-duty rest period to employees who worked as security guards and further explained: "that employers [must] relinquish any control over how employees spend their break time and relieve their employees of all duties." *Id.* at 273. Each time Mr. Lindley and other aggrieved employees could not take a compliant rest period, Gleiberman Properties failed and continues to fail to adequately pay rest period premium payments at the "regular rate of pay" as required by Labor Code § 226.7.

Accordingly, due to Gleiberman Properties' uniform rest period policies/practices and work demands, Mr. Lindley and other aggrieved employees were also regularly denied legally compliant rest breaks in violation of Labor Code §§ 226.7, 512, and applicable Wage Orders, and would be entitled to penalties under Labor Code § 2698 *et seq.*

As a result of Gleiberman Properties' failure to pay Mr. Lindley and other aggrieved employees for all hours they were subject to the control of Gleiberman Properties, including all, overtime, sick pay wages, and Gleiberman Properties' failure to pay for meal and rest period premiums at the "regular rate of pay," Gleiberman Properties issued wage statements which failed to accurately identify the gross wages earned, the total hours worked, the net wages earned, and the correct corresponding number of hours worked at each hourly rate, in violation of Labor Code § 226(a)(1, 2, 5, and 9).

Labor Code § 226.3 provides that "[a]ny employer who violates subdivision (a) of Section 226 shall be subject to a civil penalty in the amount of two hundred fifty dollars (\$250) per employee per violation in an initial violation and one thousand dollars (\$1,000) per employee for each violation in a subsequent citation, for which the employer fails to provide the employee a wage deduction statement or fails to keep the required in subdivision (a) of Section 226."

Thus, for the violations of Labor Code section 226 described above, Mr. Lindley and other aggrieved employees may also recover Labor Code § 226.3 penalties for Gleiberman Properties' violations of Labor Code § 226(a). Consequently, because Gleiberman Properties failed to comply with Labor Code § 226(a), Mr. Lindley and other aggrieved employees would be entitled to recover penalties under Labor Code §§ 226(e) or 2698 *et seq.*

Finally, because of, Gleiberman Properties' failure to pay all, overtime, sick pay wages, and meal and rest period premiums at the "regular rate of pay," Gleiberman Properties also failed and continues to fail to pay the aggrieved employees all wages owed at their time of separation from employment in violation of Labor Code §§ 201-203. Thus, aggrieved employees would be entitled to recover penalties under Labor Code §§ 201-203 or 2698 *et seq.*

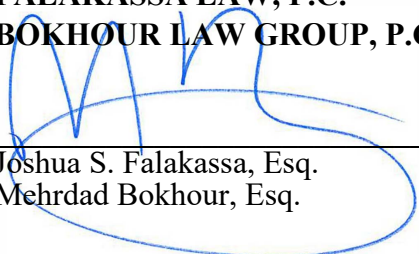
Pursuant to Labor Code § 2699.3(a)(2)(A), please advise within sixty-five (65) calendar days of the date of this notice whether your office intends to investigate the violations alleged herein above. We understand that if we do not receive a response from your office within sixty-five (65) calendar days of this PAGA Notice, Mr. Lindley may thereafter pursue his interests and the interests of similarly aggrieved employees with a civil complaint against Gleiberman Properties for its violations of the California Labor Code and applicable Wage Orders.

While it is our intent to pursue a PAGA representative and/or Class Action lawsuit against Gleiberman Properties for unpaid wages and civil penalties under Labor Code § 2699, it is our firms' policy to attempt to negotiate an early resolution of all matters where possible and beneficial to all aggrieved employees. If Gleiberman Properties is interested in attempting to resolve this matter, please contact me or have your lawyer contact our office so that we can discuss an informal discovery plan and the possibility of early mediation on or before **January 30, 2024**.

California Labor and Workforce Development Agency
December 5, 2023
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Respectfully submitted,

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Shahin Rezvan, Esq.	Diego Aviles, Esq.

April 30, 2024

LWDA

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Oakland, CA 94612
(Via Online Submission)

Gleiberman Properties, Inc. dba MG Properties
7922 Day Creek Blvd.
Rancho Cucamonga, CA 91739
(Via Certified Mail, Return Receipt Requested)
#9489 0090 0027 6621 6071 67

Jeff Gleiberman

Agent for Service of Process
Gleiberman Properties, Inc. dba MG Properties
10505 Sorrento Valley Rd., Ste. 300
San Diego, CA 92121
(Via Certified Mail, Return Receipt Requested)
#9489 0090 0027 6621 6071 74

Re: ***Andrew Salse v. Gleiberman Properties, Inc. dba MG Properties***
Notice of Labor Code Violations and PAGA Penalties

To Whom It May Concern:

Please be advised that my office has been retained by Andrew Salse ("Mr. Salse" or "Employee") to pursue a Labor Code Private Attorneys General Act of 2004 ("PAGA") representative action (Cal. Lab. Code §§ 2699, *et seq.*) against Employee's former employers, Gleiberman Properties, Inc. dba MG Properties ("MG Properties" or "Employers"). The purpose of this letter is to comply with PAGA and set forth the facts and theories of California Labor Code violations which we allege Employers engaged in with respect to Employee and potentially all of Employers' Aggrieved Employees.

Mr. Salse wishes to pursue this action on behalf of Employees as Aggrieved Employees, on behalf of the State of California, as well as on behalf of potentially all other persons who worked for MG Properties in California as a non-exempt or hourly-paid employee at any time within the applicable statutory period (hereafter, the "Aggrieved Employees").

Employee and the Aggrieved Employees, or some of them, suffered the Labor Code violations described below.

Mr. Salse's Employment with MG Properties

MG Properties is a real estate investment firm that owns and operates over 28,000 apartment units. Employee worked as a maintenance technician in one of Employers' San Bernardino County locations. In performing Employee's duties, Employee was regularly required to perform work (off-the-clock), without compensation. Employee was also frequently deprived of an opportunity

to take legally compliant breaks. Employers failed to provide Employee and other Aggrieved Employees with break premiums as required by the Labor Code. Additionally, Employee necessarily incurred business-related expenses, including, but not limited to, work attire, but Employers failed to reimburse such business-related expenses. These are just non-exhaustive examples of the facts and theories the Employee asserts, which are described in more detail below.

Employers own/owned and operate/operated an industry, business, and establishment within the State of California. As such and based upon all the facts and circumstances incident to Employers' business in California, Employers are subject to the California Labor Code, Wage Orders issued by the Industrial Welfare Commission ("IWC"), and the California Business & Professions Code.

Mr. Salse is a resident of San Bernardino, California who worked for Employers in San Bernardino County, California as an hourly-paid, non-exempt employee from approximately July 2023 to approximately October 2023.

During Employee's employment for Employers, Employers paid Employee an hourly wage and classified Employee as non-exempt from overtime. Employers typically scheduled Employee to work at least five days in a workweek and at least eight hours per day, but Employee also worked more than eight hours in a workday and more than forty (40) hours in a workweek.

Throughout Employee's employment, Employers failed to pay for all hours worked (including minimum, straight time, and overtime wages), failed to provide Employee with legally compliant meal periods, failed to authorize and permit Employee to take rest periods, failed to timely pay all final wages to Employee when Employers terminated Employee's employment, failed to furnish accurate wage statements to Employee, failed to indemnify Employee for business expenditures, and failed to timely produce Employee's requested employment records. As discussed below, Employee's experience working for Employers was typical and illustrative.

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

Under California law, an employer must pay for all hours worked by an employee. "Hours worked" is the time during which an employee is subject to the control of an employer and includes all the time the employee is suffered or permitted to work, whether or not required to do so.

In addition, Labor Code § 510 provides that employees in California shall not be employed more than eight hours in any workday or forty (40) hours in a workweek unless they receive additional compensation beyond their regular wages in amounts specified by law.

Labor Code §§ 1194 and 1198 also provide that employees in California shall not be employed more than eight hours in any workday unless they receive additional compensation beyond their regular wages in amounts specified by law. Additionally, Labor Code § 1198 states that the employment of an employee for longer hours than those fixed by the IWC is unlawful.

Throughout the statutory period, Employers failed to pay Employee and the Aggrieved Employees, or some of them, for all hours worked, including minimum, straight time, and overtime wages. Employers at time required Employee and the Aggrieved Employees, or some of them, to work "off-the-clock," uncompensated, by, for example, requiring Employee and the Aggrieved Employees to perform work during uncompensated meal periods and rest periods, and requiring Employee and the Aggrieved Employees to perform work before clocking in and/or after clocking out. Some of this unpaid work should have been paid at the overtime rate. California Labor Code

§ 510 requires that employers compensate employees 1.5 times their regular rate of pay when employees work over eight hours per day, 40 hours per week, or when employees work up to eight hours on any seventh day of a workweek. Employers failed to properly calculate Employee's regular rate of pay when paying overtime, by failing to include all compensation in Employee's overtime calculations. In failing to pay for all hours worked, Employers also failed to maintain accurate records of the hours Employee and the Aggrieved Employees, or some of them, worked.

Throughout the statutory period, Employers also engaged in a practice of improper rounding. Under *Camp v. Home Depot U.S.A., Inc.* (2022) 84 Cal.App.5th 638, because Employers could and did track the exact time in minutes that Employee worked, they must pay for all time worked. When an employer uses an electronic timekeeping system to record time worked, this ability to "precisely capture time worked" means that "the employer must pay the employee for that worktime when due." (*Id.* at 671.) As a result of Employers' rounding policy, Employee consistently was not compensated at least minimum wage for all hours that Employee worked.

As a result, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 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 in order to take their first 30-minute, duty-free meal periods no later than the start of sixth 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, Employers at times wrongfully failed to provide Employee and the Aggrieved Employees, or some of them, with their legally mandated 30-minute, uninterrupted, and duty-free meal period in a manner required by law (and also including but not limited to failing at times to provide Plaintiff, the Class, and the Aggrieved Employees, or some of them, the opportunity to leave the work premises to take meal periods). Employers also continued to assert control over Employee and the Aggrieved Employees, or some of them, by, among other things, requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory meal periods, or by denying Employee and the Aggrieved Employees, or some of them, permission to take a meal period under the conditions required by law, and without properly compensating Employee and the Aggrieved Employees, or some of them, for meal periods that were not provided as required by law. Employers also did not inform Employee of Employee's right to, nor permitted Employee to take, all of Employee's second meal periods when Employee worked at least ten hours of work in a workday and otherwise unlawfully pressured Employee to waive such breaks. Accordingly, Employers at times failed to provide meal periods to Employee and the Aggrieved Employees, or some of them, in compliance with California law.

Employee and the Aggrieved Employees, or some of them, are thus entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s). Employers, however, at times failed to pay Employee and the Aggrieved Employees, or some of them, the additional wages to which they were entitled for meal periods that were not provided. As a result, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 210 and 2699(f)(2) for failing to provide meal

periods and pay meal period premium wages.

Failure to Authorize and Permit Rest Periods

Employers are required by California law to authorize and permit breaks of ten uninterrupted minutes for each four hours of work or major fraction of four hours (i.e., more than two hours). Thus, for example, if an employee's work time is six hours and ten minutes, the employee is entitled to two rest breaks. Each failure to authorize rest breaks as so required is itself a violation of California's rest break laws.

Throughout the statutory period, Employers at times have wrongfully failed to authorize and permit Employee and the Aggrieved Employees, or some of them, to take legally compliant rest periods in a manner required by law (and also including but not limited to failing, at times, to authorize and permit Plaintiff, the Class, and the Aggrieved Employees, or some of them, the opportunity to leave the work premises to take rest periods). Employers at times required Employee and the Aggrieved Employees, or some of them, to work in excess of four consecutive hours a day without Employers' authorizing and permitting Employee to take a 10-minute, uninterrupted, duty-free rest period for every four hours of work (or major fraction of four hours), or without compensating Employee and the Aggrieved Employees, or some of them, for rest periods that were not authorized or permitted.

Instead, Employers at times continued to assert control over Employee and the Aggrieved Employees, or some of them, by requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory rest periods, or at times by denying Employee and the Aggrieved Employees, or some of them, permission to take a rest period. Accordingly, Employers at times failed to authorize and permit Employee and the Aggrieved Employees, or some of them, to take rest periods in compliance with California law. Employee and the Aggrieved Employees, or some of them, are thus entitled to be paid one hour of additional wages for each workday he or she was not authorized and permitted to take all required rest period(s). Employers, however, at times failed to pay Employee and the Aggrieved Employees, or some of them, the additional wages to which they were entitled for rest periods that they were not authorized and permitted to take.

As a result, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 210 and 2699(f)(2) for failing to authorize and permit rest periods and pay rest period premium wages.

Failure to Pay All Earned Wages Twice Per Month

Based on Employers' failure at times to pay Employee and the Aggrieved Employees, or some of them, for all wages as discussed above, Employers also violated Labor Code § 204.

Labor Code § 204 requires employers to pay employees all earned wages two times per month. Throughout the statute of limitations period applicable to this cause of action, employees were entitled to be paid twice a month at their regular rates, including all meal period premium wages owed, rest period premium wages owed, and wages owed for overtime hours worked. However, at times, Employers failed and refused to pay the Employee all wages due, and failed to pay those wages twice a month, in that Employee was not paid all wages for all meal periods not provided by Employers, all wages for all rest periods not authorized and permitted by Employers, and all wages for all hours worked. As a result, Employers owe Employee the legally required wages for unpaid wages, and Employee and the Aggrieved Employees, or some of them, suffered damages

in those amounts.

Moreover, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code § 210 for failing to pay all earned wages twice per month.

Failure to Maintain Accurate Records of Hours Worked and Meal Periods

Employee seeks penalties under California Labor Code § 1174(d). Pursuant to California Labor Code § 1174.5, any person, including any entity, employing labor who willfully fails to maintain accurate and complete records required by California Labor Code § 1174 is subject to a penalty under § 1174.5. Pursuant to the applicable IWC Order § 7(A)(3), every employer shall keep time records showing when the employee begins and ends each work period. Meal periods and total hours worked daily shall also be recorded.

Employers, however, at times failed to maintain accurate records of hours worked and all meal periods taken or missed by Employee and the Aggrieved Employees, or some of them.

Employers' failure to provide and maintain records required by the California Labor Code and the applicable IWC Wage Orders deprived Employee and the Aggrieved Employees, or some of them, the ability to know, understand and question the accuracy and frequency of meal periods, and the accuracy of their hours worked stated in Employers' records. Therefore, Employee and the Aggrieved Employees, or some of them, had no way to dispute the resulting failure to pay wages, all of which resulted in an unjustified economic enrichment to Employers. As a direct result, Employee and the Aggrieved Employees, or some of them, have suffered and continue to suffer, substantial losses related to the use and enjoyment of such wages, lost interest on such wages and expenses and attorneys' fees in seeking to compel Employers to fully perform their obligation under state law, all to their respective damage in amounts according to proof at trial. As a result of Employers' knowing failure, at times, to comply with the California Labor Code and applicable IWC Wage Orders, Employee and the Aggrieved Employees, or some of them, have also suffered an injury in that they were prevented from knowing, understanding, and disputing the wage payments paid to them.

Failure to Timely Pay All Wages at Termination

Labor Code §§ 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting. 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 discharged, 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 § 213(d) relating to the payment of wages upon termination or quitting of employment.

Within the applicable statute of limitations, the employment of Employee 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, Employers at times failed, and continue at times to fail, to pay Employee and terminated Aggrieved Employees,

or some of them, 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 Employers' 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. Employers also violated, and continue to violate, Labor Code section 213(d) by paying final wages (if any are paid at all) via direct deposit without the employee's voluntary authorization.

Employers' conduct violates Labor Code §§ 201 and 202. Labor Code § 203 provides that if an employer willfully fails to pay wages owed, in accordance with sections 201 and 202, then the wages of the employee shall continue as a penalty wage from the due date, and at the same rate until paid or until an action is commenced; but the wages shall not continue for more than thirty (30) days.

Accordingly, Employee and the Aggrieved Employees, or some of them, are entitled to recover from Employers their additionally accruing wages for each day they were not paid, at their regular hourly rate of pay, up to thirty (30) days maximum pursuant to Labor Code § 203.

Moreover, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code § 2699(f)(2) for failing to timely pay all wages at termination, and for unlawfully making any such payment (if any) via direct deposit without the employee's voluntary authorization.

Failure to Furnish Accurate Itemized Wage Statements

Labor Code § 226(a) provides that every employer shall, semimonthly or at the time of each payment of wages, furnish each of his or her employees an accurate itemized wage statement in writing showing nine pieces of information, including: (1) gross wages earned, (2) total hours worked by the employee, (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. An employee is presumed to suffer an injury if this information is missing. (Lab. Code § 226(e)(2)(B)(iii).)

The statute further provides: "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, Employers at times failed to, and continue at times to fail, to timely furnish Employee and the Aggrieved Employees, or some of them, with accurate, itemized wage statements showing all applicable hourly rates, and all gross and net wages earned (including correct hours worked, correct wages for meal periods that were not provided in accordance with California law, and correct wages for rest periods that were not authorized and permitted to take in accordance with California law).

Because Employers at times violated Labor Code § 226, Employee and similarly Aggrieved Employees, or some of them, suffered injury and damage to their statutorily protected rights. Accordingly, Employee and similarly Aggrieved Employees, or some of them, are entitled to recover from Employers the greater of their actual damages caused by Employers' failure to comply with Labor Code § 226(a), or an aggregate penalty not exceeding four thousand dollars (\$4,000) per employee. Moreover, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code § 226.3 for failing to timely furnish accurate itemized wage statements.

Failure to Indemnify for Necessary Expenditures

Labor Code § 2802(a) provides that employers shall indemnify their employees for all necessary business expenditures or losses that have been incurred by the employees in direct discharge of his or her duties. Throughout the statute of limitations period applicable to this cause of action, Employers at times wrongfully required Employee and the Aggrieved Employees, or some of them, to pay expenses that they incurred in direct discharge of their duties for Employers. Employee and the Aggrieved Employees, or some of them, at times paid out-of-pocket for necessary employment-related expenses. Employee and the Aggrieved Employees, or some of them, incurred substantial expenses as a direct result of performing their job duties for Employers, but Employers failed to indemnify Employee and the Aggrieved Employees, or some of them, for these employment-related expenses.

As a result, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 2802 and 2699(f)(2) for failing to indemnify Employee and the Aggrieved Employees, or some of them, for necessary business expenditures.

Failure to Produce Requested Employment Records

Labor Code § 226 provides that current and former employees have the right to inspect or receive a copy of their records pertaining to their employment, upon reasonable request to their employer. Under this statute, an employer that receives a request to inspect or receive a copy of records pertaining to a current or former employee must comply with the request as soon as practicable, but no later than twenty-one (21) calendar days from the date of the request. Labor Code § 1198.5(a) also provides that every current and former employee, or his or her representative, has the right to inspect and receive a copy of the personnel records that the employer maintains relating to the employees' performance or to any grievance concerning the employee. Under this statute, upon written request from a current or former employee or his or her representative, an employer must make the contents of those personnel records available for inspection or provide a copy of the personnel records to the current or former employee, or his or her representative, not later than thirty (30) calendar days from the date the employer receives the written request, subject to some limited exceptions.

Labor Code § 432 provides that if an employee or applicant signs any instrument relating to the obtaining or holding of employment, he or she shall be given a copy of the instrument upon request. On information and belief, Employee and the Aggrieved Employees, or some of them, submitted written request(s) to Employers for their payroll records, timecards, and personnel records but did not timely receive them as required by the Labor Code.

As a result, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 226(f), 1198.5(k), and 2699 for failing to timely

produce the requested records.

Recordkeeping Requirement Violations

California Labor Code section 1174 requires employers to keep “accurate and complete” payroll records showing, among other things, the hours worked daily by Employees and Aggrieved Employees. All applicable IWC Wage Orders, section 7 similarly requires employers to keep accurate time records reflecting the times during which all owed meal periods were provided each day.

Based on information and belief, Employers at times failed, and continue at times to fail, to keep accurate and complete payroll records as required by law, including but not limited to the following records: total daily hours worked, applicable rates of pay, time records showing when Employee and other Aggrieved Employees began and ended each work period, time records of meal periods, and accurate itemized wage statements.

Based on information and belief, Employers at times failed and continue at times to fail to keep accurate and complete records showing total hours worked by Employee and Aggrieved Employees, or some of them, by virtue of Employers’ time rounding and/or auto deduction policies and practices and/or other off-the-clock work policies and practices. Employers failed at times and continue at times to fail to keep accurate and complete records showing total hours worked by virtue of Employers’ failure to relieve Employee and Aggrieved Employees, or some of them, of all duties and Employers’ control for unpaid meal periods, resulting in unpaid hours worked.

Based on information and belief, Employers further failed at times, and continue at times to fail, to record the true start and end times of Employee’s and Aggrieved Employees’ meal periods, or some of them.

Based on further information and belief, Employers further failed at times and continue at times to fail, to record the true start and end times of Employee’s and Aggrieved Employees’ work shifts, or some of them.

Additionally, Employers at times failed, and continue at times to fail, to keep accurate records and issue accurate wage statements by not documenting accrued sick time for Employee and Aggrieved Employees, or some of them. Employers’ failure to keep “accurate and complete” payroll records for Employee and Aggrieved Employees, or some of them, violates Labor Code sections 1174, 1198, 1199, and all applicable IWC Wage Orders, section 7. These violations subject Employers 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 (or some of them), results in a separate civil penalty.¹

Violation of Wage Theft Protection Act of 2011

Based on information and belief, Employers failed at times, and continue at times to fail, to comply with the notice requirements of Labor Code section 2810.5 (i.e., the Wage Theft Protection Act of 2011) by, among other things, failing to provide Employee and Aggrieved Employees, or some of them, with the rates of pay and overtime rates of pay applicable to their employment, allowances

¹ See Lab. Code §2699(f)(2) (establishing that the civil penalty is “for each aggrieved employee per pay period”).

claimed as part of the minimum wage, the regular payday designated by Employers, the name of the employer, including any “doing business as” names used, the name, address and telephone number of the workers’ compensation insurance carrier, information regarding paid sick leave, and other pertinent information required to be disclosed by Employers under Labor Code section 2810.5. Employee is informed and believes that failure to provide such information, including rates of pay that are in effect, has permitted Employers to pay Aggrieved Employees, or some of them, at rates of pay that were not agreed upon and violate minimum wage and overtime wage laws in California. Employee is additionally informed and believes that the notice requirement of Labor Code section 2810.5 involves a mandatory payroll or workplace injury reporting. Among other relief, Aggrieved Employees, or some of them, may collect from Employers in connection with these violations’ civil penalties pursuant to Labor Code sections 558 and 2699.

Violation of California Labor Code §§ 245-248.5

Throughout the relevant time period, Employers at times failed to provide proper paid sick leave to Employee and other Aggrieved Employees, or some of them. Employers either failed at times to provide paid sick leave at all or improperly calculated the sick leave accrual and the sick leave rate of pay owed to Employee and other Aggrieved Employees, or some of them, by failing at times to base the accrued sick leave hours on the correct number of hours worked (as a result of the rounding/automatic deduction policies and practices for meal periods and/or shift start and end times/other required off-the-clock work including but not limited to unpaid meal periods that were restricted to Employers’ premises) and by failing at times to incorporate multiple rates of pay and/or all non-discretionary remuneration, including but not limited to, non-discretionary bonuses, shift differential pay and/or other non-discretionary compensation into the sick leave pay rate calculation.

Based on information and belief, Employers further failed at times to provide notice of the correct sick leave amount balance available to Employee and other Aggrieved Employees, or some of them, on their wage statements or other written statement.

Based on information and belief, Employers at times failed to put Aggrieved Employees, or some of them, on notice of their paid sick leave rights, thereby failing at times to put their entitlement to sick leave in a Labor Code section 2810.5 notice. In addition, Employers at times failed to maintain accurate records of used sick leave and the balance of paid sick leave left to the Aggrieved Employees, or some of them.

Based on information and belief, Employers at times failed to provide notice of sick leave amount balance left for Employee and other Aggrieved Employees, or some of them, thus affecting their intelligent exercise of their paid sick leave. But for this failure, Employee, and other Aggrieved Employees, or some of them, would have used their paid sick leave at least prior to their respective separations, for as on several occasions thereafter, he or she would have been entitled to use the banked sick leave and earn appropriate compensation. This illegal retention of paid sick leave is unlawful, and Employee seeks all forms of injunctive relief, restitution, and declaratory relief as permitted by California law, on behalf of Employee and the Aggrieved Employees, or some of them.

In violation of Labor Code section 247.5, Employers at times failed to maintain records documenting the hours worked and paid sick days accrued and used by Employee and Aggrieved Employees, or some of them, permitting the presumption that Employee and these Aggrieved Employees, or some of them, were entitled to the maximum number of hours accruable under this article.

Upon information and belief, Employers at times further failed and continue at times to fail to comply with Labor Code section 246, by failing to provide Employee and Aggrieved Employees, or some of them, with a Labor Code section 226 wage statement, or separate writing containing the amount of paid sick leave available, or paid time off leave an employer provides in lieu of sick leave, at the time it pays wages. Employers at times unlawfully retained and continue at times to retain paid sick leave that should have been paid but was not, as a result of Employers' failure, at times, to properly institute a paid sick leave program.

On information and belief, Employee alleges that these practices at times were experienced and continue to be experienced at times by other Aggrieved Employees, or some of them. Employee requests all appropriate relief under the PAGA and these statutes, including but not limited to the restitution of earned paid sick leave that could have been used, but was not due to Employers' sole failure to institute such a paid sick leave entitlement or paid sick leave bank as required by California law.

Accordingly, Employee and other Aggrieved Employees, or some of them, are entitled to injunctive relief, attorneys' fees, declaratory relief, restitution, and penalties as permitted by law. Employee requests all relief pursuant to the aforementioned code provisions, including but not limited to Labor Code sections 233 and 234, which incorporates the paid sick leave requirements.

Failure To Provide Supplemental Paid Sick Leave

Labor Code section 248.2 provides that all employers with 26 or more employees are required to provide up to 80 hours for covered employees to take 2021 COVID-19 Supplemental Paid Sick Leave to care for themselves, to care for a family member or if it is vaccine-related. Based on information and belief, Employers at times violated Labor Code section 248.2 by not providing Aggrieved Employees, or some of them, with required 2021 COVID-19 Supplemental Paid Sick Leave.

Refusal to Make Payment

Labor Code section 216 declares unlawful an employer's refusal to pay wages due and payable and/or denial of the validity of any claim to wages due.

Employers at times violated and continue at times to violate Labor Code section 216 by failing to pay Employee and Aggrieved Employees, or some of them, for all hours worked at the proper wage rate and by failing to pay Employee and Aggrieved Employees, or some of them, an additional hour of pay for each meal and/or rest period not provided or that was invalid. *Gould v. Maryland Sound Industries, Inc.* (1995) 31 Cal.App.4th 1137, 1154-1155. These violations subject Employers to civil penalties under Labor Code section 225.5. Each violation results in a separate civil penalty, for each Aggrieved Employee (or some of them) so affected, for each pay period (or some of them) during which the statute's provisions were violated.²

² Labor Code § 225.5 (establishing that “[i]n addition to, and entirely independent and apart from, any other penalty provided in this article, every person who unlawfully withholds wages due any employee in violation of sections 212, 216, 221, 222, or 223 shall be subject to a civil penalty...for each failure to pay each employee”) (emphasis added).

Seating Violations

Per section 14(A-B) of all applicable IWC Wage Orders, employees shall be provided with suitable seats when the nature of the work reasonably permits the use of seats and when they are not actively engaged in the work duties that would not permit them to be seated.

All applicable IWC Wage Orders, Section 14(A-B) provides:

(A) All working employees shall be provided with suitable seats when the nature of the work reasonably permits the use of seats.

(B) When employees are not engaged in the active duties of their employment and the nature of the work requires standing, an adequate number of suitable seats shall be placed in reasonable proximity to the work area and employees shall be permitted to use such seats when it does not interfere with the performance of their duties.

Suitable seating is one of the worker protections covered by California's Wage Orders, which have the same dignity as statutes, are remedial in nature and are to be broadly construed to effectuate the goal of protecting the comfort and welfare of employees. *Brinker Restaurant Corp. v. Superior Court*, 53 Cal.4th 1004, 1027 (2012).

Based on information and belief, Employers at times failed to provide Aggrieved Employees, or some of them, with suitable seating, and when such employees, or some of them, were not engaged in duties which required them to stand, at times no seating was placed in reasonable proximity to their workstations.

Moreover, based on information and belief, the nature of the work reasonably permitted the use of seats for at least part of the time that Aggrieved Employees were working. Lastly, based on information and belief, Aggrieved Employees at times were not engaged in active duties of their employment, yet at times there were no suitable seats in reasonable proximity to the work area, and use of seats would not have interfered with the performance of their duties.

Employers' Aggrieved Employees worked in various positions. The nature of Employee's and other Aggrieved Employees' work, or some of them, reasonably permitted the use of seats. However, Employers at times failed to provide suitable seating in reasonable proximity to Aggrieved Employees' work areas, or some of them, in violation of section 14(A-B) of applicable Wage Orders, and Labor Code sections 1198 and 1199, subjecting Employers to civil penalties under Labor Code sections 1199 and 2699. Each violation of each Labor Code section and IWC Wage Order provision, for each Aggrieved Employee, or some of them, results in a separate civil penalty.³

Statutory Wage Violations

Labor Code section 223 makes it unlawful for an employer to secretly pay wages lower than required by statute while purporting to pay legal wages.

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³ See Lab. Code §2699(f)(2) (establishing that the civil penalty is "for each aggrieved employee per pay period").

As described above, Employers at times willfully and systematically denied Employee and other Aggrieved Employees, or some of them, of minimum and overtime wage compensation for all hours worked which resulted in the payment of less than statutorily required wages owed to them. Employers at times acted with the intent to deprive some or all of them of statutory wages, including, but not limited to, overtime wages and minimum wages, to which they were entitled to under California law.

Thus, Employers at times paid Employee and other Aggrieved Employees, or some of them, lower wages than those to which they were entitled, while purporting that Employee and all Aggrieved Employees were properly paid. As such, Employee and Aggrieved Employees, or some of them, are entitled to recover penalties, attorneys' fees, costs, and interest thereon, pursuant to Labor Code § 2699(f)-(g).

Failure to Pay Vested Vacation/Paid Time Off

California Labor Code section 227.3 provides that when an employer policy provides for paid vacations and/or paid time off, and an employee is terminated without having taken off his, her, or their vested vacation time, all vested vacation shall be paid to the employee as wages at the employee's final rate in accordance with such contract of employment or employer policy respecting eligibility or time served and that there shall be no forfeiture of vested vacation time or paid time off upon termination. Based on information and belief, Employers at times had and continue at times to have a policy and/or practice of failing to allow Aggrieved Employees, or some of them, and Exempt Aggrieved Employees, or some of them, to use their earned vacation/paid time off during their employment and failing at times to pay all vested, accrued paid time off to Aggrieved Employees, or some of them, and/or Exempt Aggrieved Employees, or some of them, upon separation of employment, in violation of California law, including but not limited to, Labor Code section 227.3.

Failure to Timely Provide Temporary Workers with Owed Wages

On information and belief, Employers at times had and have failed to provide temporary workers, or some of them, with owed wages weekly by not later than the regular payday of the following week. As a result, pursuant to Labor Code section 201.3, Employers would be liable for civil penalties pursuant to Labor Code sections 201.3.

Unlawful Agreements/ Unlawful Criminal History Inquiries

Unlawful Agreements

Labor Code section 432.5 provides that "no employer ... shall require any employee or applicant for employment to agree, in writing, to any term or condition which is known by such employer ... to be prohibited by law." Based on information and belief, Employers at times required Employee, Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to unlawful conditions of employment including but not limited to unlawful non-compete and/or non-solicitation agreements as well as unlawful criminal and/or financial checks as a condition of obtaining and/or continuing employment in violation of Labor Code section 432.5.

The California Labor Code places certain procedural and substantive limits on employers' ability to conduct employee background checks and on how employers can use the information they obtain through those background checks. Labor Code section 1024.5 states that employers, except for financial institutions, may order a credit check only if the individual works (or is applying to

work) in certain positions (e.g., managerial positions, financially related positions, and certain government positions). Additionally, the Investigative Consumer Reporting Agencies Act (ICRAA - CA Civil Code section 1786, et seq.) and the Fair Credit Reporting Act (FCRA - 15 U.S.C. section 1681, et seq.) mandate several requirements prior to and following an employee background check, including but not limited to identifying an appropriate reason for the background check, a separate consent form with required disclosures and certain formatting requirements, additional forms such as a summary of rights, a way by which to request a copy of the report, as well as proper notice of adverse actions taken, among other statutory requirements.

Based on information and belief, Employers at times ordered unlawful financial credit checks on Aggrieved Employees and Exempt Aggrieved Employees, or some of them, in violation of Labor Code section 1024.5, and at times required Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to provide ongoing written consent to the unlawful credit checks as a condition of employment, in violation of California and Federal law, which results in a further violation of Labor Code section 432.5.

Based on information and belief, Employers also at times required Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to submit and/or agree to submit in writing to unlawful criminal background checks as a condition of obtaining and/or holding employment in violation of the ICRAA and the FCRA. For example, based on information and belief, Employers required Employee to submit and/or agree to submit in writing to an unlawful background check as a condition of obtaining and/or holding employment in violation of, including but not limited to, Labor Code section 432.5.

Based on information and belief, Employers at times required Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to a background check which failed to abide by the requirements set forth in California Civil Code section 1786, et seq. and 15 U.S.C. section 1681, et seq., including but not limited to by failing, at times, to provide a clear and conspicuous disclosure (and/or failing to provide any disclosure at all), failing at times to provide disclosures free of extraneous information, failing at times to provide a lawful purpose for the background check, failing at times to provide a summary of rights under the ICRAA and/or the FCRA, failing at times to provide a way by which the individual could request a copy of the report, failing at times to disclose the name, address, and telephone number of the third party preparing the report, and failing at times to properly obtain authorization or consent to such a background check, and thus was an unlawful background check.

By at times requiring Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to unlawful criminal and/or financial checks not in conformance with the applicable laws, Employers violated Labor Code section 432.5.

Based on information and belief, Employers also at times required Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to provide ongoing consent to Employers to conduct background checks throughout the duration of employment, in violation of the ICRAA and/or FCRA and/or other applicable laws, resulting in a further violation of Labor Code section 432.5, by at times requiring applicants and employees, or some of them, to agree to an unlawful provision as a condition of employment.

Based on further information and belief, Employers knew that requiring Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree at times to unlawful criminal and/or financial background checks as a condition of obtaining and/or holding employment was unlawful.

By requiring Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree at times in writing to unlawful provisions as a condition of employment, Employers violated Labor Code section 432.5.

Unlawful Inquires into Criminal History

Labor Code section 432.7 prohibits an employer from asking applicants about past arrest(s) unless they resulted in conviction(s) and even then, certain limitations apply. Based on information and belief, Employers at times asked Aggrieved Employees and Exempt Aggrieved Employees, or some of them, about arrests not resulting in convictions on their employment application, in violation of California law.

Upon information and belief, Employers, in violation of California law, including but not limited to the Fair Chance Act/the California Fair Employment and Housing Act (“FEHA”), at times asked Aggrieved Employees and Exempt Aggrieved Employees, or some of them, about convictions prior to extending an offer of employment and/or otherwise impermissibly inquired into criminal history on their employment application in violation of California law.

By asking, at times, about arrests not resulting in convictions, Employers violated Labor Code section 432.7. By asking, at times, about convictions at the application phase or prior to extending an employment offer, Employers violated California’s Fair Chance Act, and thereby violated Labor Code section 432.5 by unlawfully requiring Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to disclose arrests and/or convictions as a condition of employment.

Unlawful PAGA Waiver

Additionally, Employers at times violated Labor Code section 432.5 by requiring Employee, Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to other unlawful agreements, including but not limited to an unlawful waiver of PAGA and or representative actions, as a condition of employment.

An action pursuant to PAGA “...is a representative action on behalf of the state” *Kim v Reins Int’l California, Inc.*, (2020) 9 Cal. 5th 73, 86-87. It is well settled that agreements purporting to waive an employee’s right to a trial of PAGA claims is contrary to California law and unenforceable. See *Iskanian v CLS Transportation Los Angeles, LLC* (2014) 59 Cal. 4th 348, 384 (“We conclude that where, as here, an employment agreement compels the waiver of representative claims under the PAGA, it is contrary to public policy and unenforceable as a matter of state law.”).

Moreover, the California Supreme Court has ruled that a court cannot compel arbitration of an aggrieved employee’s individual PAGA claim because there is no such thing as an individual PAGA claim. *Kim v Reins Int’l California, Inc.*, (2020) 9 Cal. 5th 73, 86-87 (“There is no individual component to a PAGA action because ‘every PAGA action ... is a representative action on behalf of the state.’”).

Upon information and belief, Employers at times required Employee, Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to waive their right to a trial of PAGA claims in violation of California law. By at times requiring Employee, Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree, in writing, to an unlawful PAGA waiver, Employers at times required written agreement to an unlawful provision as a condition of employment, which is a violation of labor code section 432.5.

As such, Employee, Aggrieved Employees and Exempt Aggrieved Employees, or some of them, continue to be subject at times to various unlawful provisions as a condition of employment.

Preventing Employees from Using or Disclosing Skills, Knowledge, and Experience

On information and belief, Employers at times have prevented Employee and/or other Aggrieved Employees, or some of them, from using or disclosing the skills, knowledge, and experience they obtained at Employers for purposes of competing with Employers, including, without limitation, preventing Employees, or some of them, from disclosing their wages in negotiating a new job with a prospective employer, and from disclosing who else works at Employers and under what circumstances they might be receptive to an offer from a rival employer. As such, Employee is informed and believes, this violates Business and Professions Code sections 17200, 16600 and 16700 and, by virtue thereof, various provisions of the Labor Code, including Labor Code sections 232, 232.5, and 1197.5, subdivision (k). Employers would be liable for civil penalties pursuant to Labor Code section 2699.

Whistleblower Violations

On information and belief, Employers at times have prevented Employee and/or other Aggrieved Employees, or some of them, from disclosing violations of state and federal law, either within Employers to their managers or outside Employers to private attorneys or government officials, among others, in violation of Business and Professions Code section 17200, and thus in violation of Labor Code section 1102.5. In addition, Employee is informed and believes that these policies and/or practices at times prevent Employee and/or other Aggrieved Employees, or some of them, from disclosing information about unsafe or discriminatory working conditions, or about wage and hour violations in violation of Labor Code sections 98.6, 232, and 232.5. These violations of the Labor Code would expose Employers to liability for civil penalties pursuant to Labor Code section 2699.

Workplace Health and Safety Violations

On information and belief, Employers at times have failed to furnish and use safety devices and safeguards, and adopt and use practices, means, methods, operations and processes which are reasonably adequate to render such employment and place of employment safe and healthful, pursuant to, including but not limited to, Labor Code section 6401. Employee is informed and believes, and based thereon alleges, that Employers at times have required or permitted employees, or some of them, to go or be in any employment or place of employment which is not safe and healthful, pursuant to Labor Code section 6402. Employee is informed and believes, and based thereon alleges, that Employers at times have failed or neglected to provide and use safety devices and safeguards reasonably adequate to render the employment and place of employment safe; adopt and use methods and processes reasonably adequate to render the employment and place of employment safe; and do every other thing reasonably necessary to protect the life, safety, and health of employees, pursuant to Labor Code section 6403. Employee is informed and believes, and based thereon alleges, that these failures include, without limitation, at times failing to disinfect time clocks and other surfaces after use by Employee and/or other Aggrieved Employees, or some of them; at times failing to provide adequate protection equipment to Employee and/or other Aggrieved Employees, or some of them; and at times failing to provide adequate distance in working conditions between Employee and/or other Aggrieved Employees, or some of them.

On information and belief, Employers violated section 1527, 3366, 3457 and 8397.4 by failing at times to provide adequate and readily accessible sanitation facilities; a regular schedule for

servicing, cleaning, and supplying each facility to ensure it is maintained in a clean, sanitary and serviceable condition; an adequate supply of suitable cleansing agents, water, single-use towels or blowers; and a sufficient number of toilets to be used by each sex of employee.

Action for Civil Penalties Under PAGA

In light of the above, Employee alleges that Employers violated the following provisions of the Labor Code with respect to the Aggrieved Employees, or some of them:

1. Labor Code §§ 204, 510, 1194, 1197, and 1198 by failing at times to pay for all hours worked, including minimum wages, straight time wages, and overtime wages;
2. Labor Code § 226.7 and applicable Wage Orders by failing at times to provide meal periods;
3. Labor Code § 226.7 and applicable Wage Orders by failing at times to authorize and permit rest periods;
4. Labor Code § 204 by failing at times to pay all earned wages two times per month;
5. California Labor Code § 1174.5 and applicable Wage Orders by failing at times to maintain accurate records of hours worked and meal periods taken or missed;
6. Labor Code §§ 201 to 203 by willfully failing at times to pay all wages owed at termination;
7. Labor Code § 226 by failing at times to provide accurate itemized wage statements;
8. Labor Code § 2802 by failing at times to indemnify for necessary expenditures;
9. Labor Code §§ 226, 432, and 1198.5 by failing at times to timely produce requested payroll records, timecards, and personnel records;
10. Labor Code § 1174 by failing at times to keep accurate and complete payroll records;
11. Labor Code §§ 245-248.5 by failing at times to provide proper sick leave and supplemental paid sick leave;
12. Labor Code § 216 for refusal at times to pay wages due and payable and/or denial at times of the validity of any claim to wages due;
13. Labor Code § 223 for at times secretly paying wages lower than required by statute while purporting to pay legal wages;
14. Labor Code § 227.3 for failure at times to pay vested vacation and/or paid time off;
15. Section 14(A-B) of all applicable IWC Wage Orders for failure at times to provide suitable seating;
16. Labor Code § 432.5 for unlawful agreements;
17. Labor Code § 201.3 for failure at times to timely provide temporary workers, or some of them, with wages;
18. Labor Code §§ 98.6, 232, 232.5, 1102.5, and 1197.5 for at times preventing employees, or some of them, from using or disclosing the skills, knowledge and experience they obtained at Employers, and whistleblower violations;
19. Labor Code § 432.7 for unlawful inquiries at times into criminal histories; and

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Notice of Labor Code Violations and PAGA

April 30, 2024

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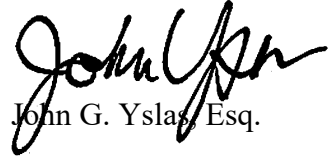
20. Labor Code §§ 1527, 3366, 3457, 8397.4, 6401, and 6401 for workplace health and safety violations.

Therefore, on behalf of potentially Aggrieved Employees, Employee seeks applicable penalties related to the violations alleged above pursuant to the PAGA. These include, but are not limited to, penalties under Labor Code §§ 210, 226.3, 1174.5, 1197.1, and 2699.

Employee has placed Employers on notice by mailing a certified copy of this correspondence, as indicated on the first page. Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me.

Sincerely,

WILSHIRE LAW FIRM

A handwritten signature in black ink, appearing to read "John Yslas", written over the printed name.

John G. Yslas, Esq.

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Thiago Coelho, Esq.	Jesse Chen, Esq.
Cameron Stewart, Esq.	Arsine Grigoryan, Esq.
Shahin Rezvan, Esq.	Diego Aviles, Esq.

May 26, 2026

LWDA

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

Jeff Gleiberman

Agent for Service of Process
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San Diego, CA 92121
(Via Certified Mail, Return Receipt Requested)

Gleiberman Properties, Inc. dba MG Properties
7922 Day Creek Blvd.
Rancho Cucamonga, CA 91739
(Via Certified Mail, Return Receipt Requested)

Re: ***Floyd Lindley and Andrew Salse v. Gleiberman Properties, Inc. dba MG Properties***
Amended Notice of Labor Code Violations and PAGA Penalties

To Whom It May Concern:

Please be advised that my office, along with Bokhour Law Group, P.C. and Falakassa Law, P.C., has been retained by Floyd Lindley ("Mr. Lindley") and Andrew Salse ("Mr. Salse") (collectively, with Mr. Lindley, "Employees") to pursue a Labor Code Private Attorneys General Act of 2004 ("PAGA") representative action (Cal. Lab. Code §§ 2699, *et seq.*) against their former employer, Gleiberman Properties, Inc. dba MG Properties ("MG Properties" or "Employer"). The purpose of this letter is to comply with PAGA and set forth the facts and theories of California Labor Code violations which we allege Employer engaged in with respect to Employees and potentially all of Employer's Aggrieved Employees.

This letter shall serve as an *amended* notification under Labor Code § 2699.3. Mr. Lindley previously submitted a PAGA Notice detailing some of these issues on December 5, 2023 in Case Number LWDA-CM-997981-23. Mr. Salse also previously submitted a PAGA Notice detailing some of these issues on April 30, 2024 in Case No. 1025498-24. Mr. Lindley and Mr. Salse incorporate all facts and theories alleged in their LWDA Notices in Case Number LWDA-CM-997981-23 and Case Number 1025498-24.

Employees wish to pursue this action on behalf of Employees as Aggrieved Employees, on behalf of the State of California, as well as on behalf of potentially all other persons who worked for Employer in California as a non-exempt or hourly-paid employee at any time within the applicable statutory period (hereafter, the "Aggrieved Employees").

Employees and the Aggrieved Employees, or some of them, suffered the Labor Code violations described below.

Mr. Lindley's and Mr. Salse's Employment with MG Properties

MG Properties is a real estate investment firm that owns and operates over 28,000 apartment units. Mr. Lindley was employed by Employer as a "Maintenance Supervisor" from approximately October 2018 until January 2024. Mr. Salse was employed by Employer as a "Maintenance Technician" from approximately July 2023 until October 2023.

In performing Employees' duties, Employees were regularly required to perform work (off-the-clock), without compensation. Employees were also frequently deprived of an opportunity to take legally compliant breaks. Employer failed to provide Employees and other Aggrieved Employees with break premiums as required by the Labor Code. Additionally, Employees necessarily incurred business-related expenses, including, but not limited to, work attire, but Employer failed to reimburse such business-related expenses. These are just non-exhaustive examples of the facts and theories the Employees assert, which are described in more detail below.

Employer owns/owned and operates/operated an industry, business, and establishment within the State of California. As such and based upon all the facts and circumstances incident to Employer's business in California, Employer is subject to the California Labor Code, Wage Orders issued by the Industrial Welfare Commission ("IWC"), and the California Business & Professions Code.

Mr. Lindley worked for Employer in California as an hourly-paid, non-exempt employee from approximately October 2018 to approximately January 2024. Mr. Salse is a resident of San Bernardino, California, who worked for Employer in San Bernardino County, California, as an hourly-paid, non-exempt employee from approximately July 2023 to approximately October 2023.

During Employees' employment for Employer, Employer paid Employees an hourly wage and classified Employees as non-exempt from overtime. Employer typically scheduled Employees to work at least five days in a workweek and at least eight hours per day, but Employees also worked more than eight hours in a workday and more than forty (40) hours in a workweek.

Throughout Employees' employment, Employer failed to pay for all hours worked (including minimum and straight time), failed to pay all overtime wages owed, including overtime wages calculated at the correct regular rate of pay, failed to provide Employees with legally compliant meal periods or pay premium wages at the regular rate of pay in lieu thereof, failed to authorize and permit Employees to take rest periods or pay premium wages at the regular rate of pay in lieu thereof, failed to pay sick leave at the regular rate of pay, failed to timely pay wages during employment, failed to timely pay all final wages to Employees upon separation of employment, failed to furnish accurate wage statements to Employees, failed to indemnify Employees for business expenditures, failed to timely produce Employees' requested employment records, and otherwise violated California paid sick leave requirements. As discussed below, Employees' experience working for Employer were typical and illustrative.

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

Under California law, an employer must pay for all hours worked by an employee. "Hours worked" is the time during which an employee is subject to the control of an employer and includes all the time the employee is suffered or permitted to work, whether or not required to do so.

In addition, Labor Code § 510 provides that employees in California shall not be employed more than eight hours in any workday or forty (40) hours in a workweek unless they receive additional

compensation beyond their regular wages in amounts specified by law. Pursuant to Section 3 of the applicable Wage Orders, non-exempt employees shall not be employed more than eight (8.0) hours in any workday or more than 40.0 hours in any workweek unless the employee receives one and one-half (1½) times such employee's regular rate of pay for all hours worked over 40 hours in the workweek.

Labor Code §§ 551 and 552 provide that every employee employed in any occupation of labor is entitled to one day's rest therefrom in seven and that no employer of labor shall cause his employees to work more than six days in seven.

Labor Code §§ 1194 and 1198 also provide that employees in California shall not be employed more than eight hours in any workday unless they receive additional compensation beyond their regular wages in amounts specified by law. Additionally, Labor Code § 1198 states that the employment of an employee for longer hours than those fixed by the IWC is unlawful.

Under the California Labor Code (as well as the FLSA), courts have held that regularly paid non-discretionary bonuses, shift premiums, and other forms of compensation must be included in determining an employee's "regular rate of pay" for purposes of calculating overtime. (*See Haber v. The Americana Corp.* (9th Cir. 1967) 378 F.2d 854, 855-856 [holding that regularly paid efficiency bonuses must be included in calculating the "regular rate"]; *Wang v. Chinese Daily News, Inc.* (C.D. Cal. 2006) 435 F. Supp. 2d 1042, 1055-1057 [granting summary judgement to Plaintiff under California and federal law on the grounds, that Defendant improperly calculated overtime by excluding annual bonuses paid to employees from the "regular rate of compensation"]; see *Walling v. Youngerman-Reynolds Hardwood Co.* (1945) 65 S.Ct. 1242, 1245. ("The regular rate by its very nature must reflect all payments which the parties have agreed shall be received regularly during the workweek, exclusive of overtime payments. It is not an arbitrary label chosen by the parties; it is an actual fact. Once the parties have decided upon the amount of wages and the mode of payment the determination of the regular rate becomes a matter of mathematical computation, the result of which is unaffected by any designation of a contrary 'regular rate' in the contracts."); see also 29 CFR §§ 778.110 ("production bonus") and 778.111 ("piece-rate").)

Throughout the statutory period, Employer failed to pay Employees and the Aggrieved Employees, or some of them, for all hours worked, including minimum, straight time, and overtime wages and failed to properly pay them at the correct overtime rate for all overtime hours worked due to Gleiberman Properties' uniform failure to include all forms of compensation/remuneration, including, but not limited to, commissions, incentives, gift cards, mask allowances, shift differentials, non-discretionary performance pay, non-discretionary bonuses, and all other forms of remuneration in calculating the "regular rate of pay" for purposes of overtime compensation. Employer at times failed to accurately track and/or pay for all time actually worked and engaging, suffering, or permitting employees to work off the clock and/or remain on duty and on call without proper compensation, engaging in detrimental rounding of employee time entries, payment of straight pay for overtime pay, and/or editing and/or manipulation of time entries. Employer at times required Employees and the Aggrieved Employees, or some of them, to work "off-the-clock," uncompensated, by, for example, requiring Employees and the Aggrieved Employees to perform work during uncompensated meal periods and rest periods, and requiring Employees and the Aggrieved Employees to perform work before clocking in and/or after clocking out, requiring employees: to come early to work and leave late work without being able to clock in for all that time, to suffer under Employer's control due to long lines for clocking in, to complete pre-shift tasks before clocking in and post-shift tasks after clocking out, to clock out for meal periods and continue working, to clock out for rest periods, to don and doff uniforms and/or safety equipment

off the clock, to attend company meetings off the clock, to make phone calls or drive off the clock, and/or go through security screenings and/or temperature checks off the clock. Employer at times also required Employees and the Aggrieved Employees, or some of them, to work off the clock by, among other things, responding to work-related inquiries, including calls, texts, emails, and other communications, before shifts, after shifts, during unpaid meal periods, and during rest periods.

Some of this unpaid work should have been paid at the overtime rate. California Labor Code § 510 requires that employers compensate employees 1.5 times their regular rate of pay when employees work over eight hours per day, 40 hours per week, or when employees work up to eight hours on any seventh day of a workweek. Employer failed to properly calculate Employees' regular rate of pay when paying overtime, by failing to include all compensation in Employees' overtime calculations. In failing to pay for all hours worked, Employer also failed to maintain accurate records of the hours Employees and the Aggrieved Employees, or some of them, worked.

During the relevant time period, Mr. Lindley and Mr. Salse and the aggrieved employees were required to regularly and/or consistently work in excess of six (6) days in a workweek, including being required to work in excess of thirty (30) hours in a week and/or six (6) hours in any one (1) day thereof, during workweeks in which they were required to work in excess of six (6) days. During the relevant time period, Mr. Lindley and Mr. Salse and the aggrieved employees were required to work in excess of six (6) days in a workweek without accumulating or being provided the opportunity to take at least one (1) day of rest, and when they accumulated days of rest, they were not actually provided the opportunity to take the equivalent of one (1) day's rest in seven (7) during each calendar month. Employer thereby violated Labor Code §§ 551 and 552 and applicable Wage Orders.

Throughout the statutory period, Employer also engaged in a practice of improper rounding. Under *Camp v. Home Depot U.S.A., Inc.* (2022) 84 Cal.App.5th 638, because Employer could and did track the exact time in minutes that Employees worked, they must pay for all time worked. When an employer uses an electronic timekeeping system to record time worked, this ability to "precisely capture time worked" means that "the employer must pay the employee for that worktime when due." (*Id.* at 671.) As a result of Employer's rounding policy, Employees consistently were not compensated at least minimum wage for all hours that Employees worked.

As a result, Employer is liable to Employees and the Aggrieved Employees, or some of them, for the civil and statutory penalties provided for in Labor Code §§ 210, 558, 1197, 1197.1, and 2699(f)(2) and the applicable IWC Wage Orders 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 in order to take their first 30-minute, duty-free meal periods no later than the start of sixth 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, Employer at times wrongfully failed to provide Employees and the Aggrieved Employees, or some of them, with their legally mandated 30-minute, uninterrupted, and duty-free meal period in a manner required by law (and also including but not limited to failing at times to provide Employees and the Aggrieved Employees, or some of them, the opportunity to leave the work premises to take meal periods). Employer also continued to assert control over Employees and the Aggrieved Employees, or some of them, by, among other things, requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory meal periods, or by denying Employees and the Aggrieved Employees, or some of them, permission to take a meal period under the conditions required by law, and without properly compensating Employees and the Aggrieved Employees, or some of them, for meal periods that were not provided as required by law, including, each workday, without limitation: by interrupting meal periods; not providing timely meal periods; failing to provide first and second meal periods; providing short meal periods, including without, limitation meal periods that were recorded for less than thirty minutes, and meal periods that may appear on the record to be thirty minutes or longer but in practice were shorter than thirty minutes due to time required to walk to and from a suitable break area, time spent having to wait in line to clock back in, having to don and doff safety gear during the meal period, having to undergo security or bag checks during the meal period, and /or having to retrieve and store personal belongings during the meal period; requiring that employees carry cellular telephones or walkie-talkies during meal periods; not permitting employees to leave the premises; otherwise requiring on-duty/on-call meal periods; and auto-deducting meal periods that could not be auto-deducted by law or during which employees worked. Employer also did not inform Employees of Employees' rights to, nor permitted Employees to take, all of Employees' second meal periods when Employees worked at least ten hours of work in a workday and otherwise unlawfully pressured Employees to waive such breaks. Accordingly, Employer at times failed to provide meal periods to Employees and the Aggrieved Employees, or some of them, in compliance with California law.

Employees and the Aggrieved Employees, or some of them, are thus entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s). Employer, however, at times failed to pay Employees and the Aggrieved Employees, or some of them, the additional wages to which they were entitled for meal periods that were not provided and failed and continues to fail to maintain a mechanism by which Employees and Aggrieved Employees are and were paid meal period premiums at the "regular rate of pay" pursuant to *Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.5th 858 and Labor Code § 226.7.

As a result, Employer is liable to Employees and the Aggrieved Employees, or some of them, for the civil and statutory penalties provided for in Labor Code §§ 210, 226.7, 510, 516, 558, and 2699(f)(2) and the applicable IWC Wage Orders for failing to provide meal periods and pay meal period premium wages.

Failure to Authorize and Permit Rest Periods

Employers are required by California law to authorize and permit breaks of ten uninterrupted minutes for each four hours of work or major fraction of four hours (i.e., more than two hours). Thus, for example, if an employee's work time is six hours and ten minutes, the employee is entitled to two rest breaks. Each failure to authorize rest breaks as so required is itself a violation of California's rest break laws.

Throughout the statutory period, Employer at times has wrongfully failed to authorize and permit Employees and the Aggrieved Employees, or some of them, to take legally compliant rest periods

in a manner required by law, including, without limitation: by failing to provide rest periods all together; failing to provide rest periods that were at least ten minutes in length, including rest periods that were shorter than ten minutes, or rest periods that may have encompassed a total of ten minutes but were in practice less than ten uninterrupted minutes due to, without limitation, due to time required to walk to and from a suitable break area, time spent having to don and doff safety gear during the rest period, having to retrieve and store personal belongings during the rest period, and/or having to undergo security or bag checks during the rest period, requiring that they be bundled together and/or with meal periods; interrupting them; requiring that employees carry cellular telephones or walkie-talkies during rest periods; not providing rest periods in a timely fashion; and not permitting employees to leave the premises; and otherwise requiring on-duty/on-call rest periods. Employer at times required Employees and the Aggrieved Employees, or some of them, to work in excess of four consecutive hours a day without Employer authorizing and permitting Employees to take a 10-minute, uninterrupted, duty-free rest period for every four hours of work (or major fraction of four hours), or without compensating Employees and the Aggrieved Employees, or some of them, for rest periods that were not authorized or permitted.

Instead, Employer at times continued to assert control over Employees and the Aggrieved Employees, or some of them, by requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory rest periods, or at times by denying Employees and the Aggrieved Employees, or some of them, permission to take a rest period. Accordingly, Employer at times failed to authorize and permit Employees and the Aggrieved Employees, or some of them, to take rest periods in compliance with California law. Employees and the Aggrieved Employees, or some of them, are thus entitled to be paid one hour of additional wages for each workday he or she was not authorized and permitted to take all required rest period(s). Employer, however, at times failed to pay Employees and the Aggrieved Employees, or some of them, the additional wages to which they were entitled for rest periods that they were not authorized and permitted to take at the “regular rate of pay” as required by Labor Code § 226.7.

As a result, Employer is liable to Employees and the Aggrieved Employees, or some of them, for the civil and statutory penalties provided for in Labor Code §§ 210, 226.7, 512, 558, and 2699(f)(2) and the applicable IWC Wage Orders for failing to authorize and permit rest periods and pay rest period premium wages.

Violation of California Labor Code §§ 245-248.5

Throughout the relevant time period, Employer at times failed to provide proper paid sick leave to Employees and other Aggrieved Employees, or some of them. Employer either failed at times to provide paid sick leave at all or improperly calculated the sick leave accrual and the sick leave rate of pay owed to Employees and other Aggrieved Employees, or some of them, by failing at times to base the accrued sick leave hours on the correct number of hours worked (as a result of the rounding/automatic deduction policies and practices for meal periods and/or shift start and end times/other required off-the-clock work including but not limited to unpaid meal periods that were restricted to Employer’s premises) and by failing at times to incorporate multiple rates of pay and/or all non-discretionary remuneration, including but not limited to, commissions, incentives, shift differentials, non-discretionary performance pay, non-discretionary bonuses, and all other forms of remuneration into the sick leave pay rate calculation.

Based on information and belief, Employer further failed at times to provide notice of the correct sick leave amount balance available to Employees and other Aggrieved Employees, or some of

them, on their wage statements or other written statement.

Based on information and belief, Employer at times failed to put Employees and Aggrieved Employees, or some of them, on notice of their paid sick leave rights, thereby failing at times to put their entitlement to sick leave in a Labor Code § 2810.5 notice. In addition, Employer at times failed to maintain accurate records of used sick leave and the balance of paid sick leave left to the Aggrieved Employees, or some of them.

Based on information and belief, Employer at times failed to provide notice of sick leave amount balance left for Employees and other Aggrieved Employees, or some of them, thus affecting their intelligent exercise of their paid sick leave. But for this failure, Employees and other Aggrieved Employees, or some of them, would have used their paid sick leave at least prior to their respective separations, for as on several occasions thereafter, he or she would have been entitled to use the banked sick leave and earn appropriate compensation. This illegal retention of paid sick leave is unlawful, and Employees seek all forms of injunctive relief, restitution, and declaratory relief as permitted by California law, on behalf of Employees and the Aggrieved Employees, or some of them.

In violation of Labor Code § 247.5, Employer at times failed to maintain records documenting the hours worked and paid sick days accrued and used by Employees and Aggrieved Employees, or some of them, permitting the presumption that Employees and these Aggrieved Employees, or some of them, were entitled to the maximum number of hours accruable under this article.

Upon information and belief, Employer at times further failed and continues at times to fail to comply with Labor Code § 246, by failing to provide Employees and Aggrieved Employees, or some of them, with a Labor Code § 226 wage statement, or separate writing containing the amount of paid sick leave available, or paid time off leave an employer provides in lieu of sick leave, at the time it pays wages. Employer at times unlawfully retained and continues at times to retain paid sick leave that should have been paid but was not, as a result of Employer's failure, at times, to properly institute a paid sick leave program.

On information and belief, Employees allege that these practices at times were experienced and continue to be experienced at times by other Aggrieved Employees, or some of them. Employees request all appropriate relief under the PAGA and these statutes, including but not limited to the restitution of earned paid sick leave that could have been used, but was not due to Employer's sole failure to institute such a paid sick leave entitlement or paid sick leave bank as required by California law.

Accordingly, Employees and other Aggrieved Employees, or some of them, are entitled to injunctive relief, attorneys' fees, declaratory relief, restitution, and penalties as permitted by law. Employees request all relief pursuant to the aforementioned code provisions, including but not limited to Labor Code §§ 233 and 234, which incorporates the paid sick leave requirements.

Failure To Provide Supplemental Paid Sick Leave

Labor Code § 248.2 provides that all employers with 26 or more employees are required to provide up to 80 hours for covered employees to take 2021 COVID-19 Supplemental Paid Sick Leave to care for themselves, to care for a family member or if it is vaccine-related. Based on information and belief, Employer at times violated Labor Code §§ 248.2, 248.6, and 248.7 by not providing Employees and Aggrieved Employees, or some of them, with required 2021 COVID-19

Supplemental Paid Sick Leave.

Failure to Pay All Earned Wages Twice Per Month

Based on Employer's failure at times to pay Employees and the Aggrieved Employees, or some of them, for all wages as discussed above, Employer also violated Labor Code § 204.

Labor Code § 204 requires employers to pay employees all earned wages two times per month. Throughout the statute of limitations period applicable to this cause of action, employees were entitled to be paid twice a month at their regular rates, including all meal period premium wages owed, rest period premium wages owed, and wages owed for overtime hours worked. However, at times, Employer failed and refused to pay the Employees and the Aggrieved Employees all wages due, and failed to pay those wages twice a month, in that Employees and the Aggrieved Employees were not paid all wages for all meal periods not provided by Employer, all wages for all rest periods not authorized and permitted by Employer, and all wages for all hours worked. As a result, Employer owes Employees and the Aggrieved Employees the legally required wages for unpaid wages, and Employees and the Aggrieved Employees, or some of them, suffered damages in those amounts.

Moreover, Employer is liable to Employees and the Aggrieved Employees, or some of them, for the civil and statutory penalties provided for in Labor Code § 210 and 2699(f)(2) and the applicable IWC Wage Orders for failing to pay all earned wages twice per month.

Failure to Maintain Accurate Records of Hours Worked and Meal Periods

Employees seek penalties under California Labor Code § 1174(d). Pursuant to California Labor Code § 1174.5, any person, including any entity, employing labor who willfully fails to maintain accurate and complete records required by California Labor Code § 1174 is subject to a penalty under § 1174.5. Pursuant to the applicable IWC Order § 7(A)(3), every employer shall keep time records showing when the employee begins and ends each work period. Meal periods and total hours worked daily shall also be recorded.

Employer, however, at times failed to maintain accurate records of hours worked and all meal periods taken or missed by Employees and the Aggrieved Employees, or some of them.

Employer's failure to provide and maintain records required by the California Labor Code and the applicable IWC Wage Orders deprived Employees and the Aggrieved Employees, or some of them, the ability to know, understand and question the accuracy and frequency of meal periods, and the accuracy of their hours worked stated in Employer's records. Therefore, Employees and the Aggrieved Employees, or some of them, had no way to dispute the resulting failure to pay wages, all of which resulted in an unjustified economic enrichment to Employer. As a direct result, Employees and the Aggrieved Employees, or some of them, have suffered and continue to suffer, substantial losses related to the use and enjoyment of such wages, lost interest on such wages and expenses and attorneys' fees in seeking to compel Employer to fully perform their obligation under state law, all to its respective damage in amounts according to proof at trial.

As a result of Employer's knowing failure, at times, to comply with the California Labor Code and applicable IWC Wage Orders, Employees and the Aggrieved Employees, or some of them, have also suffered an injury in that they were prevented from knowing, understanding, and disputing the wage payments paid to them. Employer is liable to Employees and the Aggrieved Employees,

or some of them, for the civil and statutory penalties provided for in Labor Code §§ 226.3, 1174.5 and 2699(f)(2) and the applicable IWC Wage Orders for failing to maintain accurate records.

Failure to Timely Pay All Wages at Termination

Labor Code §§ 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting. 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 discharged, 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 § 213(d) relating to the payment of wages upon termination or quitting of employment.

Within the applicable statute of limitations, the employment of Employees 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, Employer at times failed, and continues at times to fail, to pay Employees and terminated Aggrieved Employees, or some of them, without abatement, all wages required to be paid by Labor Code §§ 201 and 202 either at the time of discharge, or within seventy-two (72) hours of their leaving Employer's employment. These unpaid wages include wages for unpaid work time (including minimum, straight time, and overtime wages), missed meal period premium wages, missed rest period premium wages, sick pay at the regular rate of pay, unused, vested vacation wages at the proper rate of pay (including, but not limited to vacation pay, personal holiday pay, floating holiday pay), and other earned wages. Employer also violated, and continues to violate, Labor Code § 213(d) by paying final wages (if any are paid at all) via direct deposit without the employee's voluntary authorization.

Employer's conduct violates Labor Code §§ 201 and 202. Labor Code § 203 provides that if an employer willfully fails to pay wages owed, in accordance with §§ 201 and 202, then the wages of the employee shall continue as a penalty wage from the due date, and at the same rate until paid or until an action is commenced; but the wages shall not continue for more than thirty (30) days.

Accordingly, Employees and the Aggrieved Employees, or some of them, are entitled to recover from Employer their additionally accruing wages for each day they were not paid, at their regular hourly rate of pay, up to thirty (30) days maximum pursuant to Labor Code § 203.

Moreover, Employer is liable to Employees and the Aggrieved Employees, or some of them, for the civil and statutory penalties provided for in Labor Code §§ 201-203 or 2699(f)(2) and the applicable IWC Wage Orders for failing to timely pay all wages at termination, and for unlawfully making any such payment (if any) via direct deposit without the employee's voluntary authorization.

Failure to Furnish Accurate Itemized Wage Statements

Labor Code § 226(a) provides that every employer shall, semimonthly or at the time of each payment of wages, furnish each of his or her employees an accurate itemized wage statement in

writing showing nine pieces of information, including: (1) gross wages earned, (2) total hours worked by the employee, (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. An employee is presumed to suffer an injury if this information is missing. (Lab. Code § 226(e)(2)(B)(iii).)

The statute further provides: “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, Employer at times failed to, and continues at times to fail, to timely furnish Employees and the Aggrieved Employees, or some of them, with accurate, itemized wage statements showing all applicable hourly rates, and all gross and net wages earned (including correct hours worked, all time spent working off-the-clock and during meal and rest periods, correct wages for meal periods that were not provided in accordance with California law, and correct wages for rest periods that were not authorized and permitted to take in accordance with California law).

Because Employer at times violated Labor Code § 226, Employees and similarly Aggrieved Employees, or some of them, suffered injury and damage to their statutorily protected rights. Accordingly, Employees and similarly Aggrieved Employees, or some of them, are entitled to recover from Employer the greater of their actual damages caused by Employer’s failure to comply with Labor Code § 226(a), or an aggregate penalty not exceeding four thousand dollars (\$4,000) per employee. Moreover, Employer is liable to Employees and the Aggrieved Employees, or some of them, for the civil and statutory penalties provided for in Labor Code § 226.3 and the applicable IWC Wage Orders for failing to timely furnish accurate itemized wage statements.

Failure to Indemnify for Necessary Expenditures

Labor Code §§ 2800 and 2802 provides that employers shall indemnify their employees for all necessary business expenditures or losses that have been incurred by the employees in direct discharge of his or her duties. Throughout the statute of limitations period applicable to this cause of action, Employer at times wrongfully required Employees and the Aggrieved Employees, or some of them, to pay expenses that they incurred in direct discharge of their duties for Employer. Employees and the Aggrieved Employees, or some of them, at times paid out-of-pocket for necessary employment-related expenses. Employees and the Aggrieved Employees, or some of them, incurred substantial expenses as a direct result of performing their job duties for Employer, but Employer failed to indemnify Employees and the Aggrieved Employees, or some of them, for these employment-related expenses, including but not limited to mileage and gas, personal cellular phone use, the purchasing and maintenance of clothing required to comply with Employer’s dress code, purchasing uniforms, providing uniform and other deposits, separately laundering mandatory uniforms, for the purchase and maintenance of tools and safety equipment, and for the

purchase and maintenance of cellular phones and cellular phone plans, for pre-employment medical, physical or drivers' exams taken as a condition of employment, or for compelling or coercing Employees and Aggrieved Employees, including applicants, to patronize in the purchase of a value or things, including, without limitation, the Employer's product(s) and/or service(s), in direct consequence of the discharge of their duties, or of their obedience to the directions of Employer, as required by Labor Code §§ 222.5, 231, 450, 1198, 2800, 2802, and other statutory and common law offenses. As a result, Employees and other Aggrieved Employees have personally suffered these violations and Employer is liable to reimburse Employees and other Aggrieved Employees, or some of them, for these costs incurred in furtherance of work duties.

Employees are further informed and believe, and based thereon alleges, that Employer has or had a policy or practice of failing to reimburse deposits made, including uniform deposits together with all interest owed at the separation of employment in violation of Labor Code §§ 404 and 1198, that Employees and other Aggrieved Employees personally suffered these violations, and that Employees and other Aggrieved Employees are entitled to damages in the amount of the deposit and accrued interest.

As a result, Employer is liable to Employees and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 558, 1198, 2800, 2802 and 2699(f)(2) and the applicable IWC Wage Orders for failing to indemnify Employees and the Aggrieved Employees, or some of them, for necessary business expenditures.

Failure to Provide Reporting Time Pay

California Labor Code section 1198 provides that "The employment of any employee ... under conditions of labor prohibited by the [Industrial Wage Orders] is unlawful." The applicable Industrial Wage Orders, including *inter alia*, Wage Orders 1-2001, 4-2001, 5-2001, and 16-2001, require that for each workday an employee is required to report for work and does report, but is not put to work or is furnished less than half said employee's usual or scheduled day's work, the employee shall be paid for half the usual or scheduled day's work, but in no event for less than two (2) hours nor more than four (4) hours, at the employee's regular rate of pay. Further, if an employee is required to report for work a second time in any one workday and is furnished less than two (2) hours of work on the second reporting, said employee shall be paid for two (2) hours at the employee's regular rate of pay.

Employees are informed and believe, and based thereon alleges, that Employer failed to pay Employees and other Aggrieved Employees, or some of them, half the usual or scheduled day's work in an amount no less than two (2) hours nor more than four (4) hours at the employee's regular rate of pay for workdays in which Employees and other Aggrieved Employees, or some of them, reported to work and were furnished less than half the usual or scheduled day's work. Employees are further informed and believe, and based thereon alleges, that Employer failed to pay Employees and other Aggrieved Employees, or some of them, for two (2) hours at the employee's regular rate of pay on days in which Employees and other Aggrieved Employees, or some of them, were required to report for work a second time in one workday and were furnished less than two (2) hours of work upon the second reporting.

As a result, Employer is liable to Employees and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 558 and 2699(f)(2) and the applicable IWC Wage Orders for failing to provide reporting time pay.

Failure to Produce Requested Employment Records

Labor Code § 226 provides that current and former employees have the right to inspect or receive a copy of their records pertaining to their employment, upon reasonable request to their employer. Under this statute, an employer that receives a request to inspect or receive a copy of records pertaining to a current or former employee must comply with the request as soon as practicable, but no later than twenty-one (21) calendar days from the date of the request. Labor Code § 1198.5(a) also provides that every current and former employee, or his or her representative, has the right to inspect and receive a copy of the personnel records that the employer maintains relating to the employees' performance or to any grievance concerning the employee. Under this statute, upon written request from a current or former employee or his or her representative, an employer must make the contents of those personnel records available for inspection or provide a copy of the personnel records to the current or former employee, or his or her representative, not later than thirty (30) calendar days from the date the employer receives the written request, subject to some limited exceptions.

Labor Code § 432 provides that if an employee or applicant signs any instrument relating to the obtaining or holding of employment, he or she shall be given a copy of the instrument upon request. On information and belief, Employees and the Aggrieved Employees, or some of them, submitted written request(s) to Employer for their payroll records, timecards, and personnel records but did not timely receive them as required by the Labor Code.

As a result, Employer is liable to Employees and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 226(f), 1198.5(k), and 2699 for failing to timely produce the requested records.

Recordkeeping Requirement Violations

California Labor Code § 1174 requires employers to keep "accurate and complete" payroll records showing, among other things, the hours worked daily by Employees and Aggrieved Employees. All applicable IWC Wage Orders, section 7 similarly requires employers to keep accurate time records reflecting the times during which all owed meal periods were provided each day.

Based on information and belief, Employer at times failed, and continues at times to fail, to keep accurate and complete payroll records as required by law, including but not limited to the following records: total daily hours worked, applicable rates of pay, time records showing when Employees and other Aggrieved Employees began and ended each work period, time records of meal periods, and accurate itemized wage statements.

Based on information and belief, Employer at times failed and continues at times to fail to keep accurate and complete records showing total hours worked by Employees and Aggrieved Employees, or some of them, by virtue of Employer's time rounding and/or auto deduction policies and practices and/or other off-the-clock work policies and practices. Employer failed at times and continues at times to fail to keep accurate and complete records showing total hours worked by virtue of Employer's failure to relieve Employees and Aggrieved Employees, or some of them, of all duties and Employer's control for unpaid meal periods, resulting in unpaid hours worked.

Based on information and belief, Employer further failed at times, and continues at times to fail, to record the true start and end times of Employees' and Aggrieved Employees' meal periods, or some of them.

Based on further information and belief, Employer further failed at times and continues at times to fail, to record the true start and end times of Employees' and Aggrieved Employees' work shifts, or some of them.

Additionally, Employer at times failed, and continues at times to fail, to keep accurate records and issue accurate wage statements by not documenting accrued sick time for Employees and Aggrieved Employees, or some of them. Employer's failure to keep "accurate and complete" payroll records for Employees and Aggrieved Employees, or some of them, violates Labor Code §§ 1174, 1198, 1199, and all applicable IWC Wage Orders, § 7. These violations subject Employer to civil penalties under Labor Code §§ 558.1, 226.3, 226.6, 1174.5 and 2699. Each violation of each Labor Code section and Wage Order provision, for each Aggrieved Employee (or some of them), results in a separate civil penalty.¹

Violation of Wage Theft Protection Act of 2011

Based on information and belief, Employer failed at times, and continues at times to fail, to comply with the notice requirements of Labor Code § 2810.5 (i.e., the Wage Theft Protection Act of 2011) by, among other things, failing to provide Employees and Aggrieved Employees, or some of them, with the rates of pay and overtime rates of pay applicable to their employment, allowances claimed as part of the minimum wage, the regular payday designated by Employer, the name of the employer, including any "doing business as" names used, the name, address and telephone number of the workers' compensation insurance carrier, information regarding paid sick leave, and other pertinent information required to be disclosed by Employer under Labor Code § 2810.5. Employees are informed and believe that failure to provide such information, including rates of pay that are in effect, has permitted Employer to pay Employees and Aggrieved Employees, or some of them, at rates of pay that were not agreed upon and violate minimum wage and overtime wage laws in California. Employees are additionally informed and believes that the notice requirement of Labor Code § 2810.5 involves a mandatory payroll or workplace injury reporting. Among other relief, Aggrieved Employees, or some of them, may collect from Employer in connection with these violations' civil penalties pursuant to Labor Code §§ 558 and 2699.

Refusal to Make Payment

Labor Code § 216 declares unlawful an employer's refusal to pay wages due and payable and/or denial of the validity of any claim to wages due.

Employer at times violated and continues at times to violate Labor Code § 216 by failing to pay Employees and Aggrieved Employees, or some of them, for all hours worked at the proper wage rate and by failing to pay Employees and Aggrieved Employees, or some of them, an additional hour of pay for each meal and/or rest period not provided or that was invalid. *Gould v. Maryland Sound Industries, Inc.* (1995) 31 Cal.App.4th 1137, 1154-1155. These violations subject Employer to civil penalties under Labor Code § 225.5. Each violation results in a separate civil penalty, for each Aggrieved Employee (or some of them) so affected, for each pay period (or some of them)

¹ See Lab. Code §2699(f)(2) (establishing that the civil penalty is "for each aggrieved employee per pay period").

during which the statute's provisions were violated.²

Seating Violations

Per section 14(A-B) of all applicable IWC Wage Orders, employees shall be provided with suitable seats when the nature of the work reasonably permits the use of seats and when they are not actively engaged in the work duties that would not permit them to be seated.

All applicable IWC Wage Orders, Section 14(A-B) provides:

(A) All working employees shall be provided with suitable seats when the nature of the work reasonably permits the use of seats.

(B) When employees are not engaged in the active duties of their employment and the nature of the work requires standing, an adequate number of suitable seats shall be placed in reasonable proximity to the work area and employees shall be permitted to use such seats when it does not interfere with the performance of their duties.

Suitable seating is one of the worker protections covered by California's Wage Orders, which have the same dignity as statutes, are remedial in nature and are to be broadly construed to effectuate the goal of protecting the comfort and welfare of employees. *Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal.4th 1004, 1027.

Based on information and belief, Employer at times failed to provide Aggrieved Employees, or some of them, with suitable seating, and when such employees, or some of them, were not engaged in duties which required them to stand, at times no seating was placed in reasonable proximity to their workstations.

Moreover, based on information and belief, the nature of the work reasonably permitted the use of seats for at least part of the time that Aggrieved Employees were working. Lastly, based on information and belief, Aggrieved Employees at times were not engaged in active duties of their employment, yet at times there were no suitable seats in reasonable proximity to the work area, and use of seats would not have interfered with the performance of their duties.

Employer's Aggrieved Employees worked in various positions. The nature of Employees' and other Aggrieved Employees' work, or some of them, reasonably permitted the use of seats. However, Employer at times failed to provide suitable seating in reasonable proximity to Aggrieved Employees' work areas, or some of them, in violation of section 14(A-B) of applicable Wage Orders, and Labor Code §§ 1198 and 1199, subjecting Employer to civil penalties under Labor Code §§ 1199 and 2699. Each violation of each Labor Code section and IWC Wage Order provision, for each Aggrieved Employee, or some of them, results in a separate civil penalty.³

² Labor Code § 225.5 (establishing that "[i]n addition to, and entirely independent and apart from, any other penalty provided in this article, every person who unlawfully withholds wages due any employee in violation of §§ 212, 216, 221, 222, or 223 shall be subject to a civil penalty...for each failure to pay each employee") (emphasis added).

³ See Lab. Code §2699(f)(2) (establishing that the civil penalty is "for each aggrieved employee per pay period").

Statutory Wage Violations

Labor Code § 223 makes it unlawful for an employer to secretly pay wages lower than required by statute while purporting to pay legal wages.

As described above, Employer at times willfully and systematically denied Employees and other Aggrieved Employees, or some of them, of minimum and overtime wage compensation for all hours worked which resulted in the payment of less than statutorily required wages owed to them. Employer at times acted with the intent to deprive some or all of them of statutory wages, including, but not limited to, overtime wages and minimum wages, to which they were entitled to under California law.

Thus, Employer at times paid Employees and other Aggrieved Employees, or some of them, lower wages than those to which they were entitled, while purporting that Employees and all Aggrieved Employees were properly paid. As such, Employees and Aggrieved Employees, or some of them, are entitled to recover penalties, attorneys' fees, costs, and interest thereon, pursuant to Labor Code § 2699(f)-(g).

Failure to Pay Vested Vacation/Paid Time Off

California Labor Code § 227.3 provides that when an employer policy provides for paid vacations and/or paid time off, and an employee is terminated without having taken off his, her, or their vested vacation time, all vested vacation shall be paid to the employee as wages at the employee's final rate in accordance with such contract of employment or employer policy respecting eligibility or time served and that there shall be no forfeiture of vested vacation time or paid time off upon termination. Based on information and belief, Employer at times had and continues at times to have a policy and/or practice of failing to allow Aggrieved Employees, or some of them, and Exempt Aggrieved Employees, or some of them, to use their earned vacation/paid time off during their employment and failing at times to pay all vested, accrued paid time off to Aggrieved Employees, or some of them, and/or Exempt Aggrieved Employees, or some of them, upon separation of employment, in violation of California law, including but not limited to, Labor Code § 227.3.

Failure to Timely Provide Temporary Workers with Owed Wages

On information and belief, Employer at times had and has failed to provide temporary workers, or some of them, with owed wages weekly by not later than the regular payday of the following week. As a result, pursuant to Labor Code § 201.3, Employer would be liable for civil penalties pursuant to Labor Code § 201.3.

Unlawful Agreements/ Unlawful Criminal History Inquiries

Unlawful Agreements

Labor Code § 432.5 provides that "no employer ... shall require any employee or applicant for employment to agree, in writing, to any term or condition which is known by such employer ... to be prohibited by law." Based on information and belief, Employer at times required Employees, Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to unlawful conditions of employment including but not limited to unlawful non-compete and/or non-solicitation agreements as well as unlawful criminal and/or financial checks as a condition of obtaining and/or continuing employment in violation of Labor Code § 432.5.

The California Labor Code places certain procedural and substantive limits on employers' ability to conduct employee background checks and on how employers can use the information they obtain through those background checks. Labor Code § 1024.5 states that employers, except for financial institutions, may order a credit check only if the individual works (or is applying to work) in certain positions (e.g., managerial positions, financially related positions, and certain government positions). Additionally, the Investigative Consumer Reporting Agencies Act (ICRAA - CA Civil Code § 1786, et seq.) and the Fair Credit Reporting Act (FCRA - 15 U.S.C. § 1681, et seq.) mandate several requirements prior to and following an employee background check, including but not limited to identifying an appropriate reason for the background check, a separate consent form with required disclosures and certain formatting requirements, additional forms such as a summary of rights, a way by which to request a copy of the report, as well as proper notice of adverse actions taken, among other statutory requirements.

Based on information and belief, Employer at times ordered unlawful financial credit checks on Aggrieved Employees and Exempt Aggrieved Employees, or some of them, in violation of Labor Code § 1024.5, and at times required Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to provide ongoing written consent to the unlawful credit checks as a condition of employment, in violation of California and Federal law, which results in a further violation of Labor Code § 432.5.

Based on information and belief, Employer also at times required Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to submit and/or agree to submit in writing to unlawful criminal background checks as a condition of obtaining and/or holding employment in violation of the ICRAA and the FCRA. For example, based on information and belief, Employer required Employees to submit and/or agree to submit in writing to an unlawful background check as a condition of obtaining and/or holding employment in violation of, including but not limited to, Labor Code § 432.5.

Based on information and belief, Employer at times required Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to a background check which failed to abide by the requirements set forth in California Civil Code § 1786, et seq. and 15 U.S.C. § 1681, et seq., including but not limited to by failing, at times, to provide a clear and conspicuous disclosure (and/or failing to provide any disclosure at all), failing at times to provide disclosures free of extraneous information, failing at times to provide a lawful purpose for the background check, failing at times to provide a summary of rights under the ICRAA and/or the FCRA, failing at times to provide a way by which the individual could request a copy of the report, failing at times to disclose the name, address, and telephone number of the third party preparing the report, and failing at times to properly obtain authorization or consent to such a background check, and thus was an unlawful background check.

By at times requiring Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to unlawful criminal and/or financial checks not in conformance with the applicable laws, Employer violated Labor Code § 432.5.

Based on information and belief, Employer also at times required Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to provide ongoing consent to Employer to conduct background checks throughout the duration of employment, in violation of the ICRAA and/or FCRA and/or other applicable laws, resulting in a further violation of Labor Code § 432.5, by at times requiring applicants and employees, or some of them, to agree to an

unlawful provision as a condition of employment.

Based on further information and belief, Employer knew that requiring Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree at times to unlawful criminal and/or financial background checks as a condition of obtaining and/or holding employment was unlawful.

By requiring Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree at times in writing to unlawful provisions as a condition of employment, Employer violated Labor Code § 432.5.

Unlawful Inquires into Criminal History

Labor Code § 432.7 prohibits an employer from asking applicants about past arrest(s) unless they resulted in conviction(s) and even then, certain limitations apply. Based on information and belief, Employer at times asked Aggrieved Employees and Exempt Aggrieved Employees, or some of them, about arrests not resulting in convictions on their employment application, in violation of California law.

Upon information and belief, Employer, in violation of California law, including but not limited to the Fair Chance Act/the California Fair Employment and Housing Act (“FEHA”), at times asked Aggrieved Employees and Exempt Aggrieved Employees, or some of them, about convictions prior to extending an offer of employment and/or otherwise impermissibly inquired into criminal history on their employment application in violation of California law.

By asking, at times, about arrests not resulting in convictions, Employer violated Labor Code § 432.7. By asking, at times, about convictions at the application phase or prior to extending an employment offer, Employer violated California’s Fair Chance Act, and thereby violated Labor Code § 432.5 by unlawfully requiring Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to disclose arrests and/or convictions as a condition of employment.

Unlawful PAGA Waiver

Additionally, Employer at times violated Labor Code § 432.5 by requiring Employees, Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to other unlawful agreements, including but not limited to an unlawful waiver of PAGA and or representative actions, as a condition of employment.

An action pursuant to PAGA “...is a representative action on behalf of the state” *Kim v Reins Int’l California, Inc.* (2020) 9 Cal.5th 73, 86-87. It is well settled that agreements purporting to waive an employee’s right to a trial of PAGA claims is contrary to California law and unenforceable. *See Iskanian v CLS Transportation Los Angeles, LLC* (2014) 59 Cal.4th 348, 384 (“We conclude that where, as here, an employment agreement compels the waiver of representative claims under the PAGA, it is contrary to public policy and unenforceable as a matter of state law.”).

Moreover, the California Supreme Court has ruled that a court cannot compel arbitration of an aggrieved employee’s individual PAGA claim because there is no such thing as an individual PAGA claim. *Kim v Reins Int’l California, Inc.* (2020) 9 Cal.5th 73, 86-87 (“There is no individual component to a PAGA action because ‘every PAGA action ... is a representative action on behalf of the state.’”).

Upon information and belief, Employer at times required Employees, Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to waive their right to a trial of PAGA claims in violation of California law. By at times requiring Employees, Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree, in writing, to an unlawful PAGA waiver, Employer at times required written agreement to an unlawful provision as a condition of employment, which is a violation of Labor Code § 432.5.

As such, Employees, Aggrieved Employees and Exempt Aggrieved Employees, or some of them, continue to be subject at times to various unlawful provisions as a condition of employment.

Preventing Employees from Using or Disclosing Skills, Knowledge, and Experience

On information and belief, Employer at times have prevented Employees and/or other Aggrieved Employees, or some of them, from using or disclosing the skills, knowledge, and experience they obtained at Employer for purposes of competing with Employer, including, without limitation, preventing Employees, or some of them, from disclosing their wages in negotiating a new job with a prospective employer, and from disclosing who else works at Employer and under what circumstances they might be receptive to an offer from a rival employer. As such, Employees are informed and believe, this violates Business and Professions Code §§ 17200, 16600 and 16700 and, by virtue thereof, various provisions of the Labor Code, including Labor Code §§ 232, 232.5, and 1197.5, subdivision (k). Employer would be liable for civil penalties pursuant to Labor Code § 2699.

Whistleblower Violations

On information and belief, Employer at times has prevented Employees and/or other Aggrieved Employees, or some of them, from disclosing violations of state and federal law, either within Employer to their managers or outside Employer to private attorneys or government officials, among others, in violation of Business and Professions Code § 17200, and thus in violation of Labor Code § 1102.5. In addition, Employees are informed and believe that these policies and/or practices at times prevent Employees and/or other Aggrieved Employees, or some of them, from disclosing information about unsafe or discriminatory working conditions, or about wage and hour violations in violation of Labor Code §§ 98.6, 232, and 232.5. These violations of the Labor Code would expose Employer to liability for civil penalties pursuant to Labor Code § 2699.

Workplace Health and Safety Violations

On information and belief, Employer at times has failed to furnish and use safety devices and safeguards, and adopt and use practices, means, methods, operations and processes which are reasonably adequate to render such employment and place of employment safe and healthful, pursuant to, including but not limited to, Labor Code § 6401. Employees are informed and believe, and based thereon alleges, that Employer at times has required or permitted employees, or some of them, to go or be in any employment or place of employment which is not safe and healthful, pursuant to Labor Code § 6402. Employees are informed and believe, and based thereon allege, that Employer at times has failed or neglected to provide and use safety devices and safeguards reasonably adequate to render the employment and place of employment safe; adopt and use methods and processes reasonably adequate to render the employment and place of employment safe; and do every other thing reasonably necessary to protect the life, safety, and health of employees, pursuant to Labor Code § 6403. Employees are informed and believe, and based thereon alleges, that these failures include, without limitation, at times failing to disinfect time

clocks and other surfaces after use by Employees and/or other Aggrieved Employees, or some of them; at times failing to provide adequate protection equipment to Employees and/or other Aggrieved Employees, or some of them; and at times failing to provide adequate distance in working conditions between Employees and/or other Aggrieved Employees, or some of them.

On information and belief, Employer violated 8 Cal. Code Regs. §§ 1527, 3366, 3457 and 8397.4 by failing at times to provide adequate and readily accessible sanitation facilities; a regular schedule for servicing, cleaning, and supplying each facility to ensure it is maintained in a clean, sanitary and serviceable condition; an adequate supply of suitable cleansing agents, water, single-use towels or blowers; and a sufficient number of toilets to be used by each sex of employee.

Action for Civil Penalties Under PAGA

In light of the above, Employees allege that Employer violated the following provisions of the Labor Code with respect to the Aggrieved Employees, or some of them:

1. Labor Code §§ 204, 510, 1181.12, 1194, 1194(a), 1197, 1197.1, and 1198 and applicable IWC Wage Orders, including 8 Cal. Code Regs. § 11010 et seq., by failing at times to pay for all hours worked including hours worked off-the-clock, including minimum wages, straight time wages, and overtime wages and by failing to pay overtime wages at the regular rate of pay;
2. Labor Code § 1194.2 by failing at times to pay minimum wages for all hours worked, thereby creating an entitlement to liquidated damages for such failures;
3. Labor Code §§ 551 and 552 and applicable IWC Wage Orders by failing to provide one day's rest in seven and causing employees to work more than six days in seven, including workweeks in which employees were required to work in excess of thirty (30) hours in a workweek and/or six (6) hours in any one (1) day thereof, and by failing to provide the equivalent of one (1) day's rest in seven (7) during each calendar month;
4. Labor Code § 226.7, 512, 512(a), and 516 and applicable IWC Wage Orders by failing at times to provide compliant meal periods and/or pay premium wages at the regular rate of pay;
5. Labor Code § 226.7, 512, 512(a), and 516 and applicable IWC Wage Orders by failing at times to authorize and permit legally compliant rest periods and/or pay premium wages at the regular rate of pay;
6. Labor Code §§ 204 and 210 and applicable IWC Wage Orders by failing at times to pay all earned wages two times per month;
7. Labor Code §§ 1174, 1174(d), and 1174.5 and applicable IWC Wage Orders by failing at times to maintain accurate records of hours worked and meal periods taken or missed;
8. Labor Code §§ 201 to 203 and 213(d), and applicable IWC Wage Orders by willfully failing at times to pay all wages owed at termination;
9. Labor Code §§ 226, 226(a), 226(e), 226(h) and 226.3 and applicable IWC Wage Orders by failing at times to provide accurate itemized wage statements;

10. Labor Code §§ 222.5, 231, 404, 450, 2800 and 2802 by failing at times to indemnify for necessary expenditures and deposits;
11. Labor Code §§ 1198, 558 and 2699(f) and applicable IWC Wage Orders by failing to pay all reporting time pay;
12. Labor Code §§ 226, 226(f), 432, and 1198.5 and applicable IWC Wage Orders by failing at times to timely produce requested payroll records, timecards, and personnel records;
13. Labor Code §§ 1174, 1174(d), 1174.5, 1198, 1199, and 558.1 and applicable IWC Wage Orders by failing at times to keep accurate and complete payroll records;
14. Labor Code §§ 233, 234, and 245-248.7 by failing at times to provide proper sick leave and supplemental paid sick leave, including by failing to pay paid sick at the regular rate of pay;
15. Labor Code § 2810.5 by failing to comply with required notice requirements;
16. Labor Code §§ 216 and 225.5 for refusal at times to pay wages due and payable and/or denial at times of the validity of any claim to wages due;
17. Labor Code § 223 for at times secretly paying wages lower than required by statute while purporting to pay legal wages;
18. Labor Code § 227.3 for failure at times to pay vested vacation and/or paid time off;
19. Section 14(A-B) of all applicable IWC Wage Orders for failure at times to provide suitable seating;
20. Labor Code § 432.5 for unlawful agreements;
21. Labor Code § 201.3 for failure at times to timely provide temporary workers, or some of them, with wages;
22. Labor Code §§ 98.6, 232, 232.5, 1102.5, and 1197.5 for at times preventing employees, or some of them, from using or disclosing the skills, knowledge and experience they obtained at Employer, and for whistleblower violations;
23. Labor Code § 432.7 for unlawful inquiries at times into criminal histories; and
24. Labor Code §§ 6401, 6402 and 6403, 8 Cal. Code Regs. §§ 1527, 3366, 3457, 8397.4, and applicable IWC Wage Orders for workplace health and safety violations.

Therefore, on behalf of potentially Aggrieved Employees, Employees seek applicable penalties related to the violations alleged above pursuant to the PAGA. These include, but are not limited to, penalties and interest under Labor Code §§ 210, 218, 218.5, 218.6, 226.3, 1174.5, 1197.1, and 2698 through 2699.5.

Employees have placed Employer on notice by mailing a certified copy of this correspondence, as indicated on the first page. Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me.

Sincerely,

WILSHIRE LAW FIRM

LWDA
Amended Notice of Labor Code Violations and
PAGA
April 30, 2024
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John G. Yslas, Esq.

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EXHIBIT “C”

TRUE AND CORRECT COPY OF
SUBMISSION CONFIRMATION
TO LWDA
RE: PROPOSED SETTLEMENT

[SEE ATTACHED]