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ELECTRONICALLY FILED
Superior Court of California,
County of Alameda
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By: Damaree Franklin,
Deputy Clerk

IN THE SUPERIOR COURT OF CALIFORNIA

IN AND FOR THE CITY AND COUNTY OF ALAMEDA

THE CALIFORNIA LABOR AND WORKFORCE DEVELOPMENT AGENCY, a California governmental agency, *ex rel*. AISHA MCELROY; AISHA MCELROY, an individual,

Plaintiffs,

v.

ARTECH INFORMATION SYSTEMS LLC, a New Jersey corporation; JOHNSON & JOHNSON HOLDCO (NA) INC., a New Jersey corporation; and DOES 1-50, inclusive,

Defendants.

Case No.: 24CV076764

COMPLAINT:

1. **VIOLATIONS OF THE CALIFORNIA PRIVATE ATTORNEYS GENERAL ACT (LAB. CODE §§ 2698 *ET SEQ.*)**
2. **PUBLIC INJUNCTIVE RELIEF (BUS. & PROFS. CODE § 17200, ET SEQ.)**

Plaintiffs are informed and believe and thereupon allege the following:

I. INTRODUCTION

1. Plaintiffs California Labor and Workforce Development Agency ("LWDA") *ex rel*. Aisha McElroy, and Aisha McElroy individually (collectively "Plaintiffs") bring these claims against Defendants Artech Information Systems LLC, Johnson & Johnson Holdco (NA) Inc., and Does 1-50, inclusive (collectively "Defendants"), for violations of the California Labor Code under the Private Attorneys General Act (Cal. Lab. Code §§ 2698 *et seq.*; "PAGA"); and for violations of the Unfair Competition Law (Cal. Bus. & Profs. Code §§ 17200, *et seq*.; "UCL").

2. Plaintiffs have been injured by Defendants' failure to pay minimum, contractual, and overtime wages owed; failure to reimburse necessary business expenses; failure to provide accurate wage statements that detailed all wages actually earned and identify the name of the legal entity that is the employer; and failure to pay all wages due at separation from employment.

3. To punish these affronts to California's sovereign interest in enforcing the provisions of the California Labor Code, to deter future violations by Defendants and others, and to enjoin further violations by Defendants, Plaintiffs seek civil penalties and public injunctive relief, as well as their reasonable attorney's fees and costs.

4. Civil penalties under PAGA are sought as to Labor Code violations occurring within the period commencing February 29, 2023 and concluding at the entry of final judgment in this action ("Claim Period").

5. Civil penalties under PAGA are sought as all employees of Defendants working within California at any time during the Claim Period ("Aggrieved Employees"). As used herein, Aggrieved Employees includes Plaintiff Aisha McElroy.

6. Plaintiffs seek to recover their reasonable attorneys' fees and costs pursuant to Labor Code 2699; California Code of Civil Procedure section 1021.5; and the common law doctrines of common fund, substantial benefit, and private attorneys general, as well as the catalyst theory.

II. PARTIES

7. Plaintiff McElroy is a resident of Alameda County, California.

8. The California Labor and Workforce Development Agency is a California governmental entity. Plaintiff McElroy has been delegated lawful authority to sue on behalf of the LWDA pursuant to PAGA, and to prosecute its claims for civil penalties for adjudication by this Court.

9. Defendant Artech Information Systems LLC is a New Jersey corporation, registered to and conducting business in California.

10. Plaintiff is ignorant of exactly which corporation within the Johnson & Johnson family of companies employed Plaintiff and controlled her work. Plaintiff is informed and believes that Johnson & Johnson Holdco (NA) Inc. either was her employer, or owned the subsidiary that was her employer.

11. Plaintiffs are ignorant of the true names or capacities of defendants named herein as Does 1 through 50, inclusive, and therefore sues these defendants by these fictitious names. When the names and capacities of these defendants are ascertained, Plaintiffs will amend this complaint accordingly. Each of the defendants named herein or designated as a Doe is liable or in some manner legally responsible for the events alleged herein.

12. At all relevant times, each of the defendants was the agent or employee of each of the remaining defendants and, in doing the things alleged herein, was acting within the course and scope of such agency or employment.

13. Each of the defendants' actions or omissions, as alleged herein, was ratified by each of the remaining defendants.

14. Each of the acts or omissions of a defendant's agents as alleged herein was ratified by that defendant, as well as by each of the remaining defendants.

15. Each of the acts or omissions of a defendant as alleged herein was done with the knowledge each of the remaining defendants, and done in furtherance of a conspiratorial agreement with each of the remaining defendants.

16. As used herein, "Defendants" means Defendant Artech Information Systems

LLC, Johnson & Johnson Holdco (NA) Inc., and Does 1 through 50, inclusive.

III. JURISDICTION AND VENUE

17. This Court has subject matter jurisdiction over this action under California Code of Civil Procedure section 410.10 and the California Constitution, article VI, section 10.

18. This Court has specific and general personal jurisdiction over Defendant Artech Information Systems LLC and Johnson & Johnson Holdco (NA) Inc. because each has significant contacts with California by virtue of its extensive business operations in California and has purposefully availed itself of the privileges and immunities of conducting business in California.

19. Venue is proper in the County of Alameda pursuant to California Code of Civil Procedure section 393, because this action primarily seeks the recovery of penalties imposed by statute, because Defendants operate and employ aggrieved employees within that County, and some portion of the violations alleged arose in that County.

IV. COMMON ALLEGATIONS

20. Defendant Artech Information Systems LLC has its principal executive office within New Jersey in Morristown, New Jersey.

21. Defendant Johnson & Johnson Holdco (NA) Inc. has its principal executive office within New Jersey in New Brunswick, New Jersey.

22. Defendants do business in California as “Artech LLC” and as “Johnson & Johnson.”

23. Defendant Artech Information Systems LLC operates in the staffing industry and provides staffing agency services to the Johnson & Johnson family of companies.

24. Defendants are each a person who directly or indirectly, or through an agent or any other person, has employed or exercised control over the wages, hours, or working conditions of Aggrieved Employees. *See*, 8 C.C.R. 11040 § 2(E-F).

25. Defendants employed Plaintiff McElroy as a remote Senior Cybersecurity Analyst from approximately October 2023 until her separation on January 24, 2024.

26. Penalties are sought for violations as alleged below occurring within the Claim

Period.

27. Defendants' employment of the Aggrieved Employees is governed by Industrial Welfare Commission Wage Order No. 4 (Wage Order).

28. Defendants directed or permitted Aggrieved Employees to perform their work remotely from home, knowing that working remotely would require Aggrieved Employees to incur necessary expenses. Indeed, as a remote employee, Plaintiff was required to incur and did regularly incur throughout her employment, as a direct consequence of the discharge of her remote duties, such necessary expenses that include, but are not limited to:

(1) Cell phone connectivity expenses necessary to communicate with Defendants' other employees and to interact with Defendants' systems;

(2) Home internet connectivity expenses necessary to communicate with Defendants' other employees and to interact with Defendants' systems; and

(3) Home gas, water, and electricity expenses necessary to maintain Aggrieved Employees' home office in a safe and comfortable environment.

29. Defendants thereby failed to reimburse Aggrieved Employees for necessary business expenses, thereby pushed Aggrieved Employees' wages below the applicable legal minimum, overtime, and contractual rates of pay, thereby forced Aggrieved Employees to effectively pay to Defendants a portion of wages previously paid, and thereby paid Aggrieved Employees a lower, secret wage than was agreed or is statutorily required.

30. Defendants also failed to pay Aggrieved Employees all minimum, contractual, and overtime wages for all hours actually worked.

31. Defendants knowingly and intentionally falsified timekeeping records of Aggrieved Employees, by modifying timekeeping records to remove credit for hours actually worked, and to thereby avoid paying all wages owed for hours actually worked.

32. Defendants also failed to pay all wages earned each payperiod within the time

provided by statute.

33. Defendants have also failed to provide Aggrieved Employees with accurate, itemized wage statements. The wage statements provided by Defendants fail to conform to California law because those wage statements do not display all wages earned by Aggrieved Employees, including by failing to include additional wages required to counteract the unreimbursed remote-work expenses alleged. The wage statements provided by Defendants also fail to conform to California law because they fail to identify "the name . . . of the legal entity that is the employer." *See*, Lab. Code § 226(a)(8). The wage statements provided to Aggrieved Employees who were employed through the legal entity Defendant Artech Information Systems LLC, nonetheless falsely state the name of employing legal entity as "Artech LLC." On information and belief, the company registered under that name does business in California with the California Secretary of State, but did not employ Plaintiff, and did employ any Aggrieved Employees. As a direct and proximate result of Defendants' failure to provide Aggrieved Employees with accurate, itemized wage statements, they have suffered injury and damage to their statutorily protected rights, and have been injured because they were denied both their legal right to receive, and their protected interest in receiving, accurate, itemized wage statements.

34. Defendants' failure to provide Aggrieved Employees with accurate, itemized wage statements is and was knowing and intentional.

35. Defendants have also failed to pay all wages to those Aggrieved Employees who separated from Defendants' employment within the Claim Period. Within the Claim Period, Aggrieved Employees have resigned from their employment or were terminated by Defendants. Defendants willfully failed to pay said Aggrieved Employees all wages due upon termination or within 72 hours of resignation. Defendants failed to pay said Aggrieved Employees all wages due because they are not provided with underpaid wages arising from unlawful uniform deductions and unreimbursed business expenses. Defendants' failure to pay all wages due to Aggrieved Employees at their separation or termination is willful.

36. Defendants required Aggrieved Employees to agree in writing to terms or

conditions known by Defendants to be prohibited by law, insofar as Defendants' arbitration agreements contain factual recitals in a contract of adhesion not negotiated at arm's length in violation of California law, insofar as Defendants' arbitration agreements include a waiver of representative PAGA claims in violation of California law, insofar as Defendants' employment agreements include confidentiality provisions that unlawfully restrain protected whistleblower activities under both California law and Federal law; and insofar as Defendants' employment agreements include confidentiality provisions that unlawfully infringe employees' rights to discuss pay and compensation and to otherwise engage in concerted activities in violation of both California law and Federal law.

V. CAUSES OF ACTION

FIRST CAUSE OF ACTION
Violations of the California Private Attorneys General Act
(LAB. CODE §§ 2698 *ET SEQ.*)
Brought by Plaintiff LWDA *ex rel.* McElroy,
As to Defendants Artech Information Systems LLC, Johnson & Johnson Holdco (NA) Inc., and Does 1-50

37. Plaintiffs incorporate by reference all preceding paragraphs as though fully set forth herein.

38. Plaintiffs bring this cause of action in a representative capacity on behalf of the California LWDA.

39. Plaintiffs seek to redress violations of the California Labor Code committed by Defendants against Aggrieved Employees as set out in the Private Attorneys General Act ("PAGA") notice document submitted to the Labor and Workforce Development Agency on February 29, 2024, a true and correct copy of which is attached as Exhibit A, and the contents of which are incorporated here by reference, and as set out in the amended PAGA notice document submitted to the Labor and Workforce Development Agency on March 18, 2024, a true and correct copy of which is attached as Exhibit B, and the contents of which are incorporated here by reference

40. Plaintiffs have fully complied with notice requirements under PAGA by giving

written notice to both the Labor and Workforce Development Agency and Defendant pursuant to Labor Code section 2699.3 subdivision (a)(1)(A), and by paying the filing fee required by subdivision (a)(1)(B) of the same.

41. Sixty-five calendar days have now passed since Plaintiffs gave the LWDA notice of their PAGA claims, and the LWDA has not responded or taken any position as to those claims. Accordingly, Plaintiffs now have the right to pursue those claims through a representative civil suit pursuant to Labor Code section 2699.3, subdivision (a)(2)(A).

42. For the violations of the Labor Code alleged, Plaintiffs have no other administrative remedies to exhaust.

43. Plaintiff McElroy has personally suffered at least one of the violations of the Labor Code set out in Exhibit A and in Exhibit B, and has been injured as a direct and proximate result.

44. Pursuant to Labor Code section 2699, subdivisions (a) and (f), Plaintiffs accordingly seek to recover civil penalties against Defendants for the specified Labor Code violations against Plaintiffs and all other Aggrieved Employees.

45. In addition, Plaintiffs seek to recover their reasonable attorneys' fees and costs pursuant to Labor Code section 2699, subdivision (g)(1).

SECOND CAUSE OF ACTION
Public Injunctive Relief
(Bus. & Profs. Code § 17200, *et seq.*)
Brought by Plaintiff McElroy
As to Defendants Artech Information Systems LLC, Johnson & Johnson Holdco (NA) Inc., and Does 1-50

46. Plaintiffs incorporate by reference all preceding paragraphs as though fully set forth herein.

47. Defendants have engaged in unfair competition within the meaning of California Business and Professions Code section 17200 *et seq*. because Defendants' conduct is unfair and illegal as herein alleged. The Defendants' conduct as alleged constituted, and constitute, a continuing course of conduct of unfair competition since said Defendants are engaging in

employment practices that violate California law.

48. As a direct, proximate, and foreseeable result of Defendants' conduct as alleged above, Defendants have caused injury to Plaintiffs and to the public.

49. Plaintiffs and the public are entitled to relief, including public injunctive relief.

50. Defendants' conduct as alleged above are a serious and continuing threat to Plaintiffs and the public. If Defendants are allowed to continue those violations of California law, Plaintiffs and the public will suffer further immediate and irreparable injury, loss, and damage.

51. In the absence of a temporary restraining order and preliminary and permanent injunctions as prayed for below, Defendants will continue to engage in unfair business practices.

52. Unless Defendants are restrained by this Court, Plaintiffs and members of the general public will have no adequate remedy at law in that individual suits for rescission and restitution will not be economically justified because of the relatively small amounts that would be due to each employee, competitor, and consumer, while additional suits under California's Unfair Competition Law would lead to a multiplicity of judicial proceedings.

53. Accordingly, Plaintiffs are entitled to public injunctive relief in the form of a temporary restraining order, preliminary injunction, and permanent injunction, each enjoining Defendants from further violations of California law as alleged.

VI. PRAYER FOR RELIEF

Wherefore, Plaintiffs pray for relief as follows:

1. For public injunctive relief in the form of a temporary restraining order, a preliminary injunction, and a permanent injunction, each enjoining Defendants from further violations of California law as alleged;
2. That Defendants be ordered to pay all amounts owed to the Plaintiffs arising out of the actions complained of herein, including statutory penalties, compensatory damages, punitive damages, and interest;

3. That Defendants be ordered to pay all amounts owed to the California Labor and Workforce Development Agency arising out of the actions complained of herein, including civil penalties;

4. That Defendants be ordered to pay all civil penalties owed to the Aggrieved Employees arising out of the actions complained of herein;

5. That Defendants, at their own expense, be ordered to provide notice to Aggrieved Employees of their potential claims arising out of the Labor Code violations alleged herein;

6. That Defendants be ordered to pay Plaintiffs' reasonable attorneys' fees pursuant to Labor Code section 2699; California Code of Civil Procedure section 1021.5; and the common law doctrines of common fund, substantial benefit, and private attorneys general, as well as the catalyst theory;

7. That Defendants be ordered to pay Plaintiffs' reasonable costs of suit incurred; and

8. For such other legal and equitable relief as the Court may deem just and proper.

Respectfully submitted,

May 22, 2024

AIMAN-SMITH & MARCY
A PROFESSIONAL CORPORATION

/s/ Brent A. Robinson

Brent A. Robinson
Attorneys for All Plaintiffs

EXHIBIT A

February 29, 2024

Via Online Filing

California Labor and Workforce Development Agency

Via Certified Mail

Artech LLC
550 Front Street, Apt. 705
San Diego, CA 92101

Artech LLC
c/o Robert Gavuglio, Agent for Service
550 Front Street, Apt. 705
San Diego, CA 92101

Johnson & Jonson Holdco (NA) Inc.
One Johnson & Johnson Plaza
New Brunswick, NJ 08933

Johnson & Jonson Holdco (NA) Inc.
c/o C T Corporation System, Agent for Service
330 N. Brand Blvd., Ste. 700
Glendale, CA 91203

Re: *Cal. LWDA ex rel. Aisha McElroy v. Artech LLC, Johnson & Johnson Holdco (NA) Inc., and Does 1-50*

Dear PAGA Administrator:

Pursuant to California Labor Code[1] section 2699.3, subdivisions (a), (b), and (c), Aisha McElroy (Relator) hereby provides notice of violations under the California Private Attorneys General Act.

Pursuant to Labor Code section 2699, subdivisions (a), Relator requests the authority to prosecute a civil law enforcement action against Artech LLC, Johnson & Johnson Holdco (NA) Inc., and against as-yet unknown Defendants named here as Does 1 through 50, inclusive. Relator seeks to proceed against Defendants via a civil action brought on behalf of, and in the name of, the California Labor and Workforce Development Agency. Relator will seek to recover civil penalties on behalf of the State of California, both for purposes of punishing past violations of California law, and deterring future violations by Defendants and by other California employers. Relator will also seek to recover her reasonable attorney’s fees and costs, as authorized by section 2699, subdivision (h).

[1] Except where otherwise indicated, all subsequent section citations are to the California Labor Code.

Defendants employed Relator as a remote Senior Cybersecurity Analyst from approximately October 2023 until her separation on January 24, 2024.

Defendant Artech LLC is a California corporation, registered to and conducting business in California. As is relevant here, Artech LLC provides staffing agency services to the Johnson & Johson family of companies, and employed Relator to provide services to one or more companies doing business as Johnson & Johnson, and subject to the control and direction of the same.

Relator is ignorant of exactly which corporation within the Johson & Johnson family of companies employed Relator and controlled her work. Relator is informed and believes that Johnson & Johnson Holdco (NA) Inc. either was her employer, or owned the subsidiary that was her employer.

Relator is ignorant of the true names or capacities of Defendants named herein as Does 1 through 50, inclusive, and therefore name these Defendants by these fictitious names. When the names and capacities of these Defendants are ascertained, Relator will amend this notice accordingly. Each of the Defendants named herein or designated as a Doe is Relator's employer, or is liable or in some manner legally responsible under the Private Attorneys General Act for the violations alleged herein.

Relator herein refers to all these Defendants collectively as "Defendants."

Relator seeks to recover for violations as alleged below occurring within the period commencing one year prior to the date of this Notice, and proceeding through the entry of final judgment (Claim Period). Relator seeks to recover such penalties via a lawsuit to be filed against Defendants in Alameda County Superior Court.

Such penalties are sought as to a group of aggrieved employees consisting of all employees of Defendants who worked remotely within California at any time during the Claim Period (Aggrieved Employees).

Relator believes Defendants' employment of the Aggrieved Employees is governed by Industrial Welfare Commission Wage Order No. 4 (8 C.C.R. § 11040) (Wage Order).

The violations alleged, and the penalties sought, are as follows:

1. Defendants' Conduct

Defendants directed or permitted Aggrieved Employees to perform their work remotely from home, knowing that working remotely would require Relator to incur necessary expenses. Indeed, as a remote employee, Relator was required to incur and did regularly incur throughout her employment, as a direct consequence of the discharge of her remote duties, such necessary expenses that include, but are not limited to:

1. Cell phone connectivity expenses necessary to communicate with Defendants' other employees and to interact with Defendants' systems;
2. Home internet connectivity expenses necessary to communicate with Defendants' other employees and to interact with Defendants' systems; and

3. Home gas, water, and electricity expenses necessary to maintain Aggrieved Employees' home office in a safe and comfortable environment.

Defendants thereby failed to reimburse Aggrieved Employees for necessary business expenses, thereby pushed Aggrieved Employees' wages below the applicable legal minimum, overtime, and contractual rates of pay, thereby forced Aggrieved Employees to effectively pay to Defendants a portion of wages previously paid, and thereby paid Aggrieved Employees a lower, secret wage than was agreed or is statutorily required.

Defendants also failed to pay Aggrieved Employees all minimum, contractual, and overtime wages for all hours actually worked.

Defendants also knowingly and intentionally falsified timekeeping records of Aggrieved Employees, by modifying timekeeping records to remove credit for hours actually worked, and to thereby avoid paying all wages owed for hours actually worked.

Defendants also failed to pay all wages earned each payperiod within the time provided by statute.

Defendants have also failed to provide Aggrieved Employees with accurate, itemized wage statements. The wage statements provided by Defendants fail to conform to California law because those wage statements do not display all wages earned by Aggrieved Employees, including by failing to include additional wages required to counteract the unreimbursed remote-work expenses alleged. As a direct and proximate result of Defendants' failure to provide Aggrieved Employees with accurate, itemized wage statements, they have suffered injury and damage to their statutorily-protected rights, and have been injured because they were denied both their legal right to receive, and their protected interest in receiving, accurate, itemized wage statements.

Defendants' failure to provide Aggrieved Employees with accurate, itemized wage statements is and was knowing and intentional.

Defendants have also failed to pay all wages to those Aggrieved Employees who separated from Defendants' employment within the Claim Period. Within the Claim Period, Aggrieved Employees have resigned from their employment or were terminated by Defendants. Defendants willfully failed to pay said Aggrieved Employees all wages due upon termination or within 72 hours of resignation. Defendants failed to pay said Aggrieved Employees all wages due because they are not provided with underpaid wages arising from unlawful uniform deductions and unreimbursed business expenses. Defendants' failure to pay all wages due to Aggrieved Employees at their separation or termination is willful.

Defendants required Aggrieved Employees to agree in writing to terms or conditions known by Defendants to be prohibited by law, insofar as Defendants' arbitration agreements contain factual recitals that in a contract of adhesion not negotiated at arm's length in violation of California law, insofar as Defendants' arbitration agreements include a waiver of representative PAGA claims in violation of California law, insofar as Defendants' employment agreements include confidentiality provisions that are unlawfully restrain protected whistleblower activities under both California law and Federal law; and insofar as Defendants' employment agreements include confidentiality provisions that unlawfully infringe employees' rights to discuss pay and compensation and to otherwise engage in concerted activities in violation of both California law and Federal law.

2. Applicable Penalties, Including Underpaid Wages and Waiting-Time-Penalties as Penalties

2.1. Failure to Reimburse Necessary Business Expenses

For each pay period in which an employee is not reimbursed for a necessary business expense, Defendants violated Labor Code section 2802 and the Wage Order.

Violations of section 2802 are subject to subject to penalties under Labor Code section 2699 in the amount of $100 per violation.

As previously noted, total penalties of $850 are available per violation of the Wage Order.

In total, penalties of $950 are available for each pay period in which an employee is not reimbursed for necessary business expenses. In addition, Relator shall seek to recover subsequent violation penalties for each violation occurring after the date Defendants received this Notice, and thereby received notice that its conduct was violating state law.

2.2. Receipt of Wages Previously Paid, and Secret Payment of Lower Wage, Labor Code §225.5

For each pay period in which an employee's purchase of necessary business expenses goes unreimbursed, that employee is effectively forced to pay to Defendant a portion of wages previously paid, and Defendants have violated Labor Code section 221. Defendants' payment of a lower, secret wage than was agreed or is statutorily required is a violation of Labor Code section 223.

For each violation of section 221, and for each violation of 223, Defendant is subject to penalties under section 225.5 of $100 per violation. Because section 225.5's penalties are supplemental, each violation of section 221, and each violation of section 223 is also subject to penalties under section 2699 in the amount of $100 per violation.

In total, penalties of $400 are available for each pay period in which an employee made an made an unreimbursed purchase of a necessary business expense in violation of sections 221 and 223. In addition, Relator shall seek to recover subsequent violation penalties for each violation occurring after the date Defendants received this Notice, and thereby received notice that its conduct was violating state law.

2.3. Failure to Pay Minimum, Overtime, and Contractual Wages

For each pay period in which an employee is not paid the required minimum or overtime wage for all hours worked (including pay periods in which necessary business expenses go unreimbursed, causing an unlawful deduction from wages), Defendants have violated Labor Code sections 1197 (minimum and overtime wages), 510 (overtime wages), 204/204b (regular payment of all wages due), 226 (accurate wage statements), and the Wage Order (minimum and overtime wages).

Violations of section 1197 are subject to penalties under Labor Code section 1197.1 of $100 per violation. Section 1197.1's penalties are supplemental. *Id*. at subd. (i). Accordingly, violations of section 1197 are also subject to penalties under section 2699 in the amount of $100 per violation. Thus, total penalties of $200 are available per violation under section 1197.

Violations of section 510 are subject to penalties under Labor Code section 2699 in the amount of $100 per violation.

Violations of sections 204 and 204b are subject to penalties under Labor Code section 2699 in the amount of $100 per violation.

As previously noted, total penalties of $350 are available per violation of section 226.

As previously noted, total penalties of $850 are available per violation of the Wage Order.

In total, penalties of $1,600 are available for each pay period in which an employee is not paid the required minimum, overtime, or contractual wage for all hours actually worked. In addition, Relator shall seek to recover subsequent violation penalties for each violation occurring after the date Defendants received this Notice, and thereby received notice that its conduct was violating state law.

2.4. Failure to Pay All Wages Due at Separation

For each employee who separated from Defendants' employment without receiving payment of all wages owing and due, including premium rest and meal period wages, Defendants have violated sections 201 and 202, which require the payment of all wages due at the time of separation.

Violation of sections 201 and 202 are subject to penalties under section 2699 in the amount of $100 per violation. In addition, Relator shall seek to recover subsequent violation penalties for each violation occurring after the date Defendants received this Notice, and thereby received notice that its conduct was violating state law.

2.5. Failure to Pay Maintain Accurate Timekeeping Records

For each pay period in which Defendants have failed to accurately document the time when an Aggrieved Employee begins and ends each work period, meal period, and split shift, Defendants have violated Labor Code section 1174, and the Wage Order (8 C.C.R. 11090(7)(A)(3)).

Willful violations of section 1174 are subject to penalties under Labor Code section 1174.5 in the amount of $500 per violation. Non-willful violations of section 1174 are subject to penalties under Labor Code section 2699 of $100 per violation.

As previously noted, total penalties of $350 are available per violation of the Wage Order.

In total, penalties of $850 are available for each falsification of timekeeping records. In addition, Relator shall seek to recover subsequent violation penalties for each violation occurring after the date Defendants received this Notice, and thereby received notice that its conduct was violating state law.

2.1. Requiring Agreement to Illegal Contractual Terms

For each employee who Defendants required to agree in writing to terms or conditions known by Defendants to be prohibited by law, Defendants have violated Labor Code section 432.5.

Violations of section 432.5 are subject to penalties under section 2699 in the amount of $100 per violation. In addition, Relator shall seek to recover subsequent violation penalties for each violation occurring after the date Defendants received this Notice, and thereby received notice that its conduct was violating state law.

Relator reserves the right to file an amended or supplemental notice as additional violations come to light.

Please contact me with any questions or concerns regarding the allegations contained in this notice.

Very truly yours,

AIMAN-SMITH & MARCY
A PROFESSIONAL CORPORATION

/s/ Brent A. Robinson

Brent A. Robinson
bar@asmlawyers.com

EXHIBIT B

March 18, 2024

Via Online Filing

California Labor and Workforce Development Agency

Via First Class Mail

Artech LLC
c/o Robert Gavuglio, Agent for Service
550 Front Street, Apt. 705
San Diego, CA 92101

Via Certified Mail

Artech Information Systems LLC
360 Mt. Kemble Avenue, Ste. 2000
Morristown, NJ 07960

Artech Information Systems LLC
c/o/ Ranjini Poddar
39300 Civic Center Drive, Suite 310
Fremont, CA 94538

Artech LLC
360 Mt. Kemble Avenue, Suite 2000
Morristown, NJ 07960

Johnson & Johnson Holdco (NA) Inc.
One Johnson & Johnson Plaza
New Brunswick, NJ 08933

Johnson & Johnson Holdco (NA) Inc.
c/o C T Corporation System, Agent for Service
330 N. Brand Blvd., Ste. 700
Glendale, CA 91203

Re: Cal. LWDA ex rel. Aisha McElroy v. Artech Information Systems LLC, Johnson & Johnson Holdco (NA) Inc., and Does 1-50
LWDA Case No. LWDA-CM-1014039-24

Dear PAGA Administrator:

Relator Aisha McElroy (Relator) previously filed a notice of violations under the California Private Attorneys General Act on February 29, 2024. Relator's original PAGA charge is attached as Exhibit A, and its contents are incorporated herein by reference as though separately set forth here. Relator, by and through counsel, hereby files this amended notice of violations, for four reasons.

First, Relator hereby withdraws her PAGA charge as to the company registered with the California Secretary of State as Artech LLC, with its principal place of business stated as 550 Front Street, Apt. 705, San Diego, CA 92101, and with its agent for service registered as one Robert Gavuglio. Relator has learned, and is informed and believes that the Artech LLC named in the original PAGA charge was not Relator's employer, and was erroneously named as a respondent.

Second, Relator substitutes, in place of the doe defendant previously named as Doe 1, the company Artech Information Systems LLC, which is a New Jersey corporation, and registered with the California Secretary of State.

Third, Relator substitutes, in place of the doe defendant previously named as Doe 2, the company Artech LLC, which is a New Jersey corporation NOT registered with the California Secretary of State.

Fourth, Relator hereby alleges the following additional violations, and seeks to recover associated penalties, against Defendants. As used herein, "Defendants" has the same meaning as stated in Relator's original PAGA charge, and includes but is not limited to Artech Information Systems LLC and Johnson & Johnson Holdco (NA) Inc.

1. Defendants' Conduct

Defendants have also failed to provide Aggrieved Employees with accurate wage statements. The wage statements provided by Defendants fail to conform to California law because they fail to identify the "the name … of the legal entity that is the employer." *See*, Lab. Code § 226(a)(8). The wage statements provided to Aggrieved Employees who were employed through the legal entity Artech Information Systems LLC, nonetheless falsely state the name of employing legal entity as "Artech LLC." On information and belief, the company registered under that name does business in California with the California Secretary of State, but did not employ Relator, and did employ any Aggrieved Employees. Defendants' failure to provide Aggrieved Employees with accurate, itemized wage statements is and was knowing and intentional.

2. Applicable Penalties

2.1. Failure to Provide Accurate Wage Statements

For each pay period in which Defendants provided Aggrieved Employees with wage statements that failed to identify the legal entity that is the employer, Defendants have violated Labor Code section 226(a).

For each violation of Labor Code section 226(a), Defendants are subject to penalties under Labor Code section 226.3 at a rate of $250 per initial violation, and $1000 per subsequent violation. Such penalties are expressly in addition to any other penalty provided by law. *Id*. As such, Defendants are also subject to other penalties provided by law, including penalties under Labor Code section 2699 in the amount of $100 per violation. *See*, *Fleming v. Dollar Tree*

Stores, Inc. (N.D. Cal. 2006) 2006 U.S. Dist. LEXIS 67749 at pp. 23-28 (stacking penalties authorized where applicable penalty is expressly stated to be supplemental rather than an exclusive penalty).

In total, penalties of $350 are available for each pay period in which Defendants provided wage statements that failed to identify the legal entity that is the employer. In addition, Relator shall seek to recover subsequent violation penalties for each violation occurring after the date Defendants received this Notice, and thereby received notice that its conduct was violating California law.

Relator reserves the right to file an amended or supplemental notice as additional violations come to light.

Please contact me with any questions or concerns regarding the allegations contained in this notice.

Very truly yours,
AIMAN-SMITH & MARCY
A PROFESSIONAL CORPORATION

/s/ Brent A. Robinson

Brent A. Robinson
bar@asmlawyers.com

EXHIBIT A

February 29, 2024

Via Online Filing

California Labor and Workforce Development Agency

Via Certified Mail

Artech LLC
550 Front Street, Apt. 705
San Diego, CA 92101

Artech LLC
c/o Robert Gavuglio, Agent for Service
550 Front Street, Apt. 705
San Diego, CA 92101

Johnson & Jonson Holdco (NA) Inc.
One Johnson & Johnson Plaza
New Brunswick, NJ 08933

Johnson & Jonson Holdco (NA) Inc.
c/o C T Corporation System, Agent for Service
330 N. Brand Blvd., Ste. 700
Glendale, CA 91203

Re: Cal. LWDA ex rel. Aisha McElroy v. Artech LLC, Johnson & Johnson Holdco (NA) Inc., and Does 1-50

Dear PAGA Administrator:

Pursuant to California Labor Code[1] section 2699.3, subdivisions (a), (b), and (c), Aisha McElroy (Relator) hereby provides notice of violations under the California Private Attorneys General Act.

Pursuant to Labor Code section 2699, subdivisions (a), Relator requests the authority to prosecute a civil law enforcement action against Artech LLC, Johnson & Johnson Holdco (NA) Inc., and against as-yet unknown Defendants named here as Does 1 through 50, inclusive. Relator seeks to proceed against Defendants via a civil action brought on behalf of, and in the name of, the California Labor and Workforce Development Agency. Relator will seek to recover civil penalties on behalf of the State of California, both for purposes of punishing past violations of California law, and deterring future violations by Defendants and by other California employers. Relator will also seek to recover her reasonable attorney's fees and costs, as authorized by section 2699, subdivision (h).

[1] Except where otherwise indicated, all subsequent section citations are to the California Labor Code.

Defendants employed Relator as a remote Senior Cybersecurity Analyst from approximately October 2023 until her separation on January 24, 2024.

Defendant Artech LLC is a California corporation, registered to and conducting business in California. As is relevant here, Artech LLC provides staffing agency services to the Johnson & Johson family of companies, and employed Relator to provide services to one or more companies doing business as Johnson & Johnson, and subject to the control and direction of the same.

Relator is ignorant of exactly which corporation within the Johson & Johnson family of companies employed Relator and controlled her work. Relator is informed and believes that Johnson & Johnson Holdco (NA) Inc. either was her employer, or owned the subsidiary that was her employer.

Relator is ignorant of the true names or capacities of Defendants named herein as Does 1 through 50, inclusive, and therefore name these Defendants by these fictitious names. When the names and capacities of these Defendants are ascertained, Relator will amend this notice accordingly. Each of the Defendants named herein or designated as a Doe is Relator's employer, or is liable or in some manner legally responsible under the Private Attorneys General Act for the violations alleged herein.

Relator herein refers to all these Defendants collectively as "Defendants."

Relator seeks to recover for violations as alleged below occurring within the period commencing one year prior to the date of this Notice, and proceeding through the entry of final judgment (Claim Period). Relator seeks to recover such penalties via a lawsuit to be filed against Defendants in Alameda County Superior Court.

Such penalties are sought as to a group of aggrieved employees consisting of all employees of Defendants who worked remotely within California at any time during the Claim Period (Aggrieved Employees).

Relator believes Defendants' employment of the Aggrieved Employees is governed by Industrial Welfare Commission Wage Order No. 4 (8 C.C.R. § 11040) (Wage Order).

The violations alleged, and the penalties sought, are as follows:

1. Defendants' Conduct

Defendants directed or permitted Aggrieved Employees to perform their work remotely from home, knowing that working remotely would require Relator to incur necessary expenses. Indeed, as a remote employee, Relator was required to incur and did regularly incur throughout her employment, as a direct consequence of the discharge of her remote duties, such necessary expenses that include, but are not limited to:

1. Cell phone connectivity expenses necessary to communicate with Defendants' other employees and to interact with Defendants' systems;
2. Home internet connectivity expenses necessary to communicate with Defendants' other employees and to interact with Defendants' systems; and

3. Home gas, water, and electricity expenses necessary to maintain Aggrieved Employees' home office in a safe and comfortable environment.

Defendants thereby failed to reimburse Aggrieved Employees for necessary business expenses, thereby pushed Aggrieved Employees' wages below the applicable legal minimum, overtime, and contractual rates of pay, thereby forced Aggrieved Employees to effectively pay to Defendants a portion of wages previously paid, and thereby paid Aggrieved Employees a lower, secret wage than was agreed or is statutorily required.

Defendants also failed to pay Aggrieved Employees all minimum, contractual, and overtime wages for all hours actually worked.

Defendants also knowingly and intentionally falsified timekeeping records of Aggrieved Employees, by modifying timekeeping records to remove credit for hours actually worked, and to thereby avoid paying all wages owed for hours actually worked.

Defendants also failed to pay all wages earned each payperiod within the time provided by statute.

Defendants have also failed to provide Aggrieved Employees with accurate, itemized wage statements. The wage statements provided by Defendants fail to conform to California law because those wage statements do not display all wages earned by Aggrieved Employees, including by failing to include additional wages required to counteract the unreimbursed remote-work expenses alleged. As a direct and proximate result of Defendants' failure to provide Aggrieved Employees with accurate, itemized wage statements, they have suffered injury and damage to their statutorily-protected rights, and have been injured because they were denied both their legal right to receive, and their protected interest in receiving, accurate, itemized wage statements.

Defendants' failure to provide Aggrieved Employees with accurate, itemized wage statements is and was knowing and intentional.

Defendants have also failed to pay all wages to those Aggrieved Employees who separated from Defendants' employment within the Claim Period. Within the Claim Period, Aggrieved Employees have resigned from their employment or were terminated by Defendants. Defendants willfully failed to pay said Aggrieved Employees all wages due upon termination or within 72 hours of resignation. Defendants failed to pay said Aggrieved Employees all wages due because they are not provided with underpaid wages arising from unlawful uniform deductions and unreimbursed business expenses. Defendants' failure to pay all wages due to Aggrieved Employees at their separation or termination is willful.

Defendants required Aggrieved Employees to agree in writing to terms or conditions known by Defendants to be prohibited by law, insofar as Defendants' arbitration agreements contain factual recitals that in a contract of adhesion not negotiated at arm's length in violation of California law, insofar as Defendants' arbitration agreements include a waiver of representative PAGA claims in violation of California law, insofar as Defendants' employment agreements include confidentiality provisions that are unlawfully restrain protected whistleblower activities under both California law and Federal law; and insofar as Defendants' employment agreements include confidentiality provisions that unlawfully infringe employees' rights to discuss pay and compensation and to otherwise engage in concerted activities in violation of both California law and Federal law.

2. Applicable Penalties, Including Underpaid Wages and Waiting-Time-Penalties as Penalties

2.1. Failure to Reimburse Necessary Business Expenses

For each pay period in which an employee is not reimbursed for a necessary business expense, Defendants violated Labor Code section 2802 and the Wage Order.

Violations of section 2802 are subject to subject to penalties under Labor Code section 2699 in the amount of $100 per violation.

As previously noted, total penalties of $850 are available per violation of the Wage Order.

In total, penalties of $950 are available for each pay period in which an employee is not reimbursed for necessary business expenses. In addition, Relator shall seek to recover subsequent violation penalties for each violation occurring after the date Defendants received this Notice, and thereby received notice that its conduct was violating state law.

2.2. Receipt of Wages Previously Paid, and Secret Payment of Lower Wage, Labor Code §225.5

For each pay period in which an employee's purchase of necessary business expenses goes unreimbursed, that employee is effectively forced to pay to Defendant a portion of wages previously paid, and Defendants have violated Labor Code section 221. Defendants' payment of a lower, secret wage than was agreed or is statutorily required is a violation of Labor Code section 223.

For each violation of section 221, and for each violation of 223, Defendant is subject to penalties under section 225.5 of $100 per violation. Because section 225.5's penalties are supplemental, each violation of section 221, and each violation of section 223 is also subject to penalties under section 2699 in the amount of $100 per violation.

In total, penalties of $400 are available for each pay period in which an employee made an made an unreimbursed purchase of a necessary business expense in violation of sections 221 and 223. In addition, Relator shall seek to recover subsequent violation penalties for each violation occurring after the date Defendants received this Notice, and thereby received notice that its conduct was violating state law.

2.3. Failure to Pay Minimum, Overtime, and Contractual Wages

For each pay period in which an employee is not paid the required minimum or overtime wage for all hours worked (including pay periods in which necessary business expenses go unreimbursed, causing an unlawful deduction from wages), Defendants have violated Labor Code sections 1197 (minimum and overtime wages), 510 (overtime wages), 204/204b (regular payment of all wages due), 226 (accurate wage statements), and the Wage Order (minimum and overtime wages).

Violations of section 1197 are subject to penalties under Labor Code section 1197.1 of $100 per violation. Section 1197.1's penalties are supplemental. *Id*. at subd. (i). Accordingly, violations of section 1197 are also subject to penalties under section 2699 in the amount of $100 per violation. Thus, total penalties of $200 are available per violation under section 1197.

Violations of section 510 are subject to penalties under Labor Code section 2699 in the amount of $100 per violation.

Violations of sections 204 and 204b are subject to penalties under Labor Code section 2699 in the amount of $100 per violation.

As previously noted, total penalties of $350 are available per violation of section 226.

As previously noted, total penalties of $850 are available per violation of the Wage Order.

In total, penalties of $1,600 are available for each pay period in which an employee is not paid the required minimum, overtime, or contractual wage for all hours actually worked. In addition, Relator shall seek to recover subsequent violation penalties for each violation occurring after the date Defendants received this Notice, and thereby received notice that its conduct was violating state law.

2.4. Failure to Pay All Wages Due at Separation

For each employee who separated from Defendants' employment without receiving payment of all wages owing and due, including premium rest and meal period wages, Defendants have violated sections 201 and 202, which require the payment of all wages due at the time of separation.

Violation of sections 201 and 202 are subject to penalties under section 2699 in the amount of $100 per violation. In addition, Relator shall seek to recover subsequent violation penalties for each violation occurring after the date Defendants received this Notice, and thereby received notice that its conduct was violating state law.

2.5. Failure to Pay Maintain Accurate Timekeeping Records

For each pay period in which Defendants have failed to accurately document the time when an Aggrieved Employee begins and ends each work period, meal period, and split shift, Defendants have violated Labor Code section 1174, and the Wage Order (8 C.C.R. 11090(7)(A)(3)).

Willful violations of section 1174 are subject to penalties under Labor Code section 1174.5 in the amount of $500 per violation. Non-willful violations of section 1174 are subject to penalties under Labor Code section 2699 of $100 per violation.

As previously noted, total penalties of $350 are available per violation of the Wage Order.

In total, penalties of $850 are available for each falsification of timekeeping records. In addition, Relator shall seek to recover subsequent violation penalties for each violation occurring after the date Defendants received this Notice, and thereby received notice that its conduct was violating state law.

2.1. Requiring Agreement to Illegal Contractual Terms

For each employee who Defendants required to agree in writing to terms or conditions known by Defendants to be prohibited by law, Defendants have violated Labor Code section 432.5.

Violations of section 432.5 are subject to penalties under section 2699 in the amount of $100 per violation. In addition, Relator shall seek to recover subsequent violation penalties for each violation occurring after the date Defendants received this Notice, and thereby received notice that its conduct was violating state law.

Relator reserves the right to file an amended or supplemental notice as additional violations come to light.

Please contact me with any questions or concerns regarding the allegations contained in this notice.

Very truly yours,

AIMAN-SMITH & MARCY
A PROFESSIONAL CORPORATION

/s/ Brent A. Robinson

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