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VIA ELECTRONIC SUBMISSION:

Attn: PAGA Administrator
455 Golden Gate Ave., 10th Flr.
San Francisco, CA 94102
<https://dir.tfaforms.net/308>

VIA CERTIFIED MAIL:

Beazley USA Services, Inc.
65 Memorial Rd., Ste. 320
West Hartford, CT 06107

RE: PAGA Notice Pursuant to Labor Code § 2699

To Whom It May Concern:

Kiyana Brown (hereafter, “**Brown**”) hereby provides notice to Beazley USA Services, Inc. (dba Beazley Group), and its parent, subsidiary, and related entities that did employ, or jointly employed, Brown (collectively, “**Beazley**”) pursuant to California’s Private Attorneys General Act of 2004 (“**PAGA**”). (Lab. Code §§ 2698, *et seq.*) Brown provides this notice on behalf of herself and all of Beazley’s current and former non-exempt¹ employees who worked in California at any time in the 365 days preceding the date of this letter (hereafter “**aggrieved employees**”).

Brown and the aggrieved employees are, or were, Beazley’s “employees” within the meaning of Labor Code §§ 2775-2787, Section 2(E) of Industrial Welfare Commission Order No. 4-2001 (hereafter the “**Wage Order**”), and *Martinez v. Combs* (2010) 49 Cal.4th 35, 62-66. (*Adolph v. Uber Techs., Inc.* (2023) 14 Cal.5th 1104, 1120.) They are also “aggrieved employees” within the meaning of Labor Code § 2699(c). At all relevant times, Brown and the other aggrieved employees were entitled to the full protection of both the California Labor Code and the Wage Order.

Despite these facts, Brown alleges Beazley violated the Wage Order, Labor Code §§ 201, 202, 203, 204, 210, 218.5, 221, 226, 226.3, 226.7, 233, 245-249, 432.5-432.6, 510, 512(a), 551-552, 1174(d), 1194, 1194.2, 1197, 1197.1, 1198, 2800, and 2802, and Business and Professions Code §§ 17200, *et seq.* (hereafter the “**UCL**”) within the meaning of Labor Code § 2699(c), and all related local ordinances.

¹ Beazley’s employees, which it misclassified as exempt or as independent contractors, are included in this notice and within the “aggrieved employees” definition that is set forth herein.

Statement of Facts

Beazley employed Brown as an Environmental Underwriter Assistant from approximately January 31, 2022 to August 9, 2024. Brown primarily worked from home upon hire due to the COVID-19 Pandemic, however, her assigned office was located in San Francisco, California.

After the Pandemic technically ended, Beazley permitted Brown and all or some of the other aggrieved employees to work remotely from their homes on a full or part-time basis. Beazley, however, consistently failed to reimburse Brown and the aggrieved employees for their reasonable business expenses despite Beazley's awareness of these expenses being incurred. By way of limited example, Brown and the aggrieved employees had to rely on their home internet, personal cell phones, electricity, and office equipment (e.g., printers with accompanying toner and paper, mice, keyboards, computer monitors, webcams, pens, and more) to perform their jobs.

Hereafter, Brown and the other aggrieved employees are collectively referred to as "**Brown, *et al.***" for brevity. Brown, herself, will continue to be referenced in the singular.

Beazley also instructed Brown, *et al.* to install Microsoft Teams on their personal cell phones so that they could be reached at all times (e.g., nights and weekends) via its chat feature. Doing so was required because if Brown, *et al.* missed any Teams communication while they were away from their computers, then Beazley would reprimand them or worse. Yet, like above, Beazley never reimbursed Brown, *et al.* for their phone usage and they did not provide them with company-owned mobile phones.

While Beazley had a meal and rest break policy that, on paper, complied with California law, they consistently refused to follow its terms. In other words, Beazley regularly failed to provide Brown, *et al.* with their full, timely, and uninterrupted breaks. This often occurred because work demands were so great in volume and consistency, that it was not possible for Brown, *et al.* to take their breaks as required by law. Examples of this include (but are not limited to), Brown, *et al.*: (1) not receiving meal *or* rest breaks in days they worked five or more hours; (2) requiring them to work through their meal and rest breaks or be punished for not responding to work emails; (3) not providing the necessary, additional meal and rest breaks when they worked ten, twelve, or more hours in a day; and (4) when they did receive meal breaks, they were often provided, or afforded due to work constraints, on or after their sixth hour of work.

Another example, specific to Brown, occurred when she was pregnant and her supervisors and coworkers yelled at her for trying to take her breaks as prescribed by law because she was "not available when needed." This resulted in Brown having to skip all of her meal and rest breaks, which meant she was becoming malnourished. This resulted in Brown passing out from exhaustion several times at great risk of injury to herself and her then-unborn child. Beazley was well aware of these incidents because Brown alerted her immediate supervisor, who shared this information with her offending peers who had driven Brown to this point. Despite these facts, no corrective action was taken to protect Brown and Beazley. And it did so. But it never paid Brown

for her missed breaks. Indeed, Beazley did not pay Brown, *et al.* for all (or any) of their meal or rest break premiums for the aforementioned violations.

Beazley also failed to accurately track Brown, *et al.*'s hours worked, including their break times, and thus it failed to pay them for each hour they worked, or fraction thereof. As above, Brown, *et al.* frequently had to work through their meal and rest breaks, and Beazley never tracked these matters in order to comply with California law. But then, sometime in or around late 2023 or early 2024, Beazley began requiring Brown, *et al.* to track their meal breaks in ADP.² This just traded one violation for another.

Beazley's new process required Brown, *et al.* to enter their work hours every day, and they could not submit their time unless they logged that they had taken at least one 30-minute meal break. Functionally, this forced Brown, *et al.* to falsely submit into ADP that they had received a full and timely meal break each work day when they had not. There was no button or regular means to report that such a break had been missed, was untimely, or interrupted. Thus, Beazley continued their failure to pay Brown, *et al.* their break premiums *and* they began underpaying Brown, *et al.* at least 30 minutes each work day where they missed or had a shortened meal break. This is because Beazley did not (and does not) pay Brown, *et al.* during their "meal breaks."

The problem above also meant that Beazley consistently failed to pay Brown, *et al.* wages at their accurate rate. What follow are examples of this issue applicable to Brown, *et al.*, but illustrated by Brown alone:

- Brown worked 8.5 hours in a day, but Beazley required her to log 0.5 hours for an unpaid meal break. Here, Beazley only paid Brown for only eight hours at her base rate of pay. Beazley, however, owed Brown not only eight hours of pay at her base rate, but 0.5 hours at her overtime rate of pay.
- The same example holds with regard to doubletime where Brown, *et al.* worked 12 or more hours in a day.
- Where Brown worked 42.5 hours in a week, but Beazley required her to submit 2.5 hours as unpaid meal breaks (0.5hrs across 5days = 2.5hrs), then it would only pay her for 40 hours at her base rate of pay. Here, Beazley owed Brown an additional 2.5 hours of overtime.

Beazley also failed to accurately track Brown, *et al.*'s time beyond the general examples provided above. This is because it required Brown, *et al.* to respond to various communications from supervisors and clients, and to perform tasks after they had logged their time or were "on the go." Furthermore, when Brown, *et al.* were away from their work computers, they could not readily track or enter this productivity time in ADP. So, they frequently did not do so. As a result, Beazley never compensated Brown, *et al.* for their time required to conduct this work despite being aware that it was because it tracked Brown, *et al.*'s time and workflow. This means Beazley failed to pay

² Excluded, on information and belief, are the aggrieved employees whom Beazley misclassified as exempt because meal and rest break requirements often do not apply to such employees when properly classified.

Brown, *et al.* their minimum wage, overtime, and doubletime owed for each hour they worked or fraction thereof.

Furthermore, when Beazley did pay Brown, *et al.* overtime or doubletime (and very occasionally paid any of the aggrieved employees a missed/late/interrupted break premium), it failed to do so at Brown, *et al.*'s regular rate of pay. (*Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.5th 858, 864-880 [examining regular rate of pay].) This is because Beazley awarded Brown, *et al.* non-discretionary bonuses, but it failed to calculate these bonuses into Brown, *et al.*'s regular rate of pay for purposes of their overtime, doubletime, and (where paid) break premiums.

Beazley also provided Brown, *et al.* with paid time off (“PTO”), which accrued over time. However, it commonly failed to accurately track how much PTO Brown, *et al.* had accrued pursuant to Beazley’s policies, and so it deprived Brown, *et al.* of all of their earned PTO.

Next, Beazley paid Brown, *et al.* on a bi-weekly basis, but the paystubs it issued to Brown, *et al.* failed to reflect each of the issues (and accurate calculations) discussed above. This resulted in Brown, *et al.* not realizing (or being far less likely to realize) that they were being underpaid each pay period.

Beazley also failed to timely pay Brown, *et al.* all of their pay earned and business expense reimbursements owed at their time of separation or within 30 days thereafter. This includes all of their accrued PTO.

Beazley knew its legal obligations to comply with the laws set forth herein, but it willfully disregarded its legal obligations in an effort to save itself money and in further retaliation for Brown and the aggrieved employees attempting to resist the violations above.

For the reasons stated herein, Brown alleges Beazley has violated and/or continues to violate, among other statutes, California Labor Code §§ 201, 202, 203, 204, 210, 218.5, 221, 226, 226.3, 226.7, 233, 245-249, 432.5-432.6, 510, 512(a), 551-552, 1174(d), 1194, 1194.2, 1197, 1197.1, 1198, 2800, and 2802, the Wage Order, Business and Professions Code §§ 17200, *et seq.*, and all related local ordinances. These violations include, but are not limited to:

1. **Unpaid Minimum Wages.** Beazley failed to timely compensate Brown, *et al.* for all of their minimum wages earned in violation of Labor Code §§ 204, 226.2, 1194, 1197, and 1198, thus incurring additional penalties under §§ 210, 1194.2 and 1197.1;
2. **Unpaid Regular Wages.** Beazley failed to compensate Brown, *et al.* for all of their wages earned above minimum wage (*i.e.*, regular wages), including pay for nonproductive time, in violation of Labor Code § 204;
3. **Unpaid Overtime and Doubletime Wages.** Beazley failed to compensate Brown, *et al.* for all of their earned overtime (*e.g.*, all time worked in excess of eight hours in a day and 40 hours in a week) and doubletime wages (*e.g.*, all time worked in excess of twelve (12) hours in a day and all hours worked in excess of eight on the seventh consecutive day of

work). This conduct violates Labor Code §§ 204, 510, 551-552, 1194, and 1198, and the Wage Order;

4. **Failure to Provide All Uninterrupted Meal Periods.** Beazley failed to provide Brown, *et al.* with all of their timely and uninterrupted meal breaks in violation of Labor Code §§ 226.7, 512, and 1198, and the Wage Order;
5. **Failure to Provide All Uninterrupted Rest Breaks.** Beazley failed to compensate Brown, *et al.* with all timely, uninterrupted rest breaks in violation of Labor Code §§ 226.7 and 1198, and the Wage Order;
6. **Failure to Compensate Late, Interrupted, and Unprovided Meal Periods.** Beazley failed to compensate Brown, *et al.* with one hour's pay, at their regular rates of pay, for each late, interrupted, and/or unprovided meal period in violation of Labor Code §§ 204, 226.7, 512, and 1198, and the Wage Order;
7. **Failure to Compensate Late, Interrupted, and Unprovided Rest Breaks.** Beazley failed to compensate Brown, *et al.* with one hour's pay for each late, interrupted, and/or unprovided rest break in violation of Labor Code §§ 204, 226.7, and 1198, and the Wage Order;
8. **Failure to Provide Paid Sick Leave.** Beazley failed to compensate Brown, *et al.* with all paid sick leave earned during their employment in violation of Labor Code §§ 204, 233, and 245-249 (the Healthy Workplaces, Healthy Families Act of 2014);
9. **Unreimbursed Business Expenses.** Beazley failed to reimburse Brown, *et al.* for their reasonable business expenses in violation of Labor Code §§ 2800 and 2802;
10. **Inaccurate Itemized Wage Statements.** Beazley failed to maintain and/or to provide Brown, *et al.* with accurate and complete wage statements stating, among other things, accurate hours worked, minimum wage earned, regular pay earned, overtime and doubletime earned, paid sick leave, PTO, and meal and rest break penalties earned. This conduct violates Labor Code § 226(a);
11. **Failure to Maintain Accurate Employee Records.** Beazley failed to maintain accurate employee records of Brown, *et al.* in violation of Labor Code §§ 247.5 and 1174(d); and,
12. **Unfair Competition.** As a result of the foregoing, Beazley engaged in unfair competition in violation of Business and Professions Code §§ 17200, *et seq.*

Accordingly, Brown now seeks civil penalties on behalf of herself and the aggrieved employees based on Beazley's alleged violations of the California Labor Code, Business and Professions Code, and the Wage Order.

Conclusion

This letter constitutes the notice required under California's Private Attorneys General Act of 2004. Please be advised that I will seek both reasonable attorneys' fees and costs under Labor Code § 2699(g)(1) in a civil action should the LWDA decline to pursue this matter. This letter also serves as formal notice under the catalyst theory and Code of Civil Procedure § 1021.5 to resolve this matter before litigation. On this basis, I hereby request that Beazley reach out to me, the undersigned, within 33 calendar days of this notice if it wishes to resolve this matter informally. (Lab. Code § 2699.3(c)(2).)

Respectfully.



Erik J. Christensen