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County of San Bernardino
Rancho Cucamonga District
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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN BERNARDINO

DANIEL VINSON, as an aggrieved
employee pursuant to the Private
Attorneys General Act ("PAGA"), on
behalf of the State of California and
other non-party Aggrieved
Employees,

Plaintiff,

vs.

M.C. LLC, a California limited
liability company; and DOES 1
through 10, inclusive,

Defendants.

Case No.: CIVRS2400578

**COMPLAINT – PAGA ENFORCEMENT
ACTION**

(1) Claim for Civil Penalties for Violations of
California Labor Code, Pursuant to PAGA,
§§ 2698, *et seq.*

Jury Trial Demanded

1 Plaintiff Daniel Vinson, as an aggrieved employee and on behalf of the State of
2 California and all other non-party Aggrieved Employees, alleges as follows:

3 JURISDICTION AND VENUE

4 1. This is an enforcement action under the Labor Code Private Attorneys General
5 Act of 2004, California Labor Code sections 2698, *et seq.* (“PAGA”) to recover civil penalties
6 and any other available relief on behalf of Plaintiff, the State of California, and other current
7 and former employees who worked for Defendants in California as a non-exempt, hourly paid
8 employee and received at least one wage statement and against whom one or more violations
9 of any provision in Division 2 Part 2 Chapter 1 of the Labor Code or any provision regulating
10 hours and days of work in the applicable Industrial Welfare Commission (“IWC”) Wage
11 Order were committed, as set forth in this complaint, at any time between one year prior to the
12 filing of the pre-filing written notice to the Labor and Workforce Development Agency
13 (“LWDA”) in this case on May 22, 2024, until judgment (“non-party Aggrieved Employees”).
14 Plaintiff’s share of civil penalties sought in this action does not exceed \$75,000.

15 2. This Court has jurisdiction over this action pursuant to the California
16 Constitution, Article VI, section 10. The statute under which this action is brought does not
17 specify any other basis for jurisdiction.

18 3. This Court has jurisdiction over all Defendants because, on information and
19 belief, Defendants are either citizens of California, have sufficient minimum contacts in
20 California, or otherwise intentionally avail themselves of the California market so as to render
21 the exercise of jurisdiction over them by the California courts consistent with traditional
22 notions of fair play and substantial justice. There is no basis for federal diversity jurisdiction
23 in this action given that the State of California, as the real party in interest in this action, is not
24 a “citizen” for purposes of satisfying diversity jurisdiction. *Urbino v. Orkin Servs. of Cal.*,
25 726 F.3d 1118, 1123 (9th Cir. Cal. 2013). *Urbino* also holds that civil penalties cannot be
26 aggregated to satisfy the amount in controversy requirement for federal diversity jurisdiction
27 in this action, and that diversity jurisdiction cannot be established when Plaintiff’s share of the
28 civil penalties attributable to violations personally suffered are less than \$75,000. *Id.* at 1122.

4. Venue is proper in this Court because Defendants employ persons in this county of San Bernardino and have violated the requirements of the California Labor Code and applicable IWC Wage Order in this county which give rise to the penalties sought in this action. Cal. Code Civ. P. § 393. Specifically, Defendants have violated the requirements of the California Labor Code and applicable IWC Wage Order in at least 1 location within the County of San Bernardino, including Defendants' service center located in Chino Hills (13870 Peyton Drive, Chino Hills, California 91709). Pursuant to California Civil Code of Procedure section 393, venue is proper for the recovery of a penalty imposed by statute in the county in which the cause, or some part of the cause, arose. Because Defendants have employees in San Bernardino County, and Plaintiff could bring an action filed under PAGA in any county in which an aggrieved employee worked and Labor Code violations occurred, venue is proper. *Crestwood Behavioral Health, Inc. v. Superior Court of Alameda County*, 60 Cal. App. 5th 1069 (2021).

5. California Labor Code sections 2698, *et seq.*, the “Labor Code Private Attorneys General Act of 2004” (“PAGA”), authorize aggrieved employees to sue as private attorneys general their current or former employers for various civil penalties for violations of various provisions in the California Labor Code.

THE PARTIES

6. Plaintiff Daniel Vinson is a resident of Vallejo, in Solano County, California. Defendants employed Plaintiff as an hourly paid, non-exempt employee from approximately February 2023 to January 2024. Plaintiff worked for Defendants as a Lubricant Technician at their Jiffy Lube service center location in Vallejo, California. During his employment, Plaintiff typically worked eight (8) or more hours per day and five (5) days per week. At the time his employment ended, Plaintiff was compensated approximately \$18.00 per hour. His job duties included, without limitation, performing oil changes and lubrication services, conducting vehicle inspections to identify maintenance needs, and completing tire rotations.

7. On information and belief, Defendants required some employees, including Plaintiff, to execute an arbitration agreement at the time of their hire or during their

1 employment. On further information and belief, Defendants' arbitration agreement was and is
2 both procedurally and substantively unconscionable. Specifically, Defendants presented
3 employees with an "Arbitration Agreement" during the onboarding process, which had to be
4 reviewed and acknowledged immediately. Specifically, the Arbitration Agreement was one of
5 several documents presented to new employees for signature during the orientation process,
6 including the Authorization to Disclose COVID-19 Diagnosis or Exposure; Employee
7 Acknowledgement and Agreement, Employee Acknowledgment of Receipt of Notice
8 Regarding Unlawful Harassment, Discrimination, and Retaliation; and M. C. LLC Store E-
9 mail Policy & Acknowledgement, among other documents. Also, employees did not have a
10 meaningful opportunity to negotiate the terms of the Arbitration Agreement. Rather, it was
11 provided to Defendants' employees for them to sign on a take-it or leave-it basis at the time
12 they were hired, along with all of the other on-boarding documents.

13 8. M.C. LLC was and is, upon information and belief, a California limited liability
14 company, and at all times hereinafter mentioned, an employer whose employees are engaged
15 throughout this county and the State of California.

16 9. Plaintiff is unaware of the true names or capacities of the Defendants sued
17 herein under the fictitious names DOES 1 through 10, but will seek leave of this Court to
18 amend the complaint and serve such fictitiously named Defendants once their names and
19 capacities become known.

20 10. Plaintiff is informed and believes, and thereon alleges, that DOES 1 through 10
21 were the partners, agents, owners, or managers of M.C. LLC at all relevant times.

22 11. Plaintiff is informed and believes, and thereon alleges, that each and all of the
23 acts and omissions alleged herein was performed by, or is attributable to, M.C. LLC and/or
24 DOES 1 through 10 (collectively, "Defendants" or "MC"), each acting as the agent, employee,
25 alter ego, and/or joint venturer of, or working in concert with, each of the other co-Defendants
26 and was acting within the course and scope of such agency, employment, joint venture, or
27 concerted activity with legal authority to act on the others' behalf. The acts of any and all
28 Defendants were in accordance with, and represent, the official policy of Defendants.

1 12. At all relevant times, Defendants, and each of them, ratified each and every act
2 or omission complained of herein. At all relevant times, Defendants, and each of them, aided
3 and abetted the acts and omissions of each and all the other Defendants in proximately causing
4 the damages herein alleged.

5 13. Plaintiff is informed and believes, and thereon alleges, that each of said
6 Defendants is in some manner intentionally, negligently, or otherwise responsible for the acts,
7 omissions, occurrences, and transactions alleged herein.

8 **PAGA REPRESENTATIVE ALLEGATIONS**

9 14. Defendants operate a chain of Jiffy Lube franchise service centers, with at least
10 54 locations in California. Upon information and belief, Defendants maintain a single,
11 centralized Human Resources (HR) department at their corporate headquarters in Tustin,
12 California, for all non-exempt, hourly paid employees working for Defendants in California,
13 which is responsible for the recruiting and hiring of new employees, and communicating and
14 implementing Defendants' company-wide policies, including timekeeping policies and meal
15 and rest period policies, to employees throughout California.

16 15. In particular, Plaintiff and other non-party Aggrieved Employees, on
17 information and belief, received the same standardized documents and/or written policies.
18 Upon information and belief, the usage of standardized documents and/or written policies,
19 including new-hire documents, indicate that Defendants dictated policies at the corporate level
20 and implemented them company-wide, regardless of their employees' assigned locations or
21 positions. Upon information and belief, Defendants set forth uniform policies and procedures
22 in several documents provided at an employee's time of hire.

23 16. Upon information and belief, Defendants maintain a centralized Payroll
24 department at their corporate headquarters in Tustin, California, which processes payroll for
25 all non-exempt, hourly paid employees working for Defendants at their various locations in
26 California, including Plaintiff and other non-party Aggrieved Employees. Based upon
27 information and belief, Defendants issue the same formatted wage statements to all non-
28 exempt, hourly paid employees in California, irrespective of their work locations. Upon

1 information and belief, Defendants process payroll for departing employees in the same
2 manner throughout the State of California, regardless of the manner in which each employee's
3 employment ends.

4 17. Defendants continue to employ non-exempt or hourly paid employees in
5 California.

6 18. Plaintiff is informed and believes, and thereon alleges, that at all times herein
7 mentioned, Defendants were advised by skilled lawyers and other professionals, employees
8 and advisors knowledgeable about California labor and wage law, employment and personnel
9 practices, and about the requirements of California law.

10 19. Plaintiff is informed and believes, and thereon alleges, that Plaintiff and other
11 non-party Aggrieved Employees were not paid for all hours worked because all hours worked
12 were not recorded.

13 20. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
14 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
15 receive certain wages for overtime compensation and that they were not receiving certain
16 wages for overtime compensation.

17 21. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
18 should have known that other non-party Aggrieved Employees were entitled to be paid at a
19 regular rate of pay, and corresponding rates of pay for overtime wages, meal and rest period
20 premiums, and/or reporting time pay, that included as eligible income all remuneration
21 required by law, including but not limited to, all income derived from incentive pay,
22 nondiscretionary bonuses, and/or other forms of compensation, but failed to include all forms
23 of remuneration in calculating the regular rate of pay for other non-party Aggrieved
24 Employees.

25 22. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
26 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
27 receive at least minimum wages for compensation and that they were not receiving at least
28 minimum wages for work that was required to be done off-the-clock. In violation of the

1 California Labor Code, Plaintiff and other non-party Aggrieved Employees were not paid at
2 least minimum wages for work done off-the-clock.

3 23. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
4 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
5 meal periods in accordance with the California Labor Code and applicable IWC Wage Order
6 or payment of one (1) additional hour of pay at their regular rates of pay when they were not
7 provided with timely, uninterrupted, thirty (30) minute meal periods and that Plaintiff and
8 other non-party Aggrieved Employees were not provided with all meal periods or payment of
9 one (1) additional hour of pay at their regular rates of pay when they did not receive a timely,
10 uninterrupted, thirty (30) minute meal period.

11 24. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
12 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
13 rest periods in accordance with the California Labor Code and applicable IWC Wage Order or
14 payment of one (1) additional hour of pay at their regular rates of pay when they were not
15 authorized and permitted to take a compliant rest period and that Plaintiff and other non-party
16 Aggrieved Employees were not authorized and permitted to take compliant rest periods or
17 provided with payment of one (1) additional hour of pay at their regular rates of pay when
18 they were not authorized and permitted to take a compliant rest period.

19 25. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
20 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
21 receive complete and accurate wage statements in accordance with California law. In
22 violation of the California Labor Code, Plaintiff and other non-party Aggrieved Employees
23 were not provided complete and accurate wage statements.

24 26. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
25 should have known that they had a duty to maintain accurate and complete payroll records in
26 accordance with the Labor Code and applicable IWC Wage Order, but willfully, knowingly,
27 and intentionally failed to do so.

28 27. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or

1 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
2 timely payment of wages during their employment. In violation of the California Labor Code,
3 Plaintiff and other non-party Aggrieved Employees did not receive payment of all wages,
4 including, but not limited to, overtime wages, minimum wages, meal and rest period
5 premiums, sick leave pay, and/or reporting time pay, within permissible time periods.

6 28. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
7 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
8 timely payment of all wages earned upon termination of employment. In violation of the
9 California Labor Code, Plaintiff and other non-party Aggrieved Employees did not receive
10 payment of all wages due, including, but not limited to, overtime wages, minimum wages,
11 meal and rest period premiums, sick leave pay, and/or reporting time pay, within permissible
12 time periods.

13 29. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
14 should have known that other non-party Aggrieved Employees were entitled to receive sick
15 leave benefits to be paid at a regular rate of pay, that included, as eligible income, all income
16 derived from incentive pay, nondiscretionary bonuses, and/or other forms of compensation,
17 but failed to include all forms of remuneration in calculating the regular rate of pay for sick
18 leave pay.

19 30. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
20 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
21 be paid reporting time pay when they reported to work for their usual or scheduled shift but
22 were put to work for less than half of the usual or scheduled shift. In violation of the
23 California Labor Code, Defendants did not pay Plaintiff and other non-party Aggrieved
24 Employees all reporting time pay due.

25 31. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
26 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
27 receive split shift premium pay when Defendants required Plaintiff and other non-party
28 Aggrieved Employees to return to work for an additional shift in the same day, after having

1 been clocked out for more than an hour. In violation of the California Labor Code and
2 applicable IWC Wage Order, Defendants did not pay Plaintiff and other non-party Aggrieved
3 Employees all split-shift premiums due.

4 32. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
5 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
6 suitable seating and/or were entitled to sit when it did not interfere with the performance of
7 their duties and also have seats nearby to use during a lull in tasks that do require moving
8 about or standing. In violation of the California Labor Code and applicable IWC Wage Order,
9 Defendants failed to provide Plaintiff and other non-party Aggrieved Employees suitable
10 seating.

11 33. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
12 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
13 receive reimbursement for all business-related expenses and costs they incurred during the
14 course and scope of their employment and that they did not receive reimbursement of
15 applicable business-related expenses and costs incurred.

16 34. Plaintiff is informed and believes, and thereon alleges, that at all times herein
17 mentioned, Defendants knew or should have known that Defendants had a duty to provide
18 Plaintiff and other non-party Aggrieved Employees with written notice of the material terms
19 of their employment with Defendants as required by the California Wage Theft Prevention
20 Act, but failed to do so.

21 35. Plaintiff is informed and believes, and thereon alleges, that at all times herein
22 mentioned, Defendants knew or should have known that they had a duty to compensate
23 Plaintiff and other non-party Aggrieved Employees for all hours worked, and that Defendants
24 had the financial ability to pay such compensation, but willfully, knowingly, and intentionally
25 failed to do so, and falsely represented to Plaintiff and other non-party Aggrieved Employees
26 that they were properly denied wages, all in order to increase Defendants' profits.

27 36. At all times herein set forth, PAGA provides that any provision of law under
28 the Labor Code and applicable IWC Wage Order that provides for a civil penalty to be

1 assessed and collected by the LWDA for violations of the California Labor Code and
2 applicable IWC Wage Order may, as an alternative, be recovered by aggrieved employees in a
3 civil action brought on behalf of themselves and other current or former employees pursuant
4 to procedures outlined in California Labor Code section 2699.3.

5 37. PAGA defines an “aggrieved employee” in Labor Code section 2699(c) as “any
6 person who was employed by the alleged violator and against whom one or more of the
7 alleged violations was committed.”

8 38. Plaintiff and other current and former employees of Defendants are “aggrieved
9 employees” as defined by Labor Code section 2699(c) in that they are all Defendants’ current
10 or former employees and one or more of the alleged violations were committed against them.

11 39. Pursuant to California Labor Code sections 2699.3 and 2699.5, an aggrieved
12 employee, including Plaintiff, may pursue a civil action arising under PAGA after the
13 following requirements have been met:

- 14 (a) The aggrieved employee shall give written notice by online filing
15 (hereinafter “Employee’s Notice”) to the LWDA and by certified mail
16 to the employer of the specific provisions of the California Labor Code
17 alleged to have been violated, including the facts and theories to support
18 the alleged violations.
- 19 (b) An aggrieved employee’s notice filed with the LWDA pursuant to
20 2699.3(a) and any employer response to that notice shall be
21 accompanied by a filing fee of seventy-five dollars (\$75).
- 22 (c) The LWDA shall provide notice (hereinafter “LWDA Notice”) to the
23 employer and the aggrieved employee by certified mail that it does not
24 intend to investigate the alleged violation within sixty (60) calendar
25 days of the postmark date of the Employee’s Notice. Upon receipt of
26 the LWDA Notice, or if the LWDA Notice is not provided within sixty-
27 five (65) calendar days of the postmark date of the Employee’s Notice,
28 the aggrieved employee may commence a civil action pursuant to

California Labor Code section 2699 to recover civil penalties in addition to any other penalties to which the employee may be entitled.

40. Pursuant to California Labor Code section 2699.3(c), aggrieved employees, through Plaintiff, may pursue a civil action arising under PAGA for violations of any provision other than those listed in Section 2699.5 after the following requirements have been met:

- (a) The aggrieved employee or representative shall give written notice by online filing to the LWDA and by certified mail to the employer of the specific provisions of the California Labor Code alleged to have been violated (other than those listed in Section 2699.5), including the facts and theories to support the alleged violation.
- (b) An aggrieved employee's notice filed with the LWDA pursuant to 2699.3(c) and any employer response to that notice shall be accompanied by a filing fee of seventy-five dollars (\$75).
- (c) The employer may cure the alleged violation within thirty-three (33) calendar days of the postmark date of the notice. The employer shall give written notice by certified mail within that period of time to the aggrieved employee or representative and the agency if the alleged violation is cured, including a description of actions taken, and no civil action pursuant to Section 2699 may commence. If the alleged violation is not cured within the 33-day period, the employee may commence a civil action pursuant to Section 2699.

41. On May 22, 2024, Plaintiff provided written notice by online filing to the LWDA and by certified mail to Defendants of the specific provisions of the California Labor Code alleged to have been violated, including facts and theories to support the alleged violations, in accordance with California Labor Code section 2699.3. Plaintiff's written notice was accompanied with the applicable filing fee of seventy-five dollars (\$75). The LWDA PAGA Administrator has confirmed receipt of Plaintiff's written notice and assigned

1 Plaintiff PAGA Case Number LWDA-CM-1029998-24. A true and correct copy of Plaintiff's
2 written notice to the LWDA and Defendants dated May 22, 2024, is attached hereto as
3 "Exhibit 1."

4 42. As of the filing date of this complaint, over 65 days have passed since Plaintiff
5 sent the written notice described above, and the LWDA has not responded that it intends to
6 investigate Plaintiff's claims, and Defendants have not cured the violations.

7 43. Thus, Plaintiff has satisfied the administrative prerequisites under California
8 Labor Code sections 2699.3(a) and 2699.3(c) to recover civil penalties against Defendants for
9 violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 246, 510, 512(a),
10 516, 1174(d), 1182.12, 1194, 1197, 1198, 2802, and 2810.5.

11 44. Labor Code section 558(a) provides "[a]ny employer or other person acting on
12 behalf of an employer who violates, or causes to be violated, a section of this chapter or any
13 provision regulating hours and days of work in any order of the Industrial Welfare
14 Commission shall be subject to a civil penalty as follows: (1) For any initial violation, fifty
15 dollars (\$50) for each underpaid employee for each pay period for which the employee was
16 underpaid (2) For each subsequent violation, one hundred dollars (\$100) for each
17 underpaid employee for each pay period for which the employee was underpaid" Labor
18 Code section 558(c) provides "[t]he civil penalties provided for in this section are in addition
19 to any other civil or criminal penalty provided by law." Plaintiff, acting in the public interest
20 as a private attorney general, seeks assessment and collection of civil penalties under Labor
21 Code section 558 for himself, all other non-party Aggrieved Employees, and the State of
22 California against Defendants for violations of Labor Code sections 510, 512(a), 516, and
23 1198, and the applicable IWC Wage Order. Plaintiff, acting in the public interest as a private
24 attorney general, does not seek the recovery of unpaid wages under Labor Code section 558
25 from Defendants for violations of Labor Code sections 510, 512(a), 516, and 1198, and the
26 applicable IWC Wage Order.

27 45. Defendants, at all times relevant to this complaint, were employers or persons
28 acting on behalf of an employer(s) who violated Plaintiff's and other non-party Aggrieved

1 Employees' rights by violating various sections of the California Labor Code as set forth
2 above.

3 46. As set forth below, Defendants have violated numerous provisions of both the
4 Labor Code sections regulating hours and days of work as well as the applicable IWC Wage
5 Order.

6 47. Pursuant to PAGA, and in particular, California Labor Code sections 2699(a),
7 2699.3(a), 2699.3(c), 2699.5, and section 558, Plaintiff, acting in the public interest as a
8 private attorney general, seeks assessment and collection of civil penalties for himself, all
9 other non-party Aggrieved Employees, and the State of California against Defendants for
10 violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 246, 510, 512(a),
11 516, 1174(d), 1182.12, 1194, 1197, 1198, 2802, and 2810.5.

12 **FIRST CAUSE OF ACTION**

13 **For Civil Penalties, Pursuant to California Labor Code §§ 2698, *et seq.***

14 **(Against all Defendants)**

15 48. Plaintiff incorporates by reference and re-alleges as if fully stated herein each
16 and every allegation set forth above.

17 49. California Labor Code §§ 2698, *et seq.* ("PAGA") permits Plaintiff to recover
18 civil penalties for the violation(s) of the Labor Code sections enumerated in Labor Code
19 section 2699.5. Section 2699.5 enumerates Labor Code sections 201, 202, 204, 226(a), 226.7,
20 510, 512(a), 1174(d), 1194, 1197, 1198, and 2802. Labor Code section 2699.3(c) permits
21 aggrieved employees, including Plaintiff, to recover civil penalties for violations of those
22 Labor Code sections not found in section 2699.5, including sections 246, 516, 1182.12, and
23 2810.5.

24 50. Defendants' conduct, as alleged herein, violates numerous sections of the
25 California Labor Code, including, but not limited to, the following:

- 26 (a) Violation of Labor Code sections 510 and 1198, and the applicable IWC
27 Wage Order for Defendants' failure to compensate Plaintiff and other
28 non-party Aggrieved Employees with all required overtime pay, as set

1 forth below;

2 (b) Violation of Labor Code sections 226.7, 510, and 1198, and the
3 applicable IWC Wage Order for Defendants' failure to include all forms
4 of remuneration in the regular rate of pay as required by law for
5 purposes of paying overtime wages, meal and rest period premiums,
6 and/or reporting time pay to other non-party Aggrieved Employees, as
7 set forth below;

8 (c) Violation of Labor Code sections 1182.12, 1194, 1197, and 1198, and
9 the applicable IWC Wage Order for Defendants' failure to compensate
10 Plaintiff and other non-party Aggrieved Employees with at least
11 minimum wages for all hours worked, as set forth below;

12 (d) Violation of Labor Code sections 226.7, 512(a), 516, and 1198, and the
13 applicable IWC Wage Order for Defendants' failure to provide Plaintiff
14 and other non-party Aggrieved Employees with meal periods, as set
15 forth below;

16 (e) Violation of Labor Code sections 226.7, 516, and 1198, and the
17 applicable IWC Wage Order for Defendants' failure to authorize and
18 permit Plaintiff and other non-party Aggrieved Employees to take rest
19 periods, as set forth below;

20 (f) Violation of Labor Code sections 226(a) and 1198, and the applicable
21 IWC Wage Order for failure to provide accurate and complete wage
22 statements to Plaintiff and other non-party Aggrieved Employees, as set
23 forth below;

24 (g) Violation of Labor Code sections 1174(d) and 1198, and the applicable
25 IWC Wage Order for failure to maintain payroll records, as set forth
26 below;

27 (h) Violation of Labor Code sections 204 for failure to pay all earned wages
28 during employment, as set forth below;

- 1 (i) Violation of Labor Code sections 201 and 202 for failure to pay all
2 earned wages upon termination, as set forth below;
- 3 (j) Violation of Labor Code section 246 for failure to properly calculate the
4 sick leave paid to other non-party Aggrieved Employees, as set forth
5 below;
- 6 (k) Violation of Labor Code section 1198 and the applicable IWC Wage
7 Order for failure to pay reporting time pay when Plaintiff and other non-
8 party Aggrieved Employees were put to work for less than half of their
9 regular scheduled shifts, as set forth below;
- 10 (l) Violation of Labor Code sections 1198 and the applicable IWC Wage
11 Order for failure to pay split-shift premiums when Plaintiff and other
12 non-party Aggrieved Employees returned to work for an additional shift
13 in the same day, after having been clocked out for more than an hour, as
14 set forth below;
- 15 (m) Violation of Labor Code section 1198 for failing to provide suitable
16 seating to Plaintiff and other non-party Aggrieved Employees, as set
17 forth below;
- 18 (n) Violation of Labor Code sections 2802 for failure to reimburse Plaintiff
19 and other non-party Aggrieved Employees for all business expenses
20 necessarily incurred, as set forth below; and
- 21 (o) Violation of Labor Code section 2810.5(a)(1)(A)-(C) for failure to
22 provide written notice of information material to Plaintiff's and other
23 non-party Aggrieved Employees' employment with Defendants, as set
24 forth below.

25 **FAILURE TO PAY OVERTIME**

26 **VIOLATION OF LABOR CODE SECTIONS 510 AND 1198**

27 51. Labor Code section 1198 makes it illegal to employ an employee under
28 conditions of labor that are prohibited by the applicable IWC Wage Order. California Labor

1 Code section 1198 requires that “. . . the standard conditions of labor fixed by the commission
2 shall be the . . . standard conditions of labor for employees. The employment of any employee
3 . . . under conditions of labor prohibited by the order is unlawful.”

4 52. California Labor Code section 1198 and the applicable IWC Wage Order
5 provide that it is unlawful to employ persons without compensating them at a rate of pay
6 either time-and-one-half or two-times that person’s regular rate of pay, depending on the
7 number of hours worked by the person on a daily or weekly basis.

8 53. Specifically, the applicable IWC Wage Order provides that Defendants are and
9 were required to pay Plaintiff and other non-party Aggrieved Employees working more than
10 eight (8) hours in a day or more than forty (40) hours in a workweek, at the rate of time and
11 one-half (1 ½) for all hours worked in excess of eight (8) hours in a day or more than forty
12 (40) hours in a workweek.

13 54. The applicable IWC Wage Order further provides that Defendants are and were
14 required to pay Plaintiff and other non-party Aggrieved Employees working more than twelve
15 (12) hours in a day, overtime compensation at a rate of two (2) times their regular rate of pay.
16 An employee’s regular rate of pay includes all remuneration for employment paid to, or on
17 behalf of, the employee, including nondiscretionary bonuses and incentive pay.

18 55. California Labor Code section 510 codifies the right to overtime compensation
19 at one and one-half (1 ½) times the regular rate of pay for hours worked in excess of eight (8)
20 hours in a day or forty (40) hours in a week or for the first eight (8) hours worked on the
21 seventh (7th) day of work, and to overtime compensation at twice the employee’s regular rate
22 of pay for hours worked in excess of twelve (12) hours in a day or in excess of eight (8) hours
23 in a day on the seventh (7th) day of work.

24 56. During the relevant time period, Defendants willfully failed to pay all overtime
25 wages owed to Plaintiff and other non-party Aggrieved Employees. During the relevant time
26 period, Plaintiff and other non-party Aggrieved Employees were not paid overtime premiums
27 for all of the hours they worked in excess of eight (8) hours in a day, in excess of twelve (12)
28 hours in a day, and/or in excess of forty (40) hours in a week, because all hours worked were

1 not recorded.

2 57. First, during the relevant time period, on information and belief, Defendants
3 had a company-wide policy and/or practice of improperly rounding employees' clock-in and
4 clock-out times in their timekeeping system to the nearest tenth (0.1) of an hour. Defendants'
5 rounding policy resulted in the failure to compensate Plaintiff and other non-party Aggrieved
6 Employees fully for all hours worked, causing Plaintiff and other non-party Aggrieved
7 Employees to not be paid overtime wages for all of the overtime hours they actually worked.
8 Defendants' policy of rounding is unfair and has, over time, resulted in the underpayment of
9 wages to Plaintiff and other non-party Aggrieved Employees. To the extent Defendants'
10 rounding policy has taken away time worked that was eligible for overtime, Plaintiff and other
11 non-party Aggrieved Employees were denied overtime pay for all hours worked.

12 58. Second, during the relevant time period, Defendants had, and continue to have,
13 a company-wide policy and/or practice of discouraging and impeding Plaintiff and other non-
14 party Aggrieved Employees from recording hours worked that were outside of their scheduled
15 shifts in order to limit the amount of overtime employees could accrue. On information and
16 belief, this policy of limiting overtime, coupled with Defendants' practices of understaffing
17 and assigning heavy workloads (*see infra*), led Plaintiff and other non-party Aggrieved
18 Employees to work off-the-clock after their scheduled shift times. For example,
19 approximately twice per week, Plaintiff clocked out at the end of his shift, but was instructed
20 by his supervisors to guide or move customer vehicles in or out of vehicle bays, which could
21 take up to 10 minutes. This off-the-clock work could have been recorded by Defendants, but
22 they refused to do so to avoid payment of additional wages to Plaintiff and other non-party
23 Aggrieved Employees.

24 59. Additionally, Defendants had, and continue to have, a company-wide practice
25 of forcing Plaintiff and other non-party Aggrieved Employees to work off-the-clock before
26 their scheduled shift times, because Defendants did not provide a means to account for this
27 time. For example, after reporting to work on time, Plaintiff was forced to wait up to 20
28 minutes until a manager or keyholder employee arrived at the store, before being able to enter

1 Defendants' service center and clock in, because there was no one available to open the doors
2 for him. Thus, Defendants failed to track all of the time that employees spent performing
3 work-related tasks before and after their shifts, and Plaintiff and other non-party Aggrieved
4 Employees received no compensation for this time.

5 60. Third, on information and belief, Defendants had, and continue to have, a
6 company-wide policy and/or practice of strictly staffing their locations based on the labor
7 hours allocated by each location's labor or payroll budget set by the corporate office.
8 Defendants' uniform use of labor budgeting resulted in chronic understaffing, such there were
9 too few employees on duty to handle the workload and attend to customers. Defendants also
10 had a practice of failing to schedule meal periods, which further caused Plaintiff and other
11 non-party Aggrieved Employees to not be relieved of their duties for compliant meal periods.
12 For example, Plaintiff sometimes worked through his meal periods because he was tasked
13 with overseeing all three (3) vehicle bays simultaneously at the service center, due to the lack
14 of coverage. Additionally, approximately three (3) times per week, Plaintiff's meal periods
15 were interrupted because his supervisors required him to attend to customers that were waiting
16 to be helped, or to guide customer vehicles in and out of the vehicle bays. However,
17 Defendants did not compensate Plaintiff and other non-party Aggrieved Employees for the
18 time they spent working off the clock during unpaid meal periods.

19 61. Further, on information and belief, because Defendants frowned upon
20 employees accruing meal period penalties, Defendants' management pressured employees to
21 clock out for meal periods to reflect compliant meal periods, on threat of discipline, regardless
22 of whether they had received a compliant meal period or not, in order to strictly limit meal
23 penalties that would need to be paid by Defendants. Additionally, Defendants' company-wide
24 timekeeping system prevented Plaintiff and other non-party Aggrieved Employees from
25 recording all hours worked when their meal periods were shortened or interrupted, because the
26 system locked out Plaintiff and other non-party Aggrieved Employees once they clocked out
27 for a meal period, and would not permit them to clock back in from a meal period before 30
28 minutes had elapsed. Thus, Defendants did not record all hours worked during meal periods,

1 and Plaintiff and other non-party Aggrieved Employees performed work during meal periods
2 for which they were not paid.

3 62. Defendants knew or should have known that as a result of these company-wide
4 practices and/or policies, Plaintiff and other non-party Aggrieved Employees were performing
5 their assigned duties off-the-clock before and after their shifts and during meal periods, and
6 were suffered or permitted to perform work for which they were not paid. Because Plaintiff
7 and other non-party Aggrieved Employees worked shifts of eight (8) hours or more a day or
8 forty (40) hours a week or more, some of this off-the-clock work qualified for overtime
9 premium pay. Therefore, Plaintiff and other non-party Aggrieved Employees were not paid
10 overtime wages for all of the overtime hours they actually worked.

11 63. Moreover, Defendants did not pay other non-party Aggrieved Employees the
12 correct overtime rate for the recorded overtime hours that they generated. In addition to an
13 hourly wage, Defendants paid other non-party Aggrieved Employees incentive pay,
14 nondiscretionary bonuses, and/or other forms of remuneration. However, in violation of the
15 California Labor Code, on information and belief, Defendants failed to incorporate all
16 compensation, including incentive pay, nondiscretionary bonuses, and/or other forms of
17 remuneration, into the calculation of the regular rate of pay for purposes of calculating the
18 overtime wage rate. Therefore, during times when other non-party Aggrieved Employees
19 worked overtime and received these other forms of pay, Defendants failed to pay all overtime
20 wages by paying a lower overtime rate than required.

21 64. Defendants' failure to pay Plaintiff and other non-party Aggrieved Employees
22 the balance of overtime compensation as required by California law, violates the provisions of
23 California Labor Code sections 510 and 1198. Plaintiff and other non-party Aggrieved
24 Employees are therefore entitled to recover civil penalties pursuant to Labor Code sections
25 558 and/or 2699(a), (f), and (g).

26 **FAILURE TO PAY MINIMUM WAGES**

27 **VIOLATION OF LABOR CODE SECTIONS 1182.12, 1194, 1197, AND 1198**

28 65. At all relevant times, California Labor Code sections 1182.12, 1194, 1197, and

1 1198 require employers to pay employees the minimum wage fixed by the IWC. The payment
2 of a lesser wage than the minimum so fixed is unlawful. Compensable work time is defined in
3 IWC Wage Order No. 9-2001 as “the time during which an employee is subject to the control
4 of an employer, and includes all the time the employee is suffered or permitted to work,
5 whether or not required to do so.” Cal. Code Regs. tit. 8, § 11090(2)(H) (defining “Hours
6 Worked”).

7 66. First, as stated above, Defendants had a company-wide policy and/or practice
8 of rounding Plaintiff’s and other non-party Aggrieved Employees’ clock-in and clock-out
9 times in their timekeeping system to the nearest tenth (0.1) of an hour, resulting in the failure
10 to compensate Plaintiff and other non-party Aggrieved Employees fully for all hours worked.

11 67. Second, as stated, a result of Defendants’ policy of limiting the amount of
12 overtime employees could accrue, Defendants required Plaintiff and other non-party
13 Aggrieved Employees to perform work off-the-clock before and after their scheduled start and
14 end times, such as guiding or moving customer vehicles in or out of vehicle bays, or waiting
15 for manager or keyholder employees to arrive and open the service center to clock in.
16 Defendants failed to track this time that Plaintiff and other non-party Aggrieved Employees
17 spent working off-the-clock, and Plaintiff and other non-party Aggrieved Employees received
18 no compensation for this time.

19 68. Third, as also stated above, due to Defendants’ uniform practices and/or
20 policies of utilizing labor budgets, understaffing while assigning heavy workloads, and failing
21 to schedule meal periods, Plaintiff and other non-party Aggrieved Employees were impeded
22 from taking all uninterrupted meal periods to which they were entitled and were required to
23 work off-the-clock during meal periods, had their meal periods interrupted, and/or were
24 otherwise not relieved of all duties during unpaid meal periods.

25 69. Also, as stated above, information and belief, because Defendants frowned
26 upon employees accruing meal period penalties, Defendants’ managers pressured employees
27 to clock out for meal periods to reflect compliant meal periods, on threat of discipline, even
28 when they did not receive a compliant meal period. Additionally, as stated, Defendants’

1 company-wide timekeeping system prevented Plaintiff and other non-party Aggrieved
2 Employees from entering time worked during meal periods because the system locked out
3 Plaintiff and other non-party Aggrieved Employees for a full 30 minutes. Thus, Defendants
4 systematically failed to pay Plaintiff and other non-party Aggrieved Employees for actual
5 hours worked during unpaid meal periods because these hours were not always correctly
6 recorded.

7 70. Thus, Defendants did not pay minimum wages for all hours worked by Plaintiff
8 and other non-party Aggrieved Employees. To the extent that these off-the-clock hours did
9 not qualify for overtime premium payment, Defendants did not pay at least minimum wages
10 for those hours worked off-the-clock in violation of California Labor Code sections 1182.12,
11 1194, 1197, and 1198.

12 71. Defendants' failure to pay Plaintiff and other non-party Aggrieved Employees
13 minimum wages violates California Labor Code sections 1182.12, 1194, 1197, and 1198.
14 Plaintiff and other non-party Aggrieved Employees are therefore entitled to recover civil
15 penalties pursuant to Labor Code sections 2699(a), (f), and (g).

16 **FAILURE TO PROVIDE AND RECORD MEAL PERIODS**

17 **VIOLATION OF LABOR CODE SECTIONS 226.7, 512(a), 516, AND 1198**

18 72. At all relevant times herein set forth, the applicable IWC Wage Order and
19 California Labor Code sections 226.7, 512(a), 516, and 1198 were applicable to Plaintiff's and
20 non-party Aggrieved Employees' employment by Defendants.

21 73. At all relevant times herein set forth, California Labor Code section 512(a)
22 provides that an employer may not require, cause, or permit an employee to work for a period
23 of more than five (5) hours per day without providing the employee with a meal period of not
24 less than thirty (30) minutes, except that if the total work period per day of the employee is
25 not more than six (6) hours, the meal period may be waived by mutual consent of both the
26 employer and the employee. Under California law, first meal periods must start after no more
27 than five hours. *Brinker Rest. Corp. v. Superior Court*, 53 Cal. 4th 1004, 1041-1042 (2012).

28 74. At all relevant times herein set forth, California Labor Code sections 226.7,

1 512(a), 516, and 1198 provide that no employer shall require an employee to work during any
2 meal period mandated by an applicable order of the IWC.

3 75. At all relevant times herein set forth, Labor Code sections 226.7, 512(a), 1198,
4 and the applicable IWC Wage Order also require employers to provide a second meal period
5 of not less than thirty (30) minutes if an employee works over ten (10) hours per day or to pay
6 an employee one (1) additional hour of pay at the employee's regular rate, except that if the
7 total hours worked is no more than twelve (12) hours, the second meal period may be waived
8 by mutual consent of the employer and the employee only if the first meal period was not
9 waived.

10 76. During the relevant time period, as stated, Defendants had, and continue to
11 have, a company-wide policy and/or practice of strictly staffing their locations based on the
12 labor hours allocated by each location's labor or payroll budget set by the corporate office.
13 Defendants' use of labor budgets resulted in chronic understaffing, such that there were too
14 few employees on duty to handle the heavy workload and provide uninterrupted meal period
15 coverage and prevented Plaintiff and other non-party Aggrieved Employees from taking all
16 timely, uninterrupted meal periods to which they were entitled. Additionally, as stated,
17 Defendants maintained and implemented a company-wide practice of failing to schedule meal
18 periods, which further caused Plaintiff and other non-party Aggrieved Employees to not be
19 relieved of their duties for compliant meal periods.

20 77. As a result, Plaintiff and other non-party Aggrieved Employees had to work
21 through all or part of their meal periods, had their meal periods interrupted, and/or had to wait
22 extended periods of time before taking meal periods. For example, as stated, Plaintiff worked
23 through his meal periods because he was tasked with overseeing all vehicle bays
24 simultaneously, and had his meal periods interrupted because his supervisors required Plaintiff
25 to attend to customers waiting to be helped or guide customer vehicles in and out of the
26 vehicle bays, due to the lack of coverage. Additionally, Plaintiff sometimes took his meal
27 periods late, after the fifth hour of work, due to the lack of coverage.

28 78. As also stated, on information and belief, because Defendants frowned upon

1 employees accruing meal period penalties, Defendants' management pressured Plaintiff and
2 other non-party Aggrieved Employees, on threat of discipline, to clock out for meal periods to
3 reflect compliant meal periods, even when they did not receive a compliant meal period. In
4 addition, as stated, Defendants' company-wide timekeeping system prevented Plaintiff and
5 other non-party Aggrieved Employees from recording when their meal periods were shortened
6 or interrupted, because the system locked out Plaintiff and other non-party Aggrieved
7 Employees once they clocked out for a meal period, and would not permit them to clock back
8 in from a meal period before 30 minutes had elapsed. For example, Plaintiff was unable to
9 record when his meal periods were interrupted or cut short by management discussing work-
10 related matters or attending to waiting customers.

11 79. Additionally, Plaintiff and other non-party Aggrieved Employees worked shifts
12 in excess of ten (10) hours without receiving an uninterrupted second 30-minute meal period.
13 For example, during his employment, Plaintiff sometimes worked shifts in excess of ten (10)
14 or more hours per day, but was not provided a second 30-minute meal period. Plaintiff and
15 other non-party Aggrieved Employees did not sign valid meal period waivers on days that
16 they were entitled to meal periods and were not relieved of all duties.

17 80. At all times herein mentioned, Defendants knew or should have known that, as
18 a result of these policies, Plaintiff and other non-party Aggrieved Employees were prevented
19 from being relieved of all duties and required to perform some of their assigned duties during
20 meal periods. Defendants further knew or should have known that Defendants did not pay
21 Plaintiff and other non-party Aggrieved Employees meal period premiums when meal periods
22 were late, interrupted, shortened, or missed. Further, to the extent that Defendants' rounding
23 policy reported that Plaintiff and other non-party Aggrieved Employees were provided with
24 timely, full 30-minute meal periods when, in fact, the meal periods were taken after the fifth
25 hour of work or were less than 30 minutes, Plaintiff and other non-party Aggrieved
26 Employees did not receive meal period premiums for these improperly rounded meal periods.

27 81. Moreover, Defendants engaged in a company-wide practice and/or policy of
28 not paying all meal period premiums owed when compliant meal periods are not provided.

1 Because of this practice and/or policy, Plaintiff and other non-party Aggrieved Employees
2 have not received premium pay for all missed, late, and interrupted meal periods.
3 Alternatively, to the extent that Defendants did pay other non-party Aggrieved Employees
4 premium pay for missed, late, and interrupted meal periods, Defendants did not pay other non-
5 party Aggrieved Employees the correct rate of pay for premiums because Defendant
6 systematically failed to include all forms of compensation, such as incentive pay,
7 nondiscretionary bonuses, and/or other forms of remuneration, in the regular rate of pay.
8 Therefore, during times when other non-party Aggrieved Employees received meal period
9 premiums and these other forms of pay, Defendants failed to pay full meal period premiums
10 by paying a lower rate than required. Thus, Defendants failed to provide Plaintiff and other
11 non-party Aggrieved Employees compliant meal periods and failed to pay the full meal period
12 premiums due.

13 82. Defendants' conduct violates the applicable IWC Wage Order, and California
14 Labor Code sections 226.7, 512(a), 516, and 1198. Plaintiff and other non-party Aggrieved
15 Employees are therefore entitled to recover civil penalties pursuant to Labor Code sections
16 558 and/or 2699(a), (f), and (g).

17 **FAILURE TO AUTHORIZE AND PERMIT REST PERIODS**
18 **VIOLATION OF LABOR CODE SECTIONS 226.7, 516, AND 1198**

19 83. At all relevant times herein set forth, the applicable IWC Wage Order and
20 California Labor Code sections 226.7, 516, and 1198 were applicable to Plaintiff's and other
21 non-party Aggrieved Employees' employment by Defendants.

22 84. At all relevant times, the applicable IWC Wage Order provides that "[e]very
23 employer shall authorize and permit all employees to take rest periods, which insofar as
24 practicable shall be in the middle of each work period" and that the "rest period time shall be
25 based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4)
26 hours or major fraction thereof" unless the total daily work time is less than three and one-half
27 (3 ½) hours.

28 85. At all relevant times, California Labor Code section 226.7 provides that no

1 employer shall require an employee to work during any rest period mandated by an applicable
2 order of the California IWC. To comply with its obligation to authorize and permit rest
3 periods under California Labor Code section 226.7 and the applicable IWC Wage Order, an
4 employer must “relinquish any control over how employees spend their break time, and
5 relieve their employees of all duties—including the obligation that an employee remain on
6 call. A rest period, in short, must be a period of rest.” *Augustus v. ABM Security Services,*
7 *Inc.*, 2 Cal. 5th 257, 273 (2016).

8 86. Pursuant to the applicable IWC Wage Order and California Labor Code section
9 226.7(c), Plaintiff and other non-party Aggrieved Employees are entitled to recover from
10 Defendants one (1) additional hour of pay at their regular rates of pay for each work day that a
11 required rest period was not authorized and permitted.

12 87. During the relevant time period, Defendants regularly failed to authorize and
13 permit Plaintiff and other non-party Aggrieved Employees to take a ten (10) minute rest
14 period per each four (4) hour period worked or major fraction thereof. As with meal periods,
15 Defendants’ company-wide policies and/or practices of labor budgeting and/or limited payroll
16 allocation, understaffing, and assigning heavy workloads, prevented Plaintiff and other non-
17 party Aggrieved Employees from being relieved of all duty to take their rest periods.
18 Defendants also failed to schedule rest periods, which, coupled with Defendants’ failure to
19 provide adequate rest period coverage, further led to Plaintiff and other non-party Aggrieved
20 Employees not being authorized and permitted to take compliant rest periods.

21 88. Furthermore, upon information and belief, Defendants maintained a company-
22 wide on-premises rest period policy, which effectively required that Plaintiff and/or other non-
23 party Aggrieved Employees remain on the work premises during their rest periods. Because
24 Plaintiff and/or other non-party Aggrieved Employees were restricted from leaving the
25 premises during rest periods, they were denied the ability to use their rest periods freely for
26 their own purposes, such as running personal errands. Thus, Defendants effectively
27 maintained control over Plaintiff and/or other non-party Aggrieved Employees during rest
28 periods.

1 89. As a result of Defendants’ practices and policies, Plaintiff and other non-party
2 Aggrieved Employees worked shifts in excess of 3.5 hours, in excess of 6 hours, and/or in
3 excess of 10 hours without receiving all uninterrupted 10-minute rest periods to which they
4 were entitled. For example, Plaintiff had to forgo all his rest periods because of the heavy
5 workload and Defendants’ failure to schedule rest periods for employees.

6 90. Defendants have also engaged in a company-wide practice and/or policy of not
7 paying all rest period premiums owed when compliant rest periods are not authorized and
8 permitted. Because of this practice and/or policy, Plaintiff and other non-party Aggrieved
9 Employees have not received premium pay for all missed rest periods. Alternatively, to the
10 extent that Defendants did pay other non-party Aggrieved Employees one (1) additional hour
11 of premium pay for missed rest periods, Defendants did not pay other non-party Aggrieved
12 Employees at the correct rate of pay for premiums because Defendants failed to include all
13 forms of compensation, such as incentive pay, nondiscretionary bonuses, and/or other forms
14 of remuneration, in the regular rate of pay. Accordingly, Defendants failed to authorize and
15 permit all compliant rest periods and failed to pay the full rest period premiums due.

16 91. Defendants’ conduct violates the applicable IWC Wage Order and California
17 Labor Code sections 226.7, 516, and 1198. Plaintiff and other non-party Aggrieved
18 Employees are therefore entitled to recover civil penalties pursuant to Labor Code sections
19 558 and/or 2699(a), (f), and (g).

20 **FAILURE TO PROVIDE AND MAINTAIN COMPLIANT WAGE STATEMENTS**
21 **VIOLATION OF LABOR CODE SECTIONS 226(a), 1174(d), AND 1198**

22 92. At all relevant times herein, California Labor Code section 226(a) provides that
23 every employer shall furnish each of his or her employees an accurate and complete itemized
24 wage statement in writing, including, but not limited to, the name and address of the legal
25 entity that is the employer, the inclusive dates of the pay period, total hours worked, and all
26 applicable rates of pay.

27 93. During the relevant time period, Defendants have knowingly and intentionally
28 provided Plaintiff and other non-party Aggrieved Employees with uniform, incomplete, and

1 inaccurate wage statements. For example, Defendants issued uniform wage statements to
2 Plaintiff and other non-party Aggrieved Employees that fail to correctly list: gross wages
3 earned; total hours worked; net wages earned; and all applicable hourly rates in effect during
4 the pay period, including rates of pay for overtime wages, meal and rest period premiums,
5 paid sick leave, and/or reporting time pay, and the corresponding number of hours worked at
6 each hourly rate. Specifically, Defendants violated sections 226(a)(1), 226(a)(2), 226(a)(5),
7 and 226(a)(9).

8 94. Because Defendants did not record the time Plaintiff and other non-party
9 Aggrieved Employees spent working off-the-clock, improperly rounded Plaintiff's and other
10 non-party Aggrieved Employees' total hours worked, and deducted time from their records for
11 meal periods that were interrupted and/or missed (and therefore time for which they should
12 have been paid), Defendants did not list the correct amount of gross wages and net wages
13 earned by Plaintiff and other non-party Aggrieved Employees in compliance with section
14 226(a)(1) and section 226(a)(5), respectively. For the same reason, Defendants failed to
15 accurately list the total number of hours worked by Plaintiff and other non-party Aggrieved
16 Employees, in violation of section 226(a)(2), and failed to list the applicable hourly rates of
17 pay in effect during the pay period and the corresponding accurate number of hours worked at
18 each hourly rate, in violation of section 226(a)(9).

19 95. Further, because Defendants did not calculate other non-party Aggrieved
20 Employees' regular rate of pay correctly for purposes of paying overtime wages, meal and rest
21 period premiums, paid sick leave, and/or reporting time pay, Defendants did not list the
22 correct amount of gross wages in compliance with section 226(a)(1) and did not list the
23 correct amount of net wages in violation of section 226(a)(5). Defendants also failed to
24 correctly list all applicable hourly rates in effect during the pay period, namely, correct rates
25 of pay for overtime wages, meal and rest period premiums, paid sick leave, and/or reporting
26 time pay, in violation of section 226(a)(9).

27 96. The wage statement deficiencies also include, among other things, failing to list
28 the number of piece-rate units earned and any applicable piece rate if the employee is paid on

1 a piece-rate basis; failing to list all deductions; failing to list the inclusive dates of the period
2 for which aggrieved employees were paid; failing to list the name of the employee and only
3 the last four digits of his or her social security number or an employee identification number
4 other than a social security number; failing to list the name and address of the legal entity that
5 is the employer; and/or failing to state all hours worked as a result of not recording or stating
6 hours worked off-the-clock.

7 97. California Labor Code section 1174(d) provides that “[e]very person employing
8 labor in this state shall . . . [k]eep a record showing the names and addresses of all employees
9 employed and the ages of all minors” and “[k]eep, at a central location in the state or at the
10 plants or establishments at which employees are employed, payroll records showing the hours
11 worked daily by and the wages paid to, and the number of piece-rate units earned by and any
12 applicable piece rate paid to, employees employed at the respective plants or
13 establishments” Labor Code section 1174.5 provides that employers are subject to a
14 \$500 civil penalty if they fail to maintain accurate and complete records as required by section
15 1174(d). At all relevant times, and in violation of Labor Code section 1174(d), Defendants
16 willfully failed to maintain accurate payroll records for Plaintiff and other non-party
17 Aggrieved Employees showing the daily hours they worked and the wages paid thereto as a
18 result of failing to record the off-the-clock hours that they worked and improperly rounding
19 Plaintiff’s and other non-party Aggrieved Employees’ total hours worked.

20 98. California Labor Code section 1198 provides that the maximum hours of work
21 and the standard conditions of labor shall be those fixed by the Labor Commissioner and as
22 set forth in the applicable IWC Wage Order. Section 1198 further provides that “[t]he
23 employment of any employees for longer hours than those fixed by the order or under
24 conditions of labor prohibited by the order is unlawful.” Pursuant to the applicable IWC
25 Wage Order, employers are required to keep accurate time records showing when the
26 employee begins and ends each work period and meal period. During the relevant time
27 period, Defendants engaged in company-wide practices and/or policies of failing to record
28 actual hours worked, and thereby failed, on a company-wide basis, to keep accurate records of

1 work period and meal period start and end times for Plaintiff and other non-party Aggrieved
2 Employees, in violation of section 1198. Furthermore, in light of Defendants' failure to
3 provide Plaintiff and other non-party Aggrieved Employees with second 30-minute meal
4 periods to which they were entitled, Defendants kept no records of meal start and end times
5 for second meal periods.

6 99. Defendants' conduct violates California Labor Code sections 226(a), 1174(d),
7 and 1198. Plaintiff and other non-party Aggrieved Employees are therefore entitled to recover
8 civil penalties pursuant to Labor Code sections 226.3, 1174.5, and/or 2699(a), (f), and (g).

9 **FAILURE TO PAY WAGES DURING EMPLOYMENT**

10 **VIOLATION OF LABOR CODE SECTION 204**

11 100. At all relevant times herein set forth, California Labor Code section 204
12 requires that all wages earned by any person in any employment between the 1st and the 15th
13 days, inclusive, of any calendar month, other than those wages due upon termination of an
14 employee, are due and payable between the 16th and the 26th day of the month during which
15 the labor was performed. Labor Code section 204 further provides that all wages earned by
16 any person in any employment between the 16th and the last day, inclusive, of any calendar
17 month, other than those wages due upon termination of an employee, are due and payable
18 between the 1st and the 10th day of the following month.

19 101. At all relevant times herein, California Labor Code section 204 also requires
20 that all wages earned for labor in excess of the normal work period shall be paid no later than
21 the payday for the next regular payroll period. Alternatively, at all relevant times herein,
22 Labor Code section 204 provides that the requirements of this section are deemed satisfied by
23 the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not
24 more than seven (7) calendar days following the close of the payroll period.

25 102. During the relevant time period, Defendants willfully failed to pay Plaintiff and
26 other non-party Aggrieved Employees all wages due to them within any time period specified
27 by California Labor Code sections 204 including, but not limited to, overtime wages,
28 minimum wages, meal and rest period premiums, sick leave pay, and/or reporting time pay.

103. Plaintiff and other non-party Aggrieved Employees are therefore entitled to recover civil penalties pursuant to Labor Code sections 210 and/or 2699(a), (f), and (g).

FAILURE TO PAY WAGES UPON TERMINATION

VIOLATION OF LABOR CODE SECTIONS 201 AND 202

104. At all times relevant herein set forth, Labor Code sections 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.

105. Defendants willfully failed to pay Plaintiff and other non-party Aggrieved Employees who are no longer employed by Defendants the earned and unpaid wages set forth above, including but not limited to, overtime wages, minimum wages, meal and rest period premiums, sick leave pay, and/or reporting time pay, either at the time of discharge, or within seventy-two (72) hours of their leaving Defendants' employ.

106. Defendants' failure to pay Plaintiff and those non-party Aggrieved Employees who are no longer employed by Defendants their wages earned and unpaid at the time of discharge, or within seventy-two (72) hours of their leaving Defendants' employ, violates Labor Code sections 201 and 202. Plaintiff and other non-party Aggrieved Employees are therefore entitled to recover civil penalties pursuant to Labor Code sections 256 and/or 2699(a), (f), and (g).

FAILURE TO PROPERLY CALCULATE SICK LEAVE RATES OF PAY

VIOLATION OF LABOR CODE SECTION 246

107. At all relevant times herein, California Labor Code sections 245.5, 246, 246.5, 247, 247.5, 248.5, and 249 provide employees who have worked in California for 30 or more days from the commencement of employment with paid sick days, to be accrued at least one hour for every 30 hours worked. California Labor Code section 246(l) provides that an

1 employer shall calculate paid sick leave by using one of two calculations: 1) “[p]aid sick time
2 for nonexempt employees shall be calculated in the same manner as the regular rate of pay for
3 the workweek in which the employee uses paid sick time, whether or not the employee
4 actually works overtime in that workweek[;]” or 2) “[p]aid sick time for nonexempt
5 employees shall be calculated by dividing the employee’s total wages, not including overtime
6 premium pay, by the employee’s total hours worked in the full pay periods of the prior 90
7 days of employment.”

8 108. During the relevant time period, on information and belief, Defendants did not
9 pay other non-party Aggrieved Employees the correct sick leave rates of pay. As stated, in
10 addition to an hourly wage, Defendants paid other non-party Aggrieved Employees incentive
11 pay, nondiscretionary bonuses, and/or other forms of remuneration. However, in violation of
12 the California Labor Code, Defendants failed to incorporate all remunerations, including
13 incentive pay and/or nondiscretionary bonuses into the calculation of the regular rate of pay
14 for purposes of calculating the sick leave pay rate. Therefore, during times when other non-
15 party Aggrieved Employees took sick leave and received these other forms of pay, Defendants
16 failed to pay all sick leave benefits by paying a lower sick leave rate than required.
17 Specifically, Defendants paid other non-party Aggrieved Employees sick leave based on their
18 hourly rate of pay instead of their regular rate of pay.

19 109. Defendants’ failure to properly calculate the sick leave rates of pay based on all
20 remuneration paid has resulted in an underpayment of sick leave benefits to other non-party
21 Aggrieved Employees on a company-wide basis in violation of California Labor Code section
22 246(l).

23 110. Other non-party Aggrieved Employees are therefore entitled to recover civil
24 penalties pursuant to Labor Code sections 248.5 and/or 2699(a), (f), and (g).

25 **FAILURE TO PAY REPORTING TIME PAY**
26 **VIOLATION OF LABOR CODE SECTION 1198 AND CALIFORNIA CODE OF**
27 **REGULATIONS TITLE 8, SECTION 11090 SUBDIVISION 5(A)**

28 111. California Labor Code section 1198 makes it illegal to employ an employee

1 under conditions of labor that are prohibited by the applicable IWC Wage Order. California
2 Labor Code section 1198 requires that “. . . the standard conditions of labor fixed by the
3 commission shall be the . . . standard conditions of labor for employees. The employment of
4 any employee . . . under conditions of labor prohibited by the order is unlawful.”

5 112. California Code of Regulations, Title 8, section 11090(5)(A) provides that
6 “[e]ach workday an employee is required to report for work and does report, but is not put to
7 work or is furnished less than half said employee’s usual or scheduled day’s work, the
8 employee shall be paid for half the usual or scheduled day’s work, but in no event for less
9 than two (2) hours nor more than four (4) hours, at the employee’s regular rate of pay, which
10 shall not be less than the minimum wage.” The “primary purpose of the reporting time
11 regulation” is “to guarantee at least partial compensation for employees who report to work
12 expecting to work a specified number of hours, and who are deprived of that amount because
13 of inadequate scheduling or lack of proper notice by the employer.” *Aleman v. AirTouch*
14 *Cellular*, 209 Cal. App. 4th 556 (2012).

15 113. During the relevant time period, Defendants violated California Labor Code
16 section 1198 and California Code of Regulations, Title 8, section 11050(5)(A), because
17 Defendants failed to pay Plaintiff and other non-party Aggrieved Employees reporting time
18 pay when they reported to work for their scheduled shift but were put to work for less than
19 half of the usual or scheduled day’s work.

20 114. Defendants had a company-wide practice of sending Plaintiff and other non-
21 party Aggrieved Employees home early from their shifts, including before they had worked at
22 least half of their usual or scheduled shift, but would not pay Plaintiff and other non-party
23 Aggrieved Employees for half of their usual or scheduled shift. For example, when scheduled
24 to work a shift of at least eight (8) hours, Defendants’ managers sent Plaintiff home two (2)
25 hours after the start of his shift. Although Plaintiff and other non-party Aggrieved Employees
26 would report to work based on the schedule that Defendants provided to them, Defendants
27 would send them home before they worked at least half of their usual or scheduled shifts.
28 When this occurred, Defendants did not pay Plaintiff and other non-party Aggrieved

1 Employees for at least half of their scheduled day's work or the minimum reporting time pay.

2 115. Moreover, to the extent that Defendants did pay other non-party Aggrieved
3 Employees reporting time pay, Defendants did not pay the correct reporting time rates of pay.
4 As stated, in addition to an hourly wage, Defendants paid other non-party Aggrieved
5 Employees incentive pay, nondiscretionary bonuses, and/or other forms of remuneration.
6 However, in violation of the California Labor Code, Defendants failed to incorporate all
7 remunerations, including incentive pay, and/or nondiscretionary bonuses, into the calculation
8 of the regular rate of pay for purposes of calculating the reporting time pay rate. Therefore,
9 during times when other non-party Aggrieved Employees were paid reporting time and
10 received these other forms of pay, Defendants failed to pay all reporting time pay by paying a
11 lower pay rate than required. Specifically, Defendants paid other non-party Aggrieved
12 Employees reporting time pay based on their hourly rate of pay instead of their regular rate of
13 pay.

14 116. Accordingly, Plaintiff and other non-party Aggrieved Employees were not
15 properly compensated with reporting time pay in violation of California Labor Code section
16 1198 and California Code of Regulations, Title 8, section 11090(5)(A). Plaintiff and other
17 non-party Aggrieved Employees are therefore entitled to recover civil penalties pursuant to
18 Labor Code sections 2699(a), (f), and (g).

19 **FAILURE TO PAY SPLIT-SHIFT PREMIUMS**

20 **VIOLATION OF LABOR CODE SECTION 1198 AND CALIFORNIA CODE OF**
21 **REGULATIONS TITLE 8, SECTION 11090 SUBDIVISION 4(C)**

22 117. California Labor Code section 1198 makes it illegal to employ an employee
23 under conditions of labor that are prohibited by the applicable IWC Wage Order. California
24 Labor Code section 1198 requires that “. . . the standard conditions of labor fixed by the
25 commission shall be the . . . standard conditions of labor for employees. The employment of
26 any employee . . . under conditions of labor prohibited by the order is unlawful.”

27 118. California Code of Regulations, Title 8, section 11090(4)(C) provides that,
28 “When an employee works a split shift, one (1) hour's pay at the minimum wage shall be paid

1 in addition to the minimum wage for that workday, except when the employee resides at the
2 place of employment.” Plaintiff and other non-party Aggrieved Employees class members did
3 not reside at Defendants’ locations. California Code of Regulations, Title 8, defines a split
4 shift as “a work schedule, which is interrupted by non-paid non-working periods established
5 by the employer, other than bona fide rest or meal periods.”

6 119. Defendants willfully violated California Labor Code section 1198 and
7 California Code of Regulations, Title 8, section 11090(4)(C), because Defendants failed to
8 pay Plaintiff and other non-party Aggrieved Employees a split-shift premium when they
9 returned to work for an additional shift in the same day, after having been clocked out for
10 more than an hour. For example, on at least two (2) occasions during his employment,
11 Plaintiff worked his usual opening shift in the morning, clocked out for more than an hour,
12 and then returned to work in in the evening for another shift. When this occurred, Defendants
13 did not pay Plaintiff and other non-party Aggrieved Employees an additional hour at
14 minimum wage.

15 120. Defendants’ failure to provide Plaintiff and other non-party Aggrieved
16 Employees with split-shift pay when they returned to work for an additional shift in the same
17 day, after having been clocked out for more than an hour, violates California Labor Code
18 section 1198 and California Code of Regulations Title 8, Section 11090(4)(C). Plaintiff and
19 other non-party Aggrieved Employees are therefore entitled to recover civil penalties pursuant
20 to Labor Code sections 2699(a), (f), and (g).

21 **FAILURE TO PROVIDE SUITABLE SEATING**
22 **VIOLATION OF LABOR CODE SECTION 1198 AND CALIFORNIA CODE OF**
23 **REGULATIONS, TITLE 8, SECTION 11090(14)(A)**

24 121. At all relevant times herein, California Labor Code section 1198 makes it
25 illegal to employ an employee under conditions of labor that are prohibited by the applicable
26 wage order. California Labor Code section 1198 requires that “. . . the standard conditions of
27 labor fixed by the commission shall be the . . . standard conditions of labor for employees.
28 The employment of any employee . . . under conditions of labor prohibited by the order is

1 unlawful.”

2 122. California Code of Regulations, Title 8, section 11090(14)(A) provides that
3 “[a]ll working employees shall be provided with suitable seats when the nature of the work
4 reasonably permits the use of seats.”

5 123. Defendants’ California service centers are generally similar in their layout and
6 design and there was, and continues to be, space behind service desks and counters to allow
7 for the presence and use of a seat or stool by Plaintiff and other non-party Aggrieved
8 Employees (with reasonable or no modification to these work areas) during the performance
9 of their work duties. Defendants could provide Plaintiff and other non-party Aggrieved
10 Employees with a seat or stool at their service desks and counters, but instead deny employees
11 seating and forces other non-party Aggrieved Employees to stand throughout the day.

12 124. Plaintiff and other non-party Aggrieved Employees spent a substantial portion
13 of their day behind or at these service desks and counters. The nature of the work of an
14 employee performing customer service duties can reasonably be accomplished from a seated
15 position. However, as set forth herein, Defendants systematically, and on a company-wide
16 basis, do not provide seats or stools at or near the service desks and counters, forcing Plaintiff
17 and other non-party Aggrieved Employees to stand throughout their work shifts.

18 125. Defendants violated California Labor Code section 1198 and California Code
19 of Regulations, Title 8, section 11090(14)(A) because Plaintiff and other non-party Aggrieved
20 Employees were not allowed to sit, even when the nature of the work would reasonably permit
21 the use of seats, nor were they provided with suitable seats. Defendants’ management did not
22 inform Plaintiff and other non-party Aggrieved Employees that they were allowed to sit down,
23 provide any means for them to sit down, or mention any policy regarding sitting.

24 126. As a result of Defendants’ company-wide policy and/or practice of prohibiting
25 employees from sitting during their shifts and company-wide failure to provide suitable
26 seating, Plaintiff and other non-party Aggrieved Employees were forced to stand during shifts
27 and denied seats. Defendants’ failure to provide suitable seating to Plaintiff and other non-
28 party Aggrieved Employees violates California Labor Code section 1198 and IWC Wage

1 Order No. 9-2001, subdivision 14(A).

2 127. Plaintiff and other non-party Aggrieved Employees are therefore entitled to
3 recover civil penalties pursuant to Labor Code sections 2699(a), (f), and (g).

4 **FAILURE TO PROVIDE SUITABLE SEATING**
5 **VIOLATION OF LABOR CODE SECTION 1198 AND CALIFORNIA CODE OF**
6 **REGULATIONS, TITLE 8, SECTION 11090(14)(B)**

7 128. At all relevant times herein, California Labor Code section 1198 makes it
8 illegal to employ an employee under conditions of labor that are prohibited by the applicable
9 wage order. California Labor Code section 1198 requires that “. . . the standard conditions of
10 labor fixed by the commission shall be the . . . standard conditions of labor for employees.
11 The employment of any employee . . . under conditions of labor prohibited by the order is
12 unlawful.”

13 129. California Code of Regulations, Title 8, section 11090(14)(B) provides that
14 “[w]hen employees are not engaged in the active duties of their employment and the nature of
15 the work requires standing, an adequate number of suitable seats shall be placed in reasonable
16 proximity to the work area and employees shall be permitted to use such seats when it does
17 not interfere with the performance of their duties.”

18 130. During the relevant time period, Defendants violated California Labor Code
19 section 1198 and California Code of Regulations, Title 8, section 11090(14)(B), because
20 Plaintiff and other non-party Aggrieved Employees were not allowed to sit, even during lulls
21 in their work duties, nor were they provided with suitable seats in reasonable proximity to
22 their work areas.

23 131. As stated, Plaintiff alleges that Defendants’ California service centers are
24 generally similar in their layout and design and there was, and continues to be, space near
25 their work areas (with reasonable or no modification to these work areas) to allow for the
26 presence and use of a seat or stool by Plaintiff and other non-party Aggrieved Employees
27 during lulls in operation. Defendants could have provided Plaintiff and other non-party
28 Aggrieved Employees with a seat or stool in its work areas, but instead denied, and continue

1 to deny, employees seating, forcing them to stand throughout the day.

2 132. Defendants did not provide Plaintiff and other non-party Aggrieved Employees
3 with seats or stools in reasonable proximity to their work areas to allow them to use seats
4 when it would not interfere with the performance of their duties for times when they were not
5 engaged in active duties that require standing. In other words, to the extent Plaintiff and other
6 non-party Aggrieved Employees engaged in duties in which the nature of the work required
7 standing, Defendants denied them the use of seats nearby during lulls in their work duties.
8 Moreover, Defendants did not inform Plaintiff and other non-party Aggrieved Employees of
9 their rights to a seat or stool under California law.

10 133. As a result of Defendants' company-wide policy and/or practice prohibiting
11 employees from sitting at any time, even when they were not engaged in active duties
12 requiring standing, and company-wide failure to provide seats in reasonable proximity to their
13 work areas, Plaintiff and other non-party Aggrieved Employees were forced to stand during
14 shifts and denied seats. Defendants' failure to provide suitable seating to Plaintiff and other
15 non-party Aggrieved Employees violated and continues to violate California Labor Code
16 section 1198 and IWC Wage Order No. 9-2001, subdivision 14(B).

17 134. Plaintiff and other non-party Aggrieved Employees are therefore entitled to
18 recover civil penalties pursuant to Labor Code sections 2699(a), (f), and (g).

19 **FAILURE TO REIMBURSE NECESSARY BUSINESS EXPENSES**

20 **VIOLATION OF LABOR CODE SECTION 2802**

21 135. At all times herein set forth, California Labor Code section 2802 provides that
22 an employer must reimburse employees for all necessary expenditures and losses incurred by
23 the employee in the performance of his or her job. The purpose of Labor Code section 2802 is
24 to prevent employers from passing off their cost of doing business and operating expenses on
25 to their employees. *Cochran v. Schwan's Home Service, Inc.*, 228 Cal. App. 4th 1137, 1144
26 (2014). The applicable wage order, IWC Wage Order No. 9-2001 provides that: "[w]hen tools
27 or equipment are required by the employer or are necessary to the performance of a job, such
28 tools and equipment shall be provided and maintained by the employer, except that an

1 employee whose wages are at least two (2) times the minimum wage provided herein may be
2 required to provide and maintain hand tools and equipment customarily required by the trade
3 or craft.”

4 136. During the relevant time period, Defendants, on a company-wide basis,
5 required that Plaintiff and other non-party Aggrieved Employees use their own personal
6 mobile devices, including, but not limited to, cellular phones, and/or mobile data to carry out
7 their job duties but failed to reimburse them for the costs of their work-related mobile device
8 expenses. For example, Defendants required Plaintiff to utilize his personal cellular phone for
9 communicating with outside vendors to coordinate deliveries of vehicle parts to the service
10 center. Although Defendants required Plaintiff and other non-party Aggrieved Employees to
11 utilize their personal mobile devices and/or mobile data to carry out their work-related
12 responsibilities, Defendants failed to reimburse them for this cost.

13 137. Defendants could have provided Plaintiff and other non-party Aggrieved
14 Employees with company mobile devices, or, Defendants could have reimbursed employees
15 for the costs of their mobile device usage. Instead, Defendants passed these operating costs
16 off onto Plaintiff and other non-party Aggrieved Employees. At all relevant times, Plaintiff
17 did not earn at least two (2) times the minimum wage.

18 138. Defendants’ company-wide policy and/or practice of not reimbursing
19 employees for expenses necessarily incurred and passing on their operating costs to Plaintiff
20 and other non-party Aggrieved Employees violates California Labor Code section 2802.
21 Plaintiff and other non-party Aggrieved Employees are therefore entitled to recover civil
22 penalties pursuant to Labor Code sections 2699(a), (f), and (g).

23 **FAILURE TO PROVIDE WRITTEN NOTICE OF MATERIAL TERMS OF**
24 **EMPLOYMENT**

25 **VIOLATION OF LABOR CODE SECTION 2810.5(a)(1)(A)-(C)**

26 139. California’s Wage Theft Prevention Act was enacted to ensure that employers
27 provide employees with basic information material to their employment relationship at the
28 time of hiring, and to ensure that employees are given written and timely notice of any

changes to basic information material to their employment. Codified at California Labor Code section 2810.5, the Wage Theft Prevention Act provides that at the time of hiring, an employer must provide written notice to employees containing basic and material payroll information, including, among other things, the rate(s) of pay and basis thereof, whether paid by the hour, shift, day, week, salary, piece, commission, or otherwise, including any rates for overtime, the regular payday designated by the employer, and any allowances claims as part of the minimum wage, including meal or lodging allowances. Labor Code § 2810.5(a)(1)(A)-(C).

140. Defendants failed to provide Plaintiff and other non-party Aggrieved Employees written notice that lists all the requisite information set forth in Labor Code section 2810.5(a)(1)(A)-(C). Defendants' failure to provide Plaintiff and other non-party Aggrieved Employees with written notice of basic information regarding their employment with Defendants is in violation of Labor Code section 2810.5. Plaintiff and other non-party Aggrieved Employees are therefore entitled to recover civil penalties pursuant to Labor Code sections 2699(a), (f), and (g).

REQUEST FOR JURY TRIAL

Plaintiff requests a trial by jury.

PRAYER FOR RELIEF

Plaintiff, on behalf of all other non-party Aggrieved Employees, prays for relief and judgment against Defendants, jointly and severally, as follows:

1. For civil penalties and attorneys' fees in excess of twenty-five thousand dollars (\$25,000). Plaintiff reserves the right to amend his prayer for relief to seek a different amount.

As to the First Cause of Action

2. That the Court declare, adjudge and decree that Defendants violated the following California Labor Code provisions as to Plaintiff and/or other non-party Aggrieved Employees: 510 and 1198 (by failing to pay all overtime compensation); 226.7, 510, and 1198 (by failing to include all forms of remuneration in the regular rate of pay for purposes of

1 paying overtime wages, meal and rest period premiums, and/or reporting time pay); 1182.12,
2 1194, 1197, and 1198 (by failing to pay at least minimum wages for all hours worked); 226.7,
3 512(a), 516, 1198 (by failing to provide all meal periods); 226.7, 516, and 1198 (by failing to
4 authorize and permit all rest periods); 226(a), 1174(d), and 1198 (by failing to provide
5 accurate wage statements and maintain accurate payroll records); 204 (by failing to timely pay
6 all earned wages during employment); 201 and 202 (by failing to timely pay all earned wages
7 upon termination); 246 (by failing to properly calculate sick leave pay); 1198 and the
8 applicable IWC Wage Order (by failing to provide reporting time pay); 1198 and the
9 applicable IWC Wage Order (by failing to provide split-shift premiums); 1198 and the
10 applicable IWC Wage Order (by failing to provide suitable seating); 2802 (by failing to
11 reimburse business expenses); and 2810.5 (by failing to provide written notice of information
12 material to employment);

13 3. For civil penalties, pursuant to California Labor Code sections 210, 226.3,
14 248.5, 256, 558, 1174.5, 2699(a), (f), and (g), for violations of California Labor Code sections
15 201, 202, 204, 226(a), 226.7, 246, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1198,
16 2802, and 2810.5;

17 4. For attorneys' fees and costs pursuant to California Labor Code section
18 2699(g)(1), and any and all other relevant statutes, for Defendants' violations of California
19 Labor Code sections 201, 202, 204, 226(a), 226.7, 246, 510, 512(a), 516, 1174(d), 1182.12,
20 1194, 1197, 1198, 2802, and 2810.5;

21 5. For pre-judgment and post-judgment interest as provided by law; and

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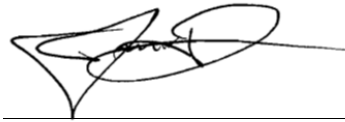
28 ///

1 6. For such other and further relief as the Court may deem equitable and
2 appropriate.

3
4 Dated: August 13, 2024

Respectfully submitted,

Capstone Law APC

6
7 

By: _____

Robert Drexler

Jonathan Lee

Attorneys for Plaintiff Daniel Vinson

EXHIBIT “1”



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310.556.4811 Main | 310.943.0396 Fax

ALEXANDER LIMA
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May 22, 2024

VIA ONLINE SUBMISSION

California Labor & Workforce Development Agency
ATTN: PAGA Administrator
(<https://dir.govfa.net/308>)

Subject: *Daniel Vinson v. M.C. LLC*

Dear PAGA Administrator:

This office represents Daniel Vinson in connection with his claims under the California Labor Code. Mr. Vinson was an employee of M.C. LLC ("MC").

The employer may be contacted directly at the address below:

M.C. LLC
1422 EDINGER AVE, SUITE 150
TUSTIN, CA 92780

Mr. Vinson intends to seek civil penalties, attorney's fees, costs, and other available relief for violations of the California Labor Code, which are recoverable under sections 2698, *et seq.*, the Labor Code Private Attorneys General Act of 2004 ("PAGA"). Mr. Vinson seeks relief on behalf of himself, the State of California, and other persons who are or were employed by MC in California as a non-exempt, hourly paid employee and who received at least one wage statement ("aggrieved employees"). This letter is sent in compliance with the notice and reporting requirements of California Labor Code section 2699.3.

MC employed Mr. Vinson as a non-exempt employee from approximately February 2023 to January 2024. Mr. Vinson worked for MC as a Lubricant Technician at its Jiffy Lube service center location in Vallejo, California. During his employment, Mr. Vinson typically worked eight (8) hours or more per day and five (5) days per week. By the end of his employment, Mr. Vinson was compensated approximately \$18.00 per hour. Mr. Vinson's job duties included, without limitation, performing oil changes and lubrication services, conducting vehicle inspections to identify maintenance needs, and completing tire rotations.

MC has committed one or more of the following Labor Code violations against Mr. Vinson, the facts and theories of which follow, making him an “aggrieved employee” pursuant to California Labor Code section 2699(c):¹

MC’s Company-Wide and Uniform Payroll and HR Practices

M.C. LLC is a California limited liability company. MC operates a chain of Jiffy Lube franchise service centers, with at least 54 locations in California. Upon information and belief, MC maintains a single, centralized Human Resources (HR) department at its corporate headquarters in Tustin, California, for all non-exempt, hourly paid employees working for MC in California, including Mr. Vinson and other aggrieved employees. At all relevant times, MC issued and maintained uniform, standardized scheduling and timekeeping practices and procedures for all non-exempt, hourly paid employees in California, including Mr. Vinson and other aggrieved employees, regardless of their location or position.

Upon information and belief, MC maintains a centralized Payroll department at its corporate headquarters in Tustin, California, which processes payroll for all non-exempt, hourly paid employees working for MC in California, including Mr. Vinson and other aggrieved employees. Further, MC issues the same formatted wage statements in the same manner for all non-exempt, hourly paid employees working in California, including Mr. Vinson and other aggrieved employees, irrespective of their location, position, or manner in which each employee’s employment ended. In other words, MC utilized the same methods and formulas when calculating wages due to Mr. Vinson and other aggrieved employees in California.

Violation of California Labor Code §§ 510 and 1198 – Unpaid Overtime

California Labor Code sections 510 and 1198 and the applicable Industrial Welfare Commission (“IWC”) Wage Order require employers to pay employees working more than eight (8) hours in a day or more than forty (40) hours in a workweek at the rate of time-and-one-half (1 ½) times the regular rate of pay for all hours worked in excess of eight (8) hours in a day or more than forty (40) hours in a workweek. The applicable IWC Wage Order further provides that employers are required to pay employees working more than twelve (12) hours in a day overtime compensation at a rate of two (2) times their regular rate of pay. An employee’s regular rate of pay includes all remuneration for employment paid to, or on behalf of, the employee, including nondiscretionary bonuses and incentive pay.

MC willfully failed to pay all overtime wages owed to Mr. Vinson and other aggrieved employees. During the relevant time period, Mr. Vinson and other aggrieved employees were not paid overtime premiums for all of the hours they worked in excess of eight (8) hours in a day, in excess of twelve (12) hours in a day, and/or in excess of forty (40) hours in a week, because all hours that they worked were not recorded.

¹ These facts, theories, and claims are based on Mr. Vinson’s experience and counsel’s review of those records currently available relating to Mr. Vinson’s employment. Discovery conducted in litigation of wage and hour claims such as these often reveals additional claims that the aggrieved employee was not initially aware of (because the aggrieved employee was not aware of the law’s requirements, the employer misinformed its employee of the law’s requirements, or because the employer effectively hid the violations). Thus, Mr. Vinson reserves the right to supplement this letter with additional facts, theories, and claims if he becomes aware of them subsequent to the submission of this letter.

First, during the relevant time period, on information and belief, MC had a company-wide policy and/or practice of improperly rounding employees' clock-in and clock-out times in its timekeeping system to the nearest tenth (0.1) of an hour. MC's rounding policy resulted in the failure to compensate Mr. Vinson and other aggrieved employees fully for all hours worked, causing Mr. Vinson and other aggrieved employees to not be paid overtime wages for all of the overtime hours they actually worked. MC's policy of rounding is unfair and has, over time, resulted in the underpayment of wages to Mr. Vinson and other aggrieved employees. To the extent MC's rounding policy has taken away time worked that was eligible for overtime, Mr. Vinson and other aggrieved employees were denied overtime pay for all hours worked.

Second, during the relevant time period, MC had, and continues to have, a company-wide policy and/or practice of discouraging and impeding Mr. Vinson and other aggrieved employees from recording hours worked that were outside of their scheduled shifts in order to limit the amount of overtime employees could accrue. On information and belief, this policy of limiting overtime, coupled with MC's practices of understaffing and assigning heavy workloads (*see infra*), led Mr. Vinson and other aggrieved employees to work off-the-clock after their scheduled shift times. For example, approximately twice per week, Mr. Vinson clocked out at the end of his shift, but was instructed by his supervisors to guide or move customer vehicles in or out of vehicle bays, which could take up to 10 minutes. This off-the-clock work could have been recorded by MC, but it refused to do so to avoid payment of additional wages to Mr. Vinson and other aggrieved employees.

Additionally, MC had, and continues to have, a company-wide practice of forcing Mr. Vinson and other aggrieved employees to work off-the-clock before their scheduled shift times, because MC did not provide a means to account for this time. For example, after reporting to work on time, Mr. Vinson was forced to wait up to 20 minutes until a manager or keyholder employee arrived at the store, before being able to enter MC's service center and clock in, because there was no one available to open the doors for him. Thus, MC failed to track all of the time that employees spent performing work-related tasks before and after their shifts, and Mr. Vinson and other aggrieved employees received no compensation for this time.

Third, on information and belief, MC had, and continues to have, a company-wide policy and/or practice of strictly staffing its locations based on the labor hours allocated by each location's labor or payroll budget set by the corporate office. MC's uniform use of labor budgeting resulted in chronic understaffing, such there were too few employees on duty to handle the workload and attend to customers. MC also had a practice of failing to schedule meal periods, which further caused Mr. Vinson and other aggrieved employees to not be relieved of their duties for compliant meal periods. For example, Mr. Vinson sometimes worked through his meal periods because he was tasked with overseeing all three (3) vehicle bays simultaneously at the service center, due to the lack of coverage. Additionally, approximately three (3) times per week, Mr. Vinson's meal periods were interrupted because his supervisors required him to attend to customers that were waiting to be helped, or to guide customer vehicles in and out of the vehicle bays. However, MC did not compensate Mr. Vinson and other aggrieved employees for the time they spent working off the clock during unpaid meal periods.

Further, on information and belief, because MC frowned upon employees accruing meal period penalties, MC's management pressured employees to clock out for meal periods to reflect compliant meal periods, on threat of discipline, regardless of whether they had received a compliant meal period or not, in order to strictly limit meal penalties that would need to be paid by MC. Additionally, MC's company-wide timekeeping system prevented Mr. Vinson and other aggrieved employees from recording all hours worked when their meal periods were shortened or interrupted,

because the system locked out Mr. Vinson and other aggrieved employees once they clocked out for a meal period, and would not permit them to clock back in from a meal period before 30 minutes had elapsed. Thus, MC did not record all hours worked during meal periods, and Mr. Vinson and other aggrieved employees performed work during meal periods for which they were not paid.

MC knew or should have known that as a result of these company-wide practices and/or policies, Mr. Vinson and other aggrieved employees were performing their assigned duties off-the-clock before and after their shifts and during meal periods, and were suffered or permitted to perform work for which they were not paid. Because Mr. Vinson and other aggrieved employees worked shifts of eight (8) hours or more a day, or forty (40) hours a week or more, some of this off-the-clock work qualified for overtime premium pay. Therefore, Mr. Vinson and other aggrieved employees were not paid overtime wages for all of the overtime hours they actually worked.

Moreover, MC did not pay other aggrieved employees the correct overtime rates for the recorded overtime hours that they generated. In addition to an hourly wage, MC paid other aggrieved employees incentive pay, nondiscretionary bonuses, and/or other forms of remuneration. However, in violation of the California Labor Code, MC failed to incorporate all compensation, including incentive pay, nondiscretionary bonuses, and/or other forms of remuneration, into the calculation of the regular rate of pay for purposes of calculating the overtime wage rate. Therefore, during times when other aggrieved employees worked overtime and received these other forms of pay, MC failed to pay all overtime wages by paying a lower overtime rate than required.

MC's failure to pay Mr. Vinson and other aggrieved employees the balance of overtime compensation, as required by California law, violates the provisions of California Labor Code sections 510 and 1198. Mr. Vinson and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 1182.12, 1194, 1197, 1197.1, and 1198 – Unpaid Minimum Wages

California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198 require employers to pay employees the minimum wage fixed by the IWC. The payment of a lesser wage than the minimum so fixed is unlawful. Compensable work time is defined in IWC Wage Order No. 9-2001 as "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." Cal. Code Regs. tit. 8, § 11090(2)(H) (defining "Hours Worked").

First, as stated above, MC had a company-wide policy and/or practice of rounding Mr. Vinson's and other aggrieved employees' clock-in and clock-out times in its timekeeping system to the nearest tenth (0.1) of an hour, resulting in the failure to compensate Mr. Vinson and other aggrieved employees fully for all hours worked.

Second, as stated, a result of MC's policy of limiting the amount of overtime employees could accrue, MC required Mr. Vinson and other aggrieved employees to perform work off-the-clock before and after their scheduled start and end times, such as guiding or moving customer vehicles in or out of vehicle bays, or waiting for manager or keyholder employees to arrive and open the service center to clock in. MC failed to track this time that Mr. Vinson and other aggrieved employees spent working off-the-clock, and Mr. Vinson and other aggrieved employees received no compensation for this time.

Third, as also stated above, due to MC's uniform practices and/or policies of utilizing labor budgets, understaffing while assigning heavy workloads, and failing to schedule meal periods, Mr. Vinson and other aggrieved employees were impeded from taking all uninterrupted meal periods to which they were entitled and were required to work off-the-clock during meal periods, had their meal periods interrupted, and/or were otherwise not relieved of all duties during unpaid meal periods.

Also, as stated above, on information and belief, because MC frowned upon employees accruing meal period penalties, MC's managers pressured employees to clock out for meal periods to reflect compliant meal periods, on threat of discipline, even when they did not receive a compliant meal period. Additionally, as stated, MC's company-wide timekeeping system prevented Mr. Vinson and other aggrieved employees from entering time worked during meal periods because the system locked out Mr. Vinson and other aggrieved employees for a full 30 minutes. Thus, MC systematically failed to pay Mr. Vinson and other aggrieved employees for actual hours worked during unpaid meal periods because these hours were not always correctly recorded.

Thus, MC did not pay minimum wages for all hours worked by Mr. Vinson and other aggrieved employees. To the extent that these off-the-clock hours did not qualify for overtime premium payment, MC did not pay at least minimum wages for those hours worked off-the-clock in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198.

Accordingly, MC regularly failed to pay at least minimum wages to Mr. Vinson and other aggrieved employees for all of the hours they worked in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198. Mr. Vinson and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 1197.1 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 226.7, 512(a), 516, and 1198 – Failure to Provide Meal Periods

California Labor Code sections 226.7, 512(a), 516, and 1198 and the applicable IWC Wage Order require employers to provide meal periods and to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a meal or rest period is not provided. Pursuant to Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order, an employer may not require, cause or permit an employee to work for a period of more than five (5) hours per day without providing the employee with an uninterrupted meal period of not less than thirty (30) minutes, except that if the total work period per day of the employee is not more than six (6) hours, the meal period may be waived by mutual consent of both the employer and the employee. Under California law, first meal periods must start after no more than five hours. *Brinker Rest. Corp. v. Superior Court*, 53 Cal. 4th 1004, 1041-1042 (2012). Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order also require employers to provide a second meal period of not less than thirty (30) minutes if an employee works over ten (10) hours per day or to pay an employee one (1) additional hour of pay at the employee's regular rate, except that if the total hours worked is no more than twelve (12) hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived.

During the relevant period, as stated, MC had, and continues to have, a company-wide policy and/or practice of strictly staffing its locations based on the labor hours allocated by each location's labor or payroll budget set by the corporate office. MC's use of labor budgets resulted in chronic understaffing, such that there were too few employees on duty to handle the heavy workload and provide uninterrupted meal period coverage and prevented Mr. Vinson and other aggrieved

employees from taking all timely, uninterrupted meal periods to which they were entitled. Additionally, as stated, MC maintained and implemented a company-wide practice of failing to schedule meal periods, which further caused Mr. Vinson and other aggrieved employees to not be relieved of their duties for compliant meal periods.

As a result, Mr. Vinson and other aggrieved employees had to work through all or part of their meal periods, had their meal periods interrupted, and/or had to wait extended periods of time before taking meal periods. For example, as stated, Mr. Vinson worked through his meal periods because he was tasked with overseeing all vehicle bays simultaneously, and had his meal periods interrupted because his supervisors required Mr. Vinson to attend to customers waiting to be helped or guide customer vehicles in and out of the vehicle bays, due to the lack of coverage. Additionally, Mr. Vinson sometimes took his meal periods late, after the fifth hour of work, due to the lack of coverage.

As also stated, on information and belief, because MC frowned upon employees accruing meal period penalties, MC's management pressured Mr. Vinson and other aggrieved employees, on threat of discipline, to clock out for meal periods to reflect compliant meal periods, even when they did not receive a compliant meal period. In addition, as stated, MC's company-wide timekeeping system prevented Mr. Vinson and other aggrieved employees from recording when their meal periods were shortened or interrupted, because the system locked out Mr. Vinson and other aggrieved employees once they clocked out for a meal period, and would not permit them to clock back in from a meal period before 30 minutes had elapsed. For example, Mr. Vinson was unable to record when his meal periods were interrupted or cut short by management discussing work-related matters or attending to waiting customers.

Additionally, Mr. Vinson and other aggrieved employees worked shifts in excess of ten (10) hours without receiving an uninterrupted second 30-minute meal period. For example, during his employment, Mr. Vinson sometimes worked shifts in excess of ten (10) or more hours per day, but was not provided a second 30-minute meal period. Mr. Vinson and other aggrieved employees did not sign valid meal period waivers on days that they were entitled to meal periods and were not relieved of all duties.

At all times mentioned herein, MC knew or should have known that as a result of its policies, Mr. Vinson and other aggrieved employees were prevented from being relieved of all duties and required to perform some of their assigned duties during meal periods. MC further knew or should have known that it did not pay Mr. Vinson and other aggrieved employees all meal period premiums when meal periods were late, interrupted, shortened, and/or missed. Further, to the extent that MC's rounding policy reported that Mr. Vinson and other aggrieved employees were provided with timely, full 30-minute meal periods when, in fact, the meal periods were taken after the fifth hour of work or were less than 30 minutes, Mr. Vinson and other aggrieved employees did not receive meal period premiums for these improperly rounded meal periods.

Furthermore, MC engaged in a company-wide practice and/or policy of not paying meal period premiums owed when compliant meal periods are not provided. Because of this practice and/or policy, Mr. Vinson and other aggrieved employees have not received premium pay for all missed, late, and interrupted meal periods. Alternatively, to the extent that MC did pay other aggrieved employees premium pay for missed, late, and interrupted meal periods, MC did not pay other aggrieved employees at the correct rate of pay for premiums because MC systematically failed to include all forms of compensation, such as incentive pay, nondiscretionary bonuses, and/or other forms of remuneration, in the regular rate of pay.

Accordingly, MC failed to provide all meal periods in violation of California Labor Code sections 226.7, 512(a), 516, and 1198. Mr. Vinson and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 226.7, 516, and 1198 – Failure to Authorize and Permit Rest Periods

California Labor Code sections 226.7, 516, and 1198 and the applicable IWC Wage Order require employers to provide rest periods and to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a meal or rest period is not provided. California Labor Code section 226.7 provides that no employer shall require an employee to work during any rest period mandated by an applicable order of the California IWC. The applicable IWC Wage Order provides that "[e]very employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period" and that the "rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof" unless the total daily work time is less than three and one-half (3 ½) hours.

To comply with its obligation to authorize and permit rest periods under California Labor Code section 226.7 and the applicable IWC Wage Order, an employer must "relinquish any control over how employees spend their break time, and relieve their employees of all duties—including the obligation that an employee remain on call. A rest period, in short, must be a period of rest." *Augustus, et al. v. ABM Security Services, Inc.*, 2 Cal. 5th 257, 273 (2016).

During the relevant time period, MC regularly failed to authorize and permit Mr. Vinson and other aggrieved employees to take a ten (10) minute rest period per each four (4) hour period worked or major fraction thereof. As with meal periods, MC's company-wide policies and/or practices of labor budgeting and/or limited payroll allocation, understaffing, and assigning heavy workloads, prevented Mr. Vinson and other aggrieved employees from being relieved of all duty to take their rest periods. MC also failed to schedule rest periods, which, coupled with MC's failure to provide adequate rest period coverage, further led to Mr. Vinson and other aggrieved employees not being authorized and permitted to take compliant rest periods.

Furthermore, upon information and belief, during the relevant time period, MC maintained a company-wide on-premises rest period policy, which effectively required that Mr. Vinson and/or other aggrieved employees remain on MC's premises during their rest periods. Because Mr. Vinson and/or other aggrieved employees were restricted from leaving the premises during rest periods, they were denied the ability to use their rest periods freely for their own purposes, such as running personal errands. Thus, MC effectively maintained control over Mr. Vinson and/or other aggrieved employees during rest periods.

As a result of MC's practices and policies, Mr. Vinson and other aggrieved employees worked shifts in excess of 3.5 hours, in excess of 6 hours, and/or in excess of 10 hours without receiving all uninterrupted rest periods to which they were entitled. For example, Mr. Vinson had to forego all his rest periods because of the heavy workload and MC's failure to schedule rest periods for employees.

MC has also engaged in a systematic, company-wide practice and/or policy of not paying rest period premiums owed when rest periods are not authorized and permitted. Because of this practice and/or policy, Mr. Vinson and other aggrieved employees have not received premium pay for all missed rest

periods. Alternatively, to the extent that MC did pay other aggrieved employees one (1) additional hour of premium pay for missed rest periods, MC did not pay other aggrieved employees at the correct rate of pay for premiums because MC failed to include all forms of compensation, such as incentive pay, nondiscretionary bonuses, and/or other forms of remuneration, in the regular rate of pay.

Accordingly, MC failed to authorize and permit all rest periods in violation of California Labor Code sections 226.7, 516, and 1198. Mr. Vinson and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 226(a), 1174(d), and 1198 – Non-Compliant Wage Statements and Failure to Maintain Accurate Payroll Records

California Labor Code section 226(a) requires employers to make, keep and provide true, accurate, and complete employment records. MC has not provided Mr. Vinson and other aggrieved employees with properly itemized wage statements. Labor Code section 226(e) provides that if an employer fails to comply with providing an employee with properly itemized wage statements as set forth in 226(a), then the employee is entitled to recover the greater of all actual damages or \$50 for the initial pay period in which a violation occurs and \$100 per employee for each violation in a subsequent pay period, not to exceed \$4,000. Further, Labor Code section 226.3 provides that any employer who violates section 226(a) shall be subject to a civil penalty in the amount of \$250 per employee per violation in an initial citation and \$1,000 per employee for each violation in a subsequent citation, for which the employer fails to provide the employee a wage statement or fails to keep the required records pursuant to Section 226(a).

During the relevant time period, MC has knowingly and intentionally provided Mr. Vinson and other aggrieved employees with uniform, incomplete, and inaccurate wage statements. For example, MC issued uniform wage statements to Mr. Vinson and other aggrieved employees that fail to correctly list: gross wages earned; total hours worked; net wages earned; and all applicable hourly rates in effect during the pay period, including rates of pay for overtime wages, meal and rest period premiums, paid sick leave, and/or reporting time pay, and the corresponding number of hours worked at each hourly rate. Specifically, MC violated sections 226(a)(1), 226(a)(2), 226(a)(5), and 226(a)(9).

Because MC did not accurately record the time Mr. Vinson and other aggrieved employees spent working off-the-clock, improperly rounded their Mr. Vinson's and other aggrieved employees' total hours worked, and deducted time from their records for meal periods that were interrupted and/or missed (and therefore time for which they should have been paid), MC did not list the correct amount of gross wages and net wages earned by Mr. Vinson and other aggrieved employees, in compliance with section 226(a)(1) and section 226(a)(5), respectively. For the same reason, MC failed to accurately list the total number of the hours worked by Mr. Vinson and other aggrieved employees, in violation of section 226(a)(2), and failed to list the applicable hourly rates of pay in effect during the pay period and the corresponding accurate number of hours worked at each hourly rate, in violation of section 226(a)(9).

Also, because MC did not calculate other aggrieved employees' regular rate of pay correctly for purposes of paying overtime wages, meal and rest period premiums, paid sick leave, and/or reporting time pay, MC did not list the correct amount of gross wages in compliance with section 226(a)(1) and did not list the correct amount of net wages in violation of section 226(a)(5). MC also failed to

correctly list all applicable hourly rates in effect during the pay period, namely, correct rates of pay for overtime wages, meal and rest period premiums, paid sick leave, and/or reporting time pay, in violation of section 226(a)(9).

The wage statement deficiencies also include, without limitation, failing to list the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis; failing to list all deductions; failing to list the inclusive dates of the period for which aggrieved employees were paid; failing to list the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number; failing to list the name and address of the legal entity that is the employer; and/or failing to state all hours worked as a result of not recording or stating hours worked off-the-clock.

California Labor Code section 1174(d) provides that “[e]very person employing labor in this state shall . . . [k]eep a record showing the names and addresses of all employees employed and the ages of all minors” and “[k]eep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments” Labor Code section 1174.5 provides that employers are subject to a \$500 civil penalty if they fail to maintain accurate and complete records as required by section 1174(d). During the relevant time period, and in violation of Labor Code section 1174(d), MC willfully failed to maintain accurate payroll records for Mr. Vinson and other aggrieved employees showing the daily hours they worked and the wages paid thereto as a result of failing to record the off-the-clock hours that they worked and improperly rounding Mr. Vinson’s and other aggrieved employees’ total hours worked.

California Labor Code section 1198 provides that the maximum hours of work and the standard conditions of labor shall be those fixed by the Labor Commissioner and as set forth in the applicable IWC Wage Order. Section 1198 further provides that “[t]he employment of any employees for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful.” Pursuant to the applicable IWC Wage Order, employers are required to keep accurate time records showing when the employee begins and ends each work period and meal period. During the relevant time period, MC engaged in company-wide practices and/or policies of failing to record actual hours worked, and thereby failed to keep accurate records of work period and meal period start and end times for Mr. Vinson and other aggrieved employees, in violation of section 1198. Furthermore, in light of MC’s failure to provide Mr. Vinson and other aggrieved employees with second 30-minute meal periods to which they were entitled, MC kept no records of meal start and end times for second meal periods.

Because MC failed to provide the correct net and gross wages earned, applicable rates of pay, and number of total hours worked on wage statements, Mr. Vinson and other aggrieved employees have been prevented from verifying, solely from information on the wage statements themselves, that they were paid correctly and in full. Instead, Mr. Vinson and other aggrieved employees have had to look to sources outside of the wage statements themselves and reconstruct time records to determine whether in fact they were paid correctly and the extent of underpayment, thereby causing them injury.

Mr. Vinson and other aggrieved employees are entitled to recover civil penalties, attorney’s fees, costs, and interest thereon pursuant to Labor Code sections 226.3, 1174.5, and/or 2699(a), (f)-(g).

Violation of California Labor Code § 204 – Failure to Timely Pay Wages During Employment

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. Alternatively, California Labor Code section 204 provides that the requirements of this section are deemed satisfied by the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more than seven (7) calendar days following the close of the payroll period.

During the relevant time period, MC failed to pay Mr. Vinson and other aggrieved employees all wages due to them, including, but not limited to, overtime wages, minimum wages, meal and rest period premiums, sick leave pay, and/or reporting time pay, within any time period specified by California Labor Code section 204.

Mr. Vinson and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 210 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 201 and 202 – Failure to Timely Pay Final Wages Upon Termination

California Labor Code sections 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.

MC willfully failed to pay Mr. Vinson and other aggrieved employees who are no longer employed by MC the earned and unpaid wages set forth above, including but not limited to, overtime wages, minimum wages, meal and rest period premiums, sick leave pay, and/or reporting time pay, either at the time of discharge, or within seventy-two (72) hours of their leaving MC's employ.

Mr. Vinson and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 256 and/or 2699(a), (f)-(g).

Violation of California Labor Code § 246 – Failure to Properly Calculate Paid Sick Leave

At all relevant times herein, California Labor Code sections 245.5, 246, 246.5, 247, 247.5, 248.5, and 249 provide employees who have worked in California for 30 or more days from the commencement of employment with paid sick days, to be accrued at least one hour for every 30 hours worked. Effective January 1, 2024, California Labor Code section 246(b)(4) requires employers to provide no less than 40 hours or five (5) days of paid sick leave (or equivalent paid leave or paid time off) in each year of the employee's employment. Labor Code section 246(l) provides that an employer shall calculate paid sick leave by using one of two calculations: 1) "[p]aid sick time for nonexempt employees shall 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[;]” or 2) “[p]aid sick time for nonexempt employees shall 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.”

During the relevant time period, on information and belief, MC did not pay other aggrieved employees the correct sick leave rates of pay. As stated, in addition to an hourly wage, MC paid other aggrieved employees incentive pay, nondiscretionary bonuses, and/or other forms of remuneration. However, in violation of the California Labor Code, MC failed to incorporate all remunerations, including incentive pay and/or nondiscretionary bonuses, into the calculation of the regular rate of pay for purposes of calculating the sick leave pay rate. Therefore, during times when other aggrieved employees took sick leave and received these other forms of pay, MC failed to pay all sick leave benefits by paying a lower sick leave pay rate than required. Specifically, MC paid other aggrieved employees sick leave based on their hourly rate of pay instead of their regular rate of pay.

MC’s failure to properly calculate the sick leave rates of pay based on all remuneration paid has resulted in an underpayment of sick leave benefits to other aggrieved employees on a company-wide basis in violation of Labor Code section 246(l).

Other aggrieved employees are entitled to recover civil penalties, attorney’s fees, costs, and interest thereon, pursuant to Labor Code sections 248.5 and/or 2699(a), (f)-(g).

Violation of California Labor Code § 1198 and California Code of Regulations Title 8, Section 11090 Subdivision 5(A) – Failure to Pay Reporting Time Pay

California Labor Code section 1198 dictates that no employer may employ an employee under conditions of labor that are prohibited by the applicable IWC wage order. California Labor Code section 1198 further requires that “. . . the standard conditions of labor fixed by the commission shall be the . . . standard conditions of labor for employees. The employment of any employee . . . under conditions of labor prohibited by the order is unlawful.”

California Code of Regulations, Title 8, section 11090(5)(A) provides that “[e]ach 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, which shall not be less than the minimum wage.” The “primary purpose of the reporting time regulation” is “to guarantee at least partial compensation for employees who report to work expecting to work a specified number of hours, and who are deprived of that amount because of inadequate scheduling or lack of proper notice by the employer.” *Aleman v. AirTouch Cellular*, 209 Cal. App. 4th 556 (2012).

During the relevant time period, MC violated California Labor Code section 1198 and California Code of Regulations, Title 8, section 11090(5)(A), because MC failed to pay Mr. Vinson and other aggrieved employees reporting time pay when they reported to work for their scheduled shift, but were put to work for less than half of the usual or scheduled day’s work.

MC had a company-wide practice of sending Mr. Vinson and other aggrieved employees home early from their shifts, including before they had worked at least half of their usual or scheduled shift, but would not pay other aggrieved employees for half of their usual or scheduled shift. On information

and belief, when this would occur, MC did not pay Mr. Vinson and other aggrieved employees for at least half of their scheduled day's work or the minimum reporting time pay when they were subject to work for less than half of their usual or scheduled shift.

Moreover, to the extent that MC did pay other aggrieved employees reporting time pay, MC did not pay the correct reporting time rates of pay. As stated, in addition to an hourly wage, MC paid other aggrieved employees incentive pay, nondiscretionary bonuses, and/or other forms of remuneration. However, in violation of the California Labor Code, MC failed to incorporate all remunerations, including incentive pay, and/or nondiscretionary bonuses, into the calculation of the regular rate of pay for purposes of calculating the reporting time pay rate. Therefore, during times when other aggrieved employees were paid reporting time and received these other forms of pay, MC failed to pay all reporting time pay by paying a lower pay rate than required. Specifically, MC paid other aggrieved employees reporting time pay based on their hourly rate of pay instead of their regular rate of pay.

Accordingly, Mr. Vinson and other aggrieved employees were not properly compensated with reporting time pay in violation of California Labor Code section 1198 and California Code of Regulations, Title 8, section 11090(5)(A). Mr. Vinson and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 2699(a), (f)-(g).

Violation of California Labor Code § 1198 and California Code of Regulations Title 8, Section 11090 Subdivision 4(C) – Failure to Pay Split-Shift Premiums

California Labor Code section 1198 provides that no employer may employ an employee under conditions of labor that are prohibited by the applicable IWC wage order. California Labor Code section 1198 further requires that “. . . the standard conditions of labor fixed by the commission shall be the . . . standard conditions of labor for employees. The employment of any employee . . . under conditions of labor prohibited by the order is unlawful.”

California Code of Regulations, Title 8, section 11090(4)(C) provides that, “When an employee works a split shift, one (1) hour's pay at the minimum wage shall be paid in addition to the minimum wage for that workday, except when the employee resides at the place of employment.” California Code of Regulations, Title 8, defines a split shift 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.”

MC willfully violated California Labor Code section 1198 and California Code of Regulations, Title 8, section 11090(4)(C), because MC failed to pay Mr. Vinson and other aggrieved employees a split-shift premium when they returned to work for an additional shift in the same day, after having been clocked out for more than an hour. For example, on at least two (2) occasions during his employment, Mr. Vinson worked his usual opening shift in the morning, clocked out for more than an hour, and then returned to work in the evening for another shift. When this occurred, MC did not pay Mr. Vinson and other aggrieved employees an additional hour at minimum wage.

MC's failure to provide Mr. Vinson and other aggrieved employees with split-shift pay when they returned to work for an additional shift in the same day, after having been clocked out for more than an hour, violates California Labor Code section 1198 and California Code of Regulations Title 8, Section 11090(4)(C). Mr. Vinson and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 2699(a), (f)-(g).

Violation of California Labor Code § 1198 and California Code of Regulations Title 8, Section 11090 Subdivision 14(A) – Failure to Provide Suitable Seating

California Labor Code section 1198 makes it illegal to employ an employee under conditions of labor that are prohibited by the applicable IWC Wage Order. California Labor Code section 1198 requires that “. . . the standard conditions of labor fixed by the commission shall be the . . . standard conditions of labor for employees. The employment of any employee . . . under conditions of labor prohibited by the order is unlawful.” California Code of Regulations, Title 8, section 11090(14)(A) provides that “[a]ll working employees shall be provided with suitable seats when the nature of the work reasonably permits the use of seats.”

“The ‘nature of the work’ refers to an employee’s tasks performed at a given location for which a right to a suitable seat is claimed, rather than a ‘holistic’ consideration of the entire range of an employee’s duties anywhere on the jobsite during a complete shift. If the tasks being performed at a given location reasonably permit sitting, and provision of a seat would not interfere with performance of any other tasks that may require standing, a seat is called for.” *Kilby v. CVS Pharmacy, Inc.*, 368 P.3d 554, 558 (Cal. 2016). “Whether the nature of the work reasonably permits sitting is a question to be determined objectively based on the totality of the circumstances. An employer’s business judgment and the physical layout of the workplace are relevant but not dispositive factors. The inquiry focuses on the nature of the work, not an individual employee’s characteristics.” *Id.* The burden of proof to show suitable seating is not available is on the employer. *Id.* At 568. In other words, the employer must show that compliance is “infeasible because no suitable seating exists.” *See id.*

MC’s California service centers are generally similar in their layout and design and there was, and continues to be, space behind service desks and counters to allow for the presence and use of a seat or stool by Mr. Vinson and other aggrieved employees (with reasonable or no modification to these work areas) during the performance of their work duties. MC could provide Mr. Vinson and other aggrieved employees with a seat or stool at its service desks and counters, but instead denies employees seating and forces other aggrieved employees to stand throughout the day.

Mr. Vinson and other aggrieved employees spent a substantial portion of their day behind or at these service desks and counters. The nature of the work of an employee performing customer service duties can reasonably be accomplished from a seated position. However, as set forth herein, MC systematically, and on a company-wide basis, does not provide seats or stools at or near the service desks and counters, forcing Mr. Vinson and other aggrieved employees to stand throughout their work shifts.

MC violated California Labor Code section 1198 and California Code of Regulations, Title 8, section 11090(14)(A) because Mr. Vinson and other aggrieved employees were not allowed to sit, even when the nature of the work would reasonably permit the use of seats, nor were they provided with suitable seats. MC’s management did not inform Mr. Vinson and other aggrieved employees that they were allowed to sit down, provide any means for them to sit down, or mention any policy regarding sitting.

As a result of MC’s company-wide policy and/or practice of prohibiting employees from sitting during their shifts and company-wide failure to provide suitable seating, Mr. Vinson and other aggrieved employees were forced to stand during shifts and denied seats. MC’s failure to provide suitable seating to Mr. Vinson and other aggrieved employees violates California Labor Code section 1198 and IWC Wage Order No. 9-2001, subdivision 14(A).

Mr. Vinson and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, and seek injunctive relief to bring MC into compliance with California's seating requirements, pursuant to Labor Code sections 1194.5 and/or 2699(a), (f)-(g).

Violation of California Labor Code § 1198 and California Code of Regulations Title 8, Section 11090 Subdivision 14(B) – Failure to Provide Suitable Seating

California Labor Code section 1198 makes it illegal to employ an employee under conditions of labor that are prohibited by the applicable IWC Wage Order. California Labor Code section 1198 requires that “. . . the standard conditions of labor fixed by the commission shall be the . . . standard conditions of labor for employees. The employment of any employee . . . under conditions of labor prohibited by the order is unlawful.” California Code of Regulations, Title 8, section 11090(14)(B) provides that “[w]hen 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.”

The IWC states that subdivision 14(B) applies during “lulls in operation” when an employee, while still on the job, is not then actively engaged in any duties. *Kilby v. CVS Pharmacy, Inc.*, 368 P.3d 554, 565 (Cal. 2016), citing IWC, 1976 Wage Orders, Summary of Basic Provisions, Seats. When taken together, an employee is entitled to a seat under subdivision 14(A) if his or her actual tasks at a discrete location make seated work feasible, while working there. *Id.* However, if other job duties take the employee to a different location where he or she must perform tasks requiring standing, the employee would be entitled to a seat under subdivision 14(B) during “lulls in operation.” *Id.*

MC's California service centers are generally similar in their layout and design and there was, and continues to be, space near their work areas (with reasonable or no modification to these work areas) to allow for the presence and use of a seat or stool by Mr. Vinson and other aggrieved employees during lulls in operation. MC could have provided Mr. Vinson and other aggrieved employees with a seat or stool in its work areas, but instead denied, and continues to deny, employees seating, forcing them to stand throughout the day.

MC did not provide Mr. Vinson and other aggrieved employees with seats or stools in reasonable proximity to their work areas to allow them to use seats when it would not interfere with the performance of their duties for times when they were not engaged in active duties that require standing. In other words, to the extent Mr. Vinson and other aggrieved employees engaged in duties in which the nature of the work required standing, MC denied them the use of seats nearby during lulls in their work duties. Moreover, MC did not inform Mr. Vinson and other aggrieved employees of their rights to a seat or stool under California law.

As a result of MC's company-wide policy and/or practice of prohibiting employees from sitting at any time, even when they were not engaged in active duties requiring standing, and company-wide failure to provide seats in reasonable proximity to their work areas, Mr. Vinson and other aggrieved employees were forced to stand during shifts and denied seats. MC's failure to provide suitable seating to Mr. Vinson and other aggrieved employees violates California Labor Code section 1198 and IWC Wage Order No. 9-2001, subdivision 14(B).

Mr. Vinson and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, and seek injunctive relief to bring MC into compliance with California's seating requirements, pursuant to Labor Code sections 1194.5 and/or 2699(a), (f)-(g).

Violation of California Labor Code § 2802 – Unreimbursed Business Expenses

California Labor Code section 2802 requires employers to pay for all necessary expenditures and losses incurred by the employee in the performance of his or her job. The purpose of Labor Code section 2802 is to prevent employers from passing off their cost of doing business and operating expenses on to their employees. *Cochran v. Schwan's Home Service, Inc.*, 228 Cal. App. 4th 1137, 1144 (2014). The applicable wage order, IWC Wage Order No. 9-2001, provides that: “[w]hen tools or equipment are required by the employer or are necessary to the performance of a job, such tools and equipment shall be provided and maintained by the employer, except that an employee whose wages are at least two (2) times the minimum wage provided herein may be required to provide and maintain hand tools and equipment customarily required by the trade or craft.”

During the relevant time period, MC, on a company-wide basis, required that Mr. Vinson and other aggrieved employees use their own personal mobile devices, including, but not limited to, cellular phones, and/or mobile data to carry out their job duties but failed to reimburse them for the costs of their work-related mobile device expenses. For example, MC required Mr. Vinson to utilize his personal cellular phone for communicating with outside vendors to coordinate deliveries of vehicle parts to the service center. Although MC required Mr. Vinson and other aggrieved employees to utilize their personal mobile devices and/or mobile data to carry out their work-related responsibilities, MC failed to reimburse them for this cost.

MC could have provided Mr. Vinson and other aggrieved employees with company mobile devices, or, MC could have reimbursed employees for the costs of their mobile device usage. Instead, MC passed these operating costs off onto Mr. Vinson and other aggrieved employees. At all relevant times, Mr. Vinson did not earn at least two (2) times the minimum wage.

Thus, MC had, and continues to have, a company-wide policy and/or practice of not reimbursing employees for expenses necessarily incurred in violation of California Labor Code section 2802. Mr. Vinson and other aggrieved employees are entitled to recover civil penalties, attorney’s fees, costs, and interest thereon, pursuant to Labor Code sections 2699(a), (f)-(g).

Violation of California Labor Code § 2810.5(a)(1)(A)-(C) – Failure to Provide Notice of Material Terms of Employment

California’s Wage Theft Prevention Act was enacted to ensure that employers provide employees with basic information material to their employment relationship at the time of hiring, and to ensure that employees are given written and timely notice of any changes to basic information material to their employment. Codified at California Labor Code section 2810.5, the Wage Theft Prevention Act provides that at the time of hiring, an employer must provide written notice to employees of the rate(s) of pay and basis thereof, whether paid by the hour, shift, day, week, salary, piece, commission, or otherwise, including any rates for overtime, the regular payday designated by the employer, and any allowances claims as part of the minimum wage, including meal or lodging allowances. Effective January 1, 2015, an employer’s written notice pursuant to section 2810.5 must also include a statement that the employee may accrue and use sick leave; has a right to request and use accrued paid sick leave; may not be terminated or retaliated against for using or requesting the use of accrued paid sick leave; and has the right to file a complaint against an employer who retaliates.

MC failed to provide Mr. Vinson and other aggrieved employees written notice that lists the requisite information set forth in Labor Code section 2810.5(a)(1)(A)-(C). MC’s failure to provide Mr.

Vinson and other aggrieved employees with written notice of basic information regarding their employment with MC is in violation of Labor Code section 2810.5.

Mr. Vinson and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 2699(a), (f)-(g).

California Labor Code § 558(a)

California Labor Code section 558(a) provides "[a]ny employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provision regulating hours and days of work in any order of the Industrial Welfare Commission shall be subject to a civil penalty as follows: (1) For any initial violation, fifty dollars (\$50) for each underpaid employee for each pay period for which the employee was underpaid . . . (2) For each subsequent violation, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee was underpaid . . ." Labor Code section 558(c) provides that "[t]he civil penalties provided for in this section are in addition to any other civil or criminal penalty provided by law." MC, at all relevant times, was an employer or person acting on behalf of an employer(s) who violated Mr. Vinson's and other aggrieved employees' rights by violating various sections of the California Labor Code.

Accordingly, Mr. Vinson seeks the remedies set forth in Labor Code section 558 for himself, the State of California, and all other aggrieved employees. Specifically, pursuant to PAGA, and in particular California Labor Code sections 1194.5, 2699(a), 2699.3(a) and 2699.3(c), 2699.5, and 558, Mr. Vinson, acting in the public interest as a private attorney general, seeks assessment and collection of civil penalties and injunctive relief for himself, all other aggrieved employees, and the State of California against MC for violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 246, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2802, and 2810.5.

Therefore, on behalf of all aggrieved employees, Mr. Vinson seeks all applicable penalties related to these violations of the California Labor Code pursuant to PAGA.

Pre-Litigation Demand

This notice shall further serve as Mr. Vinson's reasonable attempt to settle his dispute with MC prior to litigation. Pursuant to *Graham v. Daimler Chrysler Corp.*, 34 Cal. 4th 553 (2004), this notice serves to inform MC of Mr. Vinson's aforementioned grievances and the proposed remedies as detailed below, while affording MC a reasonable opportunity to satisfy Mr. Vinson's demands.

Demand is hereby made that MC shall, within 30 calendar days of this notice, agree, in writing to the following corrective actions:

1. MC shall pay Mr. Vinson and all other aggrieved employees employed by MC at any time during the past three years from the date of this notice unpaid wages and compensation for the above-referenced violations.
2. MC shall comply with all California labor laws and ensure that its non-exempt employees are paid overtime wages and minimum wages for all hours worked, provided lawful meal and rest periods, and paid all reporting time pay.

3. MC shall conduct a survey or interview all current and former aggrieved employees in California who worked for MC in the past three years to obtain information from them regarding the above-referenced violations, including, but not limited to: the number of meal periods which were not provided; the number of rest periods which were not authorized and permitted; and the number of employees who were required to pay for mobile device usage or other expenditures in the discharge of their duties, with the investigation to be completed within 60 days.
4. MC shall pay each aggrieved employee one hour of pay at his or her regular rate of pay for each work day he or she was not provided one or more meal periods, as required by Labor Code sections 226.7, 512(a), 516, and 1198. MC also shall pay each aggrieved employee one hour of pay at his or her regular rate of pay for each work day he or she was not authorized and permitted one or more rest periods, as required by Labor Code sections 226.7, 516, and 1198.
5. MC shall properly calculate aggrieved employees' rates of pay for overtime, meal and rest period premiums, paid sick leave, and/or reporting time pay based on all remuneration paid, pursuant to Labor Code sections 226.7, 510, 246(l), and 1198.
6. MC shall provide aggrieved employees who are required to report for work and do report but are not put to work or are furnished less than half their usual or scheduled day's work, with pay 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 aggrieved employee's regular rate of pay.
7. MC shall pay Mr. Vinson and each other aggrieved employee with split-shift pay when they returned to work for an additional shift in the same day, after having been clocked out for more than an hour, as required by California Labor Code section 1198 and California Code of Regulations Title 8, Section 11090(4)(C).
8. MC shall implement and provide suitable seating to all aggrieved employees.
9. MC shall reimburse Mr. Vinson and all aggrieved employees who were required to pay for any business expenses incurred for MC's benefit, including, but not limited to, costs of mobile device usage, as required by Labor Code section 2802.
10. MC shall pay accrued legal interest to Mr. Vinson and all aggrieved employees at the rate of 10% per annum for said unpaid wages.
11. MC shall provide Mr. Vinson and all aggrieved employees employed by MC at any time during the past three years from the date of this notice corrected wage statements that include the requisite information set forth in Labor Code section 226(a).
12. MC shall provide all aggrieved employees written notice of basic information regarding their employment that includes the requisite information set forth in Labor Code section 2810.5(a)(1)(A)-(C).
13. MC shall pay waiting time penalties, equal to 30 days of pay, to each former aggrieved employee who was not paid all wages due as described herein.

14. MC shall pay all penalties arising from the violations of the Labor Code and IWC Wage Order sections referenced above and pursuant to PAGA, Labor Code sections 2698, *et seq.*, including, but not limited to, penalties under Labor Code sections 210, 226.3, 248.5, 256, 558, 1174.5, 1197.1, and 2699, and IWC Wage Order No. 9-2001, section 20.

Thank you for your attention to this matter. If you have any questions, please contact me at the phone number or address below:

Alexander Lima
Capstone Law APC
1875 Century Park East, Suite 1000
Los Angeles, CA 90067
(310) 556-4811

Best Regards,

A handwritten signature in black ink, appearing to read 'Alexander Lima', followed by three dots.

Alexander Lima

Copy: M.C. LLC (via U.S. Certified Mail)

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2022	2410	0000	2264	9409	

SENDER: COMPLETE THIS SECTION

- COMPLETE THIS SECTION ON DELIVERY

A. Signature

☐ Agent☐ Addressee

X

1. Received by (Printed Name)

C. Date of Delivery

1. Is delivery address different from item 1? ☐ Yes

☐ Yes

If YES, enter delivery address below:

☐ No

M.C. LLC

1422 EDINGER AVE, SUITE 150
TUSTIN, CA 92780



9590 9402 7690 2122 7208 22

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