

May 29, 2024

VIA ONLINE FILING

California Labor & Workforce Development Agency

Attn. PAGA Administrator
800 Capitol Mall, MIC-55
Sacramento, California 95814

VIA U.S. CERTIFIED MAIL

CANOO INC.

Agent for Service of Process
MANAGEMENT TEAM
19951 MARINER AVE.,
TORRANCE, CA 90503

Re: Notice of Labor Law Violations, California Labor Code Section 2698 Et. Seq. to CANOO INC. and DOES 1 through 100, inclusive

Dear Labor and Workforce Development Agency Representative,

We are writing on behalf of Orion Serup (“EMPLOYEE”) who seeks penalties from CANOO INC. and DOES 1 through 100, inclusive (hereinafter, collectively “EMPLOYERS”), on EMPLOYEE’s own behalf, on behalf of the State of California, and on behalf of all non-exempt, hourly-paid, and misclassified employees who worked for EMPLOYERS during the relevant statutory period for violations of the California Labor Code and applicable wage law, including but not limited to: California Labor Code sections 201, 202, 203, 204, 206, 226(a), 226.7, 226.8, 246, 510, 512(a), 515.5, 1174(d), 1174.5, 1182.12, 1194, 1197, 1197.1 1198, 2753, and 2802.

EMPLOYEE intends to seek civil penalties, attorney’s fees, costs, and any and all other available relief for violations of the California Labor Code made recoverable under sections 2698, *et seq.*, the Labor Code Private Attorney General Act of 2004 (“PAGA”). EMPLOYEE seeks relief on EMPLOYEE’S own behalf, on behalf of the State of California, and on behalf of all other non-exempt, hourly-paid, and misclassified employees who were employed by EMPLOYERS (“AGGRIEVED EMPLOYEES”).

This Notice is sent in compliance with and pursuant to the reporting requirements of California Labor Code section 2699.3. **This Notice also serves to demonstrate EMPLOYEE’s good-faith attempt at settlement with EMPLOYERS. If EMPLOYERS are interested in settling this matter, EMPLOYERS are encouraged to contact HAIG B. KAZANDJIAN LAWYERS, APC using the contact information provided in this Notice.**

This Notice is sent on behalf of all non-exempt, hourly-paid, and misclassified employees of CANOO INC.. The AGGRIEVED EMPLOYEES worked for all of the EMPLOYERS or for

any of the EMPLOYERS as non-exempt, hourly-paid, and misclassified employees. Nothing in this Notice should be interpreted as limiting the representative class to non-exempt, hourly-paid, and misclassified employees who worked for all EMPLOYERS only.

The definition of “EMPLOYER” for purposes of the California Labor Code includes irregular working arrangements, and was specifically drafted in order to prevent evasion and subterfuge of California’s labor laws. To that end, EMPLOYEE is informed and believes, and based thereon alleges, that EMPLOYERS, including any as of now unknown entities, must be classified as joint-employers for purposes of liability for civil penalties under PAGA. As such, EMPLOYERS are each liable for civil penalties for violation of the California Labor Code as to EMPLOYEE and the other Aggrieved Employees.

This Notice further reserves EMPLOYEE’s right to amend and/or add to this Notice, upon discovery of new information, additional violations of the California Labor Code and/or individuals and/or EMPLOYERS responsible for same. Any further amendments and changes to this notice shall relate back to the date of this notice.

Factual Background

EMPLOYERS, jointly and/or separately, employed EMPLOYEE as an hourly-paid, non-exempt employee at its 19951 Mariner Avenue., Torrance, CA 90503 location. EMPLOYEE was hired on or about March 15, 2023 and worked for EMPLOYERS until on or about October 2, 2023.

As an employee of EMPLOYERS, EMPLOYEE’s job title was Embedded Software Engineer, tasked with assisting other engineers in developing the software that powers vehicle platforms.

EMPLOYEE is informed, believes, and thereupon alleges that EMPLOYERS are an Unknown Entity, licensed to do business and/or are doing business in California. EMPLOYERS operate as a company that has developed breakthrough Multi-Purpose Platforms and digital ecosystems that are reinventing the automotive landscape.

EMPLOYEE is informed, believes, and thereupon alleges that at all relevant times, the above-named EMPLOYERS instituted and implemented standard practices and procedures for all non-exempt, hourly-paid, and misclassified employees in California. This includes, but is not limited to, payroll processing, dissemination of wage statements, oversight and approval of rest breaks, meal breaks, and timekeeping.

EMPLOYEE seeks penalties on behalf of the State of California and all current and former hourly-paid, non-exempt employees who worked for each of the EMPLOYERS and/or either of the EMPLOYERS during the relevant time period pursuant to California Labor Code section 2698, et. seq., the Labor Code Private Attorneys General Act of 2004 (“PAGA”). The purpose of this

letter is to comply with the statutory requirements of California Labor Code section 2699.3 and shall constitute notice of the same.

The facts¹ of the aforementioned violations of the California wage-and-hour laws include, but are not limited to, the facts referenced herein.

Violation of Labor Code 515.5 (Computer Professional Exemption)

California Labor Code section 515.5 provides that in order for a computer software employee to be considered “exempt” from overtime pay requirements as otherwise provided by law, that employee must have;

- a. An hourly rate that is not less than the statutorily specified rate, or
- b. An annual/monthly salary that is not less than the statutorily specified rates.

In accordance with Labor Code Section 515.5(a)(4), the State of California, Department of Industrial Relations has adjusted the computer software employee’s minimum hourly rate of pay exemption from \$53.80 to \$55.58, the minimum monthly salary exemption from \$9,338.78 to \$9,646.96, and the minimum annual salary exemption from \$112,065.20 to \$115,763.35 effective January 1, 2024.

EMPLOYEE’s and other AGGRIEVED WORKERS “salary” was less than the amount required per month. As a result, EMPLOYEE’s “salary” equates to less than the minimum amount required by statute.

Pursuant to the foregoing, EMPLOYEE and other AGGRIEVED EMPLOYEES are entitled to civil penalties, attorney’s fees, costs, and interest thereon, pursuant to California Labor Code 515.5, California Labor Code 2699(a), (f)-(g), and any and all other applicable law.

Violation of Labor Code 226, 432, 1198.5 (Failure to Provide Employment Records)

California Labor Code Section 226 provides, “An employer who receives a written or oral request to inspect or copy records pursuant to subdivision (b) pertaining to a current or former employee [records of hours worked and wages paid]... shall comply with the request as soon as practicable, but no later than 21 calendar days from the date of the request.”

California Labor Code Section 432 provides, “If an employee signs any instrument relating to the obtaining or holding of employment, he shall be given a copy of the instrument upon request.”

California Labor Code Section 1198.5 provides that every employee shall be permitted to

¹ EMPLOYEE reserves the right to present and/or reference further evidence as it is discovered.

inspect and obtain a copy of their personnel records upon request.

In accordance with the process set out in Labor Code Section 226, EMPLOYEE requested, in writing by letter via certified first-class mail to EMPLOYERS and regular first-class mail to EMPLOYERS, that EMPLOYERS provide EMPLOYEE with EMPLOYEE'S wage and payroll history, all documents signed by EMPLOYEE pursuant to Labor Code Section 432, and a copy of EMPLOYEE'S personnel records pursuant to Labor Code Section 1198.5.

The time periods provided to EMPLOYERS by Labor Code Sections 226, 432, 1198.5 and any other relevant statutes have elapsed since EMPLOYERS received EMPLOYEE'S correspondence requesting documents pursuant to Labor Code Section 226, 432, and 1198.5, and a copy of EMPLOYEE'S personnel records pursuant to Labor Code Section 1198.5.

Pursuant to the foregoing, EMPLOYEE is entitled to recover a \$750 penalty pursuant to Labor Code Section 226(f), a \$750 penalty pursuant to Labor Code Section 1198.5(k), and reimbursement for costs, including attorney's fees as afforded under applicable law, including, but not limited to, Labor Code Sections 226(f) and 1198.5(k).

Violation of Labor Code 510 (Overtime and Double Time)

California Labor Code sections 510 and the applicable Wage Orders require employers to pay employees working more than eight (8) hours in a day or more than 40 hours in a week at the rate of at least time-and-one-half (1.5) times their regular rate of pay ("overtime") for time such worked, and two (2) times their regular rate of pay ("double time") for such hours worked in excess of 12 hours in a day. "Regular rate" includes all remuneration, including non-discretionary bonuses and incentives.

During the relevant time period, EMPLOYEE and other AGGRIEVED EMPLOYEES regularly worked in excess of eight (8), and in excess of 12, hours in a workday and/or 40 hours in a workweek.

EMPLOYERS routinely required this work to be performed before and/or after scheduled shifts, and/or during off-the-clock meal breaks, and/or during rest breaks. As a consequence, EMPLOYERS willfully failed to pay EMPLOYEE and other hourly-paid, non-exempt and misclassified employees the wages to which they were entitled.

Pursuant to the foregoing, EMPLOYERS violated California Labor Code section 510 and the applicable Wage Orders. EMPLOYEE and other AGGRIEVED EMPLOYEES are entitled to civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 558, 1194, and/or 2699(a), (f)-(g).

Violation of Labor Code 226.7 and 512(a) (Meal and Rest Breaks)

California Labor Code sections 226.7, 512(a), and the applicable Wage Orders require employers to pay employees one (1) additional hour of pay at the employees' regular rate for each

work day that a legally compliant meal and/or rest break was not provided.

Employers cannot require, cause, or permit an employee to work more than five (5) hours per day without providing an uninterrupted meal break. If an employee works over ten (10) hours in a workday, employers are required to either provide a second, uninterrupted 30-minute meal break or pay employees an additional one (1) hour of pay at the employees' regular rate.

If the employer fails to properly record a valid meal period, it is presumed that no meal period was provided.

Furthermore, no employer shall require an employee to work during any rest period. Rest periods requirements are based on the total hours worked; employees are legally entitled to ten (10) minutes per four (4) hours, or major fraction thereof, that employee worked.

The California Supreme Court opinion in *Ferra v. Loews Hollywood Hotel, LLC* holds that, similar to the requirement that employers pay overtime at the "regular rate of pay" (which includes commissions, bonuses or other nondiscretionary pay), employers are required to pay meal and rest break premiums at a regular rate that includes commissions, bonuses or other non-discretionary pay. EMPLOYEE alleges that EMPLOYERS failed to include the non-discretionary bonuses in its calculations for meal and/or rest period penalties.

EMPLOYERS failed to provide EMPLOYEE and other AGGRIEVED EMPLOYEES with the required rest and meal break periods. EMPLOYEE and other AGGRIEVED EMPLOYEES were routinely required to work through these periods instead, because of understaffing, inadequate coverage, unreasonably high workload and expectations, and/or other actions, inactions, or decisions made by and within the sole control and discretion of EMPLOYERS.

EMPLOYEE and other AGGRIEVED EMPLOYEES worked shifts in excess of five (5) hours without a meal break, and worked shifts of ten (10) hours or more without a second meal break, due to understaffing, inadequate coverage, unreasonably high workload and expectations, and/or other actions, inactions, or decisions made by and within the sole control and discretion of EMPLOYERS.

EMPLOYEE is informed and believes, and based thereon alleges, that any purported appearance of meal and rest break compliance is because EMPLOYERS systematically and routinely clocked out for and/or otherwise altered the timekeeping records of EMPLOYEE and other AGGRIEVED EMPLOYEES in an attempt to hide the aforementioned infractions. EMPLOYERS, knowingly and contrary to law and public policy, employed a tactic of clocking-out employees for rest and/or meal periods that were never taken and/or otherwise falsified or altered timekeeping records.

EMPLOYERS knew, or should have known, that their behavior caused EMPLOYEE and other AGGRIEVED EMPLOYEES to work through the above-described meal and/or rest periods. As a company-wide policy, EMPLOYERS still chose not to pay meal and rest period premiums

required by law.

Pursuant to the foregoing, EMPLOYERS violated California Labor Code sections 226.7, 512(a), and 1198. EMPLOYEE and other AGGRIEVED EMPLOYEES are entitled to civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 558, and/or 2699(a), (f)-(g), and any and all other applicable law.

Violation of Labor Code 1182.12, 1194, 1197, and 1197.1 (Minimum Wage)

California Labor Code sections 1182.12, 1194, 1197, and 1197.1 require employers to pay the minimum wage as set by the IWC. California Labor Code section 1182.12, as amended by Senate Bill 3, Chapter 4, Section 3, defines the minimum wage as;

- (1) For any employer who employs 26 or more employees:
 - (A) From January 1, 2017, to December 31, 2017, \$10.50 per hour.
 - (B) From January 1, 2018, to December 31, 2018, \$11 per hour.
 - (C) From January 1, 2019, to December 31, 2019, \$12 per hour.
 - (D) From January 1, 2020, to December 31, 2020, \$13 per hour.
 - (E) From January 1, 2021, to December 31, 2021, \$14 per hour.
 - (F) From January 1, 2022, to December 31, 2022, \$15 per hour.
 - (G) From January 1, 2023, to December 31, 2023, \$15.50 per hour.
 - (H) From January 1, 2024, and until adjusted by subdivision (c) \$16 per hour.
- (2) For any employer who employs 25 or fewer employees:
 - (A) From January 1, 2018, to December 31, 2018, \$10.50 per hour.
 - (B) From January 1, 2019, to December 31, 2019, \$11 per hour.
 - (C) From January 1, 2020, to December 31, 2020, \$12 per hour.
 - (D) From January 1, 2021, to December 31, 2021, \$13 per hour.
 - (E) From January 1, 2022, to December 31, 2022, \$14 per hour.
 - (F) From January 1, 2023, to December 31, 2023, \$15.50 per hour.
 - (G) From January 1, 2024, and until adjusted by subdivision (c) \$16 per hour.

The minimum wage standard applies to each hour employees worked for which they were not paid. Therefore, employer's failure to pay for any particular hour worked by an employee is unlawful even if averaging an employee's total pay over all hours worked, paid or not, results in an average hourly wage above minimum wage.

As alleged throughout this Notice, due to the company-wide failures of EMPLOYERS, EMPLOYEE and other AGGRIEVED EMPLOYEES were forced to work off-the-clock, and/or during rest breaks, and/or during meal breaks. EMPLOYERS failed to pay EMPLOYEE and other AGGRIEVED EMPLOYEES minimum wage for this time and/or falsified timekeeping records to hide this fact.

Pursuant to the foregoing, EMPLOYEE and other AGGRIEVED EMPLOYEES are entitled to civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code

sections 1197.1, and/or 2699(a), (f)-(g), and any and all other applicable law.

Violation of Labor Code 226(a), 1174(d), and 1198 (Accurate Employment Records)

California Labor Code 226(a) requires employers to create and provide to employees true and accurate employment records. California Labor Code section 226(e) provides that if an employer fails to furnish an employee with same, the employee is entitled to recover the greater of all actual damages, or \$50.00 for an initial infraction, and \$100 per employee for each subsequent violation in any pay period. California Labor Code 226.3 imposes civil penalties on any employer in violation of section 226(a) at \$250 per employee violation in an initial citation, and \$1,000 per employee for each subsequent violation.

California Labor Code 1174(d) requires employers to keep payroll records showing hours worked, and wages paid to and/or number of piece-rate units earned, for all employees. California Labor Code section 1174.5 subjects employers to a \$500 penalty for failing to maintain same.

California Labor Code section 1198 provides that maximum hours and standard conditions of labor are fixed by the Labor Commissioner in the applicable Wage Orders. Pursuant to the applicable Wage Order, employers must keep accurate records of when employees begin and end each work period and each meal period.

EMPLOYERS knowingly provided employees with records that do not meet the statutory requirements of truth and accuracy, because EMPLOYERS failed to truthfully and accurately document, among other things, employees off-the-clock work. As a result, EMPLOYERS failed to list the correct amount of gross and/or net wages earned by EMPLOYEE and the other AGGRIEVED EMPLOYEES.

The statements in question are deficient in many other ways, including, but not limited to: failure to list total hours worked, failing to list applicable hourly rates and the numbers of hours worked at each rate, failure to list piece-rate units earned and the applicable piece-rate, failure to list deductions, failure to track sick leave, failure to list the employee and SSN/EID properly, failure to list the full legal name and address of the employer, failure to list inclusive dates for which employees are paid, failure to provide employees with the ability to easily access wage statements and get hard copies at no expense to the employee, and/or failure to state all hours worked as a result of off-the-clock work.

EMPLOYERS willfully failed to maintain accurate payroll records for EMPLOYEE and other AGGRIEVED EMPLOYEES as a result of EMPLOYERS failure to accurately record employees rest breaks, and/or meal breaks, and/or off-the-clock work. EMPLOYERS failure makes it impossible for EMPLOYEE and other AGGRIEVED EMPLOYEES to accurately determine the extent of their underpayment, thereby causing further injuries to each of them.

Pursuant to the foregoing, EMPLOYER is in violation of California Labor Code Sections 226(a), 1174(d), and 1198. EMPLOYEE and other AGGRIEVED EMPLOYEES are entitled to

civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 226(e), 226.3, 1174.5, and/or 2699(a), (f)-(g), and any and all other applicable law.

Violation of California Code of Regulations - Applicable Wage Order (Reporting Time)

California Code of Regulations, applicable Wage Order provides that for each workday when an employee is required to and does in fact report to work, but is either not put to work or is furnished less than half of said employee's usual scheduled day's work, that employee should be paid for no less than half, and in no event less than two (2) hours, of the employees regular rate of pay.

EMPLOYEE and other AGGRIEVED EMPLOYEES were told by EMPLOYERS to report to work and were either not put to work or were furnished less than half of said employee's usual scheduled day's work. EMPLOYERS routinely failed to pay the required reporting time wages to EMPLOYEE and other AGGRIEVED EMPLOYEES for each of these instances.

Pursuant to the foregoing, EMPLOYEE and other AGGRIEVED EMPLOYEES are entitled to civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 1197.1 and/or 2699(a), (f)-(g), and any and all other applicable law.

Violation of California Code of Regulations – Applicable Wage Order (Split Shifts)

California Code of Regulations applicable Industry Wage Order provides that when an employee works a "split shift", one (1) hour's pay at the State or local minimum wage (whichever is greater) must be paid in addition to the minimum wage for that workday. A "split shift" is defined as a work schedule which is interrupted by non-paid, non-working periods established by the employer, other than *bona fide* rest or meal periods.

EMPLOYERS routinely scheduled EMPLOYEE and other AGGRIEVED EMPLOYEES for multiple different shifts throughout the same workday, separated by periods other than *bona fide* rest or meal breaks. EMPLOYERS failed to pay EMPLOYEE and other AGGRIEVED EMPLOYEES one (1) hour's pay at the applicable minimum wage, which resulted in EMPLOYEE and other AGGRIEVED EMPLOYEES being paid less than the applicable minimum wage for that day. As a further consequence, EMPLOYERS also failed to separately list "split shift" payments on EMPLOYEE and other AGGRIEVED EMPLOYEES wage statements.

Pursuant to the foregoing, EMPLOYEE and other AGGRIEVED EMPLOYEES are entitled to civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 1197.1 and/or 2699(a), (f)-(g), and any and all other applicable law.

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Violation of Labor Code 204 (All Wages Paid on Time)

California Labor Code section 204 requires that all wages earned, other than those due upon termination, be paid on time as defined by the statute.

As a result of the numerous company-wide failures of EMPLOYERS as described throughout this Notice, EMPLOYERS failed to pay EMPLOYEE and other AGGRIEVED EMPLOYEES all wages due to them, including, but not limited to: failure to list total hours worked, failing to list applicable hourly rates and the numbers of hours worked at each rate, failure to list piece-rate units earned and the applicable piece-rate, failure to list deductions, failure to track sick leave, failure to list the employee and SSN/EID properly, failure to list the full legal name and address of the employer, failure to list inclusive dates for which employees are paid, failure to provide employees with the ability to easily access wage statements and get hard copies at no expense to the employee, and/or failure to state all hours worked as a result of off-the-clock work, within the statutorily required time period.

Pursuant to the foregoing, EMPLOYERS are in violation of California Labor Code Sections 204. EMPLOYEE and other AGGRIEVED EMPLOYEES are entitled to civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 203, 210 and/or 2699(a), (f)-(g), and any and all other applicable law.

Violation of Labor Code 201, 202, and 203 (Timely Payment Upon Discharge or Resignation)

California Labor Code sections 201, 202, and 203 provide that employees who are terminated are due all wages earned immediately. Employees who resign their employment without giving 72 hours' notice are due all wages earned within 72 hours of their resignation. Employees who resign their employment giving 72 hours' notice are entitled to all wages earned at the time their resignation becomes effective.

The California Supreme Court in *Naranjo v. Spectrum Security Services* (2022) 13 Cal.5th 93, 102 held that missed-break premium pay is indeed wages subject to the Labor Code's timely payment and reporting requirements, and it can support section 203 waiting time penalties and section 226 wage statement penalties. EMPLOYERS failed to pay EMPLOYEE and other AGGRIEVED EMPLOYEES an additional hour of pay at their regular rate of compensation for each date on which it failed to provide legally compliant rest periods and/or meal periods. As set forth in *Naranjo v. Spectrum Security Services, Inc.* (2022) 13 Cal.5th 93, 102 missed-break premium pay are wages subject to the Labor Code's timely payment and reporting requirements, thus EMPLOYERS failure to pay EMPLOYEE and other AGGRIEVED EMPLOYEES constitutes a violation of California Labor Code Section 226.9. EMPLOYERS failed to pay EMPLOYEE and other AGGRIEVED EMPLOYEES an additional hour of pay at their regular rate of compensation for each date on which it failed to provide legally compliant rest periods and/or meal periods. As set forth in *Naranjo v. Spectrum Security Services, Inc.* (2022) 13 Cal.5th 93, 102 missed-break premium pay are wages subject to the Labor Code's timely payment and reporting requirements, thus EMPLOYERS failure to pay EMPLOYEE and other AGGRIEVED

EMPLOYEES constitutes a violation of California Labor Code Section 201-203.

Due to the company-wide failures of EMPLOYERS as described throughout this Notice, EMPLOYERS failed to pay AGGRIEVED EMPLOYEES timely wages upon their discharge or resignation pursuant to Labor Code sections 201, 202, and 203.

Pursuant to the foregoing, AGGRIEVED EMPLOYEES are entitled to civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 201, 202, 203, and 2699(a), (f)-(g), and any and all other applicable law.

Violation of Labor Code 2800, 2802 (Reimbursement of Necessary Expenditures)

California Labor Code Sections 2800 and 2802 require that an employer indemnify employees for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of their duties.

EMPLOYEE and other AGGRIEVED EMPLOYEES were directed and expected to incur personal expenses on behalf of EMPLOYERS while performing their job duties. Such personal expenses include, but are not limited to, use of personal cell phone, internet, travel expenses, and parking expenses. EMPLOYEE and the other AGGRIEVED EMPLOYEES would not have been able to successfully accomplish their job duties absent incurring these personal expenses. EMPLOYERS failed to indemnify EMPLOYEE and other AGGRIEVED EMPLOYEES for all necessary expenditures or losses accordingly.

Pursuant to the foregoing, EMPLOYEE and other AGGRIEVED EMPLOYEES are entitled to civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 2699(a), (f)-(g), and any and all other applicable law.

Violation of Labor Code 246 (Notice of Paid Sick Time and Accrual)

California Labor Code section 246 provides that an employee who works for the same employer for more than 30 days is entitled to paid sick days. Paid sick leave is to accrue at a rate not less than one (1) hour per every 30 hours worked, such accrual beginning at the commencement of employment. Employers must provide employees with written notice setting the amount of sick leave available (or paid time off in lieu thereof) for use on either itemized wage statements (as described in Labor Code section 226) or in a separate writing accompanying such wage statements.

EMPLOYEE was hired by EMPLOYERS on or about March 15, 2023 and worked for EMPLOYERS until on or about October 2, 2023. EMPLOYEE and other AGGRIEVED EMPLOYEES worked for EMPLOYERS for more than 30 days, triggering the protections of Labor Code section 246.

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Nevertheless, EMPLOYER failed to furnish upon EMPLOYEE and other AGGRIEVED EMPLOYEES, either on itemized wage statements or in a separate writing accompanying such wage statements, the amount of sick leave available to EMPLOYEE and other AGGRIEVED EMPLOYEES.

As such, EMPLOYERS unlawfully retained and continue to retain paid sick leave that should have been paid to EMPLOYEE and the other AGGRIEVED EMPLOYEES but for EMPLOYERS' failure to properly institute and/or adhere to a legally compliant paid sick leave program. EMPLOYEE is informed and believes, and based thereon alleges, that these practices were experienced and continue to be experienced by the other AGGRIEVED EMPLOYEES.

Pursuant to the foregoing, EMPLOYERS are in violation of California Labor Code Section 246. EMPLOYEE and other AGGRIEVED EMPLOYEES are entitled to civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 2699(a), (f)-(g), 248.5(e) and any and all other applicable law.

California Labor Code 558(a) (Civil Penalties)

California Labor Code section 558(a) provides that any employer, including individuals acting on behalf of employers, that violates, or causes to be violated, a section of the Labor Code or any applicable Wage Orders are subject to the following penalties;

- \$50 for any initial violation for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount sufficient to recover unpaid wages;
- \$100 for each subsequent violation for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount to recover unpaid wages;

Labor Code section 558.1 permits joint and several liability as to both an individual and employer for violations of Labor Code sections 203, 226, 226.7, 1194, and 2802. Labor Code section 558(c) provides that the penalties in this section are in addition to any other civil penalty.

EMPLOYERS were and are an employer, and violated EMPLOYEE'S and other AGGRIEVED EMPLOYEES' rights by violating, or causing to be violated, various sections of this code as described throughout this notice letter.

Conclusion

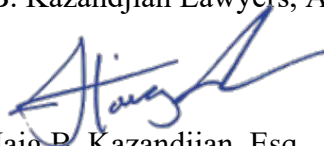
Pursuant to California Labor Code sections 2699(a), 2699.3(a), 2699.3(c), 2699.5, and 558, EMPLOYEE, acting in the public interest as Private Attorney General, seeks the applicable penalties for themselves, all other AGGRIEVED EMPLOYEES, and the State of California against EMPLOYERS for violations of Labor Code sections, including, but not limited to: California Labor Code sections 201, 202, 203, 204, 206, 226(a), 226.7, 226.8, 246, 510, 512(a), 515.5, 1174(d), 1174.5, 1182.12, 1194, 1197, 1197.1 1198, 2753, and 2802.

**HAIG B.
KAZANDJIAN**
LAWYERS | APC

If you have questions or require additional information, please do not hesitate to contact us. Thank you in advance for your attention to this matter.

Very truly yours,

Haig B. Kazandjian Lawyers, APC

A handwritten signature in blue ink, appearing to read 'Haig B. Kazandjian', is positioned above the printed names.

Haig B. Kazandjian, Esq.
Cathy Gonzalez, Esq.