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August 5, 2024

VIA ONLINE SUBMISSION

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

Subject: *Raymond Vegas v. The William Warren Group Inc., et al.*

Dear PAGA Administrator:

This office represents Raymond Vegas in connection with his claims under the California Labor Code. Mr. Vegas was an employee of THE WILLIAM WARREN GROUP INC. and/or WILLIAM WARREN PROPERTIES, INC. For the purpose of this letter, Mr. Vegas collectively refers to these entities as "WWG."

The employers may be contacted directly at the addresses below:

THE WILLIAM WARREN GROUP INC.
201 WILSHIRE BLVD STE 102
SANTA MONICA, CA 90401

THE WILLIAM WARREN GROUP INC.
PO BOX 2034
SANTA MONICA, CA90406

WILLIAM WARREN PROPERTIES, INC.
100 WILSHIRE BLVD SUITE 400
SANTA MONICA, CA 90401

WILLIAM WARREN PROPERTIES, INC.
PO BOX 2034
SANTA MONICA, CA90406

Mr. Vegas 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. Vegas seeks relief on behalf of himself, the State of California, and other persons who are or were employed by WWG 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.

WWG employed Mr. Vegas as a non-exempt employee from approximately September 2023 to January 2024. Mr. Vegas worked for WWG as an Assistant Manager at its location in Hayward, California. During his employment, Mr. Vegas typically worked eight (8) hours or more per day and five (5) days or more per week. By the end of his employment, Mr. Vegas was compensated approximately \$19.00 per hour. Mr. Vegas's job duties included, without limitation, maintaining the

storage facility, cleaning out storage units, performing repairs, and assisting customers with storage contracts and payment transactions.

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

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

THE WILLIAM WARREN GROUP INC. and WILLIAM WARREN PROPERTIES, INC. are California corporations. WWG is a privately held, entrepreneurial self-storage development, acquisition, property, and asset management company. WWG operates over 250 Storquest Self Storage locations throughout the United States, including approximately 83 locations in California. Upon information and belief, WWG maintains a single, centralized Human Resources (HR) department at its corporate headquarters in Santa Monica, California, for all non-exempt, hourly paid employees working for WWG in California, including Mr. Vegas and other aggrieved employees. At all relevant times, WWG issued and maintained uniform, standardized scheduling and timekeeping practices and procedures for all non-exempt, hourly paid employees in California, including Mr. Vegas and other aggrieved employees, regardless of their location or position.

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

¹ These facts, theories, and claims are based on Mr. Vegas’s experience and counsel’s review of those records currently available relating to Mr. Vegas’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. Vegas 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.

WWG willfully failed to pay all overtime wages owed to Mr. Vegas and other aggrieved employees. During the relevant time period, Mr. Vegas 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.

During the relevant time period, WWG had, and continues to have, a company-wide policy and/or practice of requiring Mr. Vegas and other aggrieved employees to perform work off-the-clock before and after their scheduled shifts. For example, Mr. Vegas was required to perform opening and closing duties before and after clocking in or out for his shifts, including unlocking or locking doors, and deactivating or activating the security alarm, which would take at least a few minutes, each instance. Moreover, approximately once per week, Mr. Vegas was required to prepare the dumpster for garbage pick-up before clocking in for his shift, which would take up to 20 minutes each instance. Further, upon entering the premises and before clocking in for their shifts, Mr. Vegas and other aggrieved employees were required to immediately attend to waiting customers requesting assistance. For example, when Mr. Vegas arrived at WWG's location at the start of his shift, he was required to assist customers who were already waiting at the facility who wanted to make payments or complete other transactions or who were locked out of their storage units, which could take up to 15 minutes before he was able to clock in for his shift.

However, it was not possible for Mr. Vegas and other aggrieved employees to complete these tasks on-the-clock because, on information and belief, WWG's timekeeping system (a mobile application called Paylocity) is programmed with a geolocation-based fencing function and/or a photo capture function that prevents employees from being able to clock in or clock out when they are outside of a designated area. For example, Mr. Vegas was restricted from clocking in on the Paylocity app unless he was physically located within WWG's designated virtual perimeter inside the office area of WWG's facility, which, as explained above, resulted in Mr. Vegas and other aggrieved employees performing some of their duties off-the-clock. Moreover, WWG's timekeeping software often malfunctioned or had connectivity issues, which impeded Mr. Vegas and other aggrieved employees from accurately recording their hours worked. As a result, Mr. Vegas and other aggrieved employees could not always accurately clock in or clock out with the Paylocity app and, on information and belief, were subject to WWG's management altering their time records or failing to accurately record their hours worked. Essentially, due to the limitations of the timekeeping application, WWG's management maintained control and/or discretion over employees' clock-in and/or clock-out times. Thus, WWG failed to track this time spent working before and after shifts, and Mr. Vegas and other aggrieved employees received no compensation for this time.

Furthermore, WWG had, and continues to have, a company-wide policy of discouraging and impeding Mr. Vegas 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. This policy of limiting overtime, coupled with WWG's understaffing and assignment of heavy workloads (*see infra*), led Mr. Vegas and other aggrieved employees to work off-the-clock after their scheduled shifts. For example, three (3) times per week, Mr. Vegas continued working past his scheduled shift end-time to complete work duties, such as preparing storage rental units, closing the cash register, and logging checks. Moreover, Mr. Vegas and other aggrieved employees were required to complete mandatory online training sessions from home outside their scheduled shifts or on off-days, because WWG did not provide them with time to complete the training sessions during their shifts. This off-the-clock work could have been recorded by WWG, but it refused to do so to avoid payment of additional wages to Mr. Vegas and other aggrieved employees.

WWG knew or should have known that as a result of these company-wide practices and/or policies, Mr. Vegas and other aggrieved employees were performing their assigned duties off-the-clock before and after their shifts, and were suffered or permitted to perform work for which they were not paid. Because Mr. Vegas 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. Vegas and other aggrieved employees were not paid overtime wages for all of the overtime hours they actually worked.

WWG's failure to pay Mr. Vegas 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. Vegas and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f), and (k).

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. 5-2001 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, § 11050(2)(L) (defining "Hours Worked").

As set forth above, WWG had a company-wide policy and/or practice requiring Mr. Vegas and other aggrieved employees to perform work-related tasks while off-the-clock before and after their shifts. For example, WWG required Mr. Vegas and other aggrieved employees to perform tasks such as opening and closing the facilities and immediately attending to waiting customers. However, WWG's mobile timekeeping system prevented employees from accurately recording their hours worked due to geofencing restrictions and frequent malfunctions and, on information and belief, Mr. Vegas and other aggrieved employees were subject to WWG's management altering their time records or failing to accurately record their hours worked. As also stated, because WWG discouraged and impeded Mr. Vegas and other aggrieved employees from recording hours worked that were outside of their scheduled shifts, Mr. Vegas and other aggrieved employees were required to work off-the-clock, including preparing storage rental units, closing the cash registers, logging checks, and completing mandatory online training sessions. WWG failed to track all of this time Mr. Vegas and other aggrieved employees spent working off-the-clock, and thus, Mr. Vegas and other aggrieved employees received no compensation for this time.

Thus, WWG did not pay minimum wages for all hours worked by Mr. Vegas and other aggrieved employees. To the extent that these off-the-clock hours did not qualify for overtime premium payment, WWG 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, WWG regularly failed to pay at least minimum wages to Mr. Vegas 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. Vegas and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, pursuant to Labor Code sections 1197.1 and/or 2699(a), (f), and (k).

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, WWG had, and continues to have, a company-wide policy and/or practice of staffing its locations based on labor hours allocated by each location's labor or payroll budget set by corporate. WWG's uniform use of labor budgets resulted in understaffing, such that there were too few employees on duty to handle the workload and attend to customers. Because WWG did not employ or staff a sufficient number of employees to meet customer demand, there was no one available to relieve employees needing meal period coverage, and Mr. Vegas and other aggrieved employees were not always afforded timely, uninterrupted meal periods to which they were entitled. Moreover, WWG had a company-wide practice of failing to schedule meal periods, which further caused Mr. Vegas and other aggrieved employees to not be relieved of their duties for compliant meal periods. As a result, Mr. Vegas and other aggrieved employees were forced to work in excess of five (5) hours before taking a meal period, had their meal periods interrupted, and/or had to forgo their meal periods altogether. For example, Mr. Vegas took his meal periods late, after having worked in excess of five (5) hours into his shift, in order to assist customers with opening or clearing out storage units.

Moreover, on information and belief, because WWG frowned upon employees accruing meal period penalties, WWG's management adjusted Mr. Vegas's and other aggrieved employees' time records to reflect compliant meal periods regardless of whether they had received a compliant meal period or not, in order to strictly limit the meal penalties that WWG would otherwise owe. Mr. Vegas 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, WWG knew or should have known that as a result of its policies, Mr. Vegas and other aggrieved employees were not actually relieved of all duties to take timely, uninterrupted meal periods. WWG further knew or should have known that WWG did not pay Mr. Vegas and other aggrieved employees all meal period premiums when meal periods were late, interrupted, shortened, and/or missed.

Furthermore, WWG 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. Vegas and other aggrieved employees have not received premium pay for all missed, late, and interrupted meal periods.

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

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, WWG regularly failed to authorize and permit Mr. Vegas 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, WWG's company-wide use of labor budgeting and/or limited payroll allocation, understaffing, and assigning heavy workloads resulted in a lack of rest period coverage and prevented Mr. Vegas and other aggrieved employees from being relieved of all duty in order to take their rest periods. WWG also failed to schedule rest periods, which, coupled with WWG's failure to provide adequate rest period coverage, further led to Mr. Vegas and other aggrieved employees not being authorized and permitted to take compliant rest periods.

Furthermore, WWG maintained and implemented a company-wide on-premises rest period policy, which mandated that Mr. Vegas and other aggrieved employees remain on the premises during their rest periods. Because Mr. Vegas and other aggrieved employees were restricted from leaving WWG's premises during rest periods, they were denied the ability to use their rest periods freely for their own purposes, such as completing personal errands. Thus, WWG effectively maintained control over Mr. Vegas and/or other aggrieved employees during rest periods.

As a result of WWG's practices and policies, Mr. Vegas 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. Vegas regularly had to forgo his rest periods due to the lack of coverage and would have the few rest periods he was able to take interrupted due to customers needing assistance.

WWG 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. Vegas and other aggrieved employees have not received premium pay for all missed rest periods.

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

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. WWG has not provided Mr. Vegas 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, WWG has knowingly and intentionally provided Mr. Vegas and other aggrieved employees with uniform, incomplete, and inaccurate wage statements. For example, WWG issued uniform wage statements to Mr. Vegas and other aggrieved employees that fail to correctly list: gross wages earned; total hours worked; net wages earned; the address of the legal entity that is the employer; and all applicable hourly rates in effect during the pay period, including rates of pay for overtime wages, and the corresponding number of hours worked at each hourly rate. Specifically, WWG violated sections 226(a)(1), 226(a)(2), 226(a)(5), 226(a)(8), and 226(a)(9).

Because WWG did not accurately record the time Mr. Vegas and other aggrieved employees spent working off-the-clock, WWG did not list the correct amount of gross wages and net wages earned by Mr. Vegas and other aggrieved employees, in compliance with section 226(a)(1) and section 226(a)(5), respectively. For the same reason, WWG failed to accurately list the total number of the hours worked by Mr. Vegas 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).

Further, and separate from these violations, WWG issued uniform wage statements to Mr. Vegas and other aggrieved employees that failed to correctly list the address of the legal entity of the actual employer in violation of 226(a)(8). The purpose of section 226(a)(8) is to provide California employees with transparency as to the true identity of their employer, to allow the employee to contact their employer during employment or in the future for various reasons, including filing an administrative claim, judicial claim, or other action to seek relief against their employer, to obtain unemployment benefits, etc. During the relevant time period, WWG systematically, and on a company-wide basis, issued wage statements to Mr. Vegas and other aggrieved employees that fail to list the employing entity's address. Mr. Vegas's and other aggrieved employees' wage statements

incorrectly list the employer’s address as “24801 Industrial Boulevard, Hayward, CA 94545” but, according to the California Secretary of State’s website, the correct address is “201 WILSHIRE BLVD STE 102, SANTA MONICA, CA 90401.” *See example paystub below.*

THE WILLIAM WARREN GROUP
 24801 Industrial Boulevard
 Hayward, CA 94545

Direct Deposit Advice
 Check Date: January 5, 2024
 Voucher Number: 51459

Direct Deposits	Type	Account	Amount
			1,094.05
Total Direct Deposits			1,094.05

141284 108-9046-7600 51459-47394 141284
 Raymond M Vegas

Non Negotiable - This is not a check - Non Negotiable

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 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), WWG willfully failed to maintain accurate payroll records for Mr. Vegas 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.

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. During the relevant time period, WWG 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. Vegas and other aggrieved employees, in violation of section 1198.

Because WWG failed to provide the correct net and gross wages earned, applicable rates of pay, and number of total hours worked on wage statements, Mr. Vegas 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. Vegas 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. Vegas and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon pursuant to Labor Code sections 226.3, 1174.5, and/or 2699(a), (f), and (k).

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, WWG failed to pay Mr. Vegas and other aggrieved employees all wages due to them, including, but not limited to, overtime wages, minimum wages, and/or meal and rest period premiums, within any time period specified by California Labor Code section 204.

Mr. Vegas and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, pursuant to Labor Code sections 210 and/or 2699(a), (f), and (k).

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.

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

Mr. Vegas and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, pursuant to Labor Code sections 256 and/or 2699(a), (f), and (k).

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. 5-2001, 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." IWC Wage Order No. 5-2001 further provides that: "[w]hen uniforms are required by the employer to be worn by the employee as a condition of employment, such uniforms shall be provided and maintained by the employer."

First, during the relevant time period, WWG, on a company-wide basis, required that Mr. Vegas 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, Mr. Vegas used his personal cellular phone to communicate with managers regarding facility maintenance and other work-related tasks. Further, as stated, WWG required Mr. Vegas and other aggrieved employees to download and use the mobile application Paylocity to record timeclock entries. Additionally, Mr. Vegas used his personal cellular phone to complete mandatory training. Although WWG required Mr. Vegas and other aggrieved employees to utilize their personal mobile devices and/or mobile data to carry out their work-related responsibilities, WWG failed to reimburse them for this cost.

Second, during the relevant time period, WWG, on a company-wide basis, required that Mr. Vegas and other aggrieved employees purchase supplies, tools, and/or equipment necessary for the performance of their duties, but failed to reimburse them for their out-of-pocket costs. For example, Mr. Vegas spent approximately \$20 on light fixtures because WWG failed to provide him with the necessary supplies, tools, and/or equipment needed to complete his assigned duties. Although WWG required Mr. Vegas and other aggrieved employees to purchase supplies to carry out their work-related responsibilities, WWG failed to reimburse them for their out-of-pocket cost.

Third, during the relevant time period, WWG required Mr. Vegas and other aggrieved employees to wear uniforms bearing the "Storquest" company logo, including shirts. However, WWG did not provide its employees with sufficient uniforms to wear for their shifts throughout the week. For example, WWG only provided Mr. Vegas and other aggrieved employees with three (3) uniform shirts at the time of hire. Because WWG failed to provide Mr. Vegas and other aggrieved employees with an adequate number of uniform items in relation to their scheduled shifts and for the tasks they were required to perform, Mr. Vegas and other aggrieved employees had to wash their uniforms more frequently than they would otherwise do laundry, and incur expenses in doing so. For example, due to the nature of the work he performed, Mr. Vegas's uniform items would become stained with grease, soiled, and/or acquire an unpleasant odor, such that Mr. Vegas had to wash his uniforms more frequently or separately from his regular clothing, thus incurring additional utility and laundry expenses. Thus, WWG failed to maintain the uniforms they required Mr. Vegas and other aggrieved employees to wear during their shifts and forced them to incur the cost of maintaining employee uniforms.

WWG could have provided Mr. Vegas and other aggrieved employees with the actual equipment for use on the job, such as company mobile devices and supplies, tools and/or equipment, as well as access to laundering services; or WWG could have reimbursed employees for the costs of their mobile device usage, supplies, tools and/or equipment, and laundering expenses or provide a uniform

allowance. Instead, WWG passed these operating costs off onto Mr. Vegas and other aggrieved employees. At all relevant times, Mr. Vegas did not earn at least two (2) times the minimum wage.

Thus, WWG 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. Vegas and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, pursuant to Labor Code sections 2699(a), (f), and (k).

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." WWG, at all relevant times, was an employer or person acting on behalf of an employer(s) who violated Mr. Vegas's and other aggrieved employees' rights by violating various sections of the California Labor Code.

Accordingly, Mr. Vegas 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 2699(a), 2699.3(a) and 2699.3(c), 2699.5, and 558, Mr. Vegas, acting in the public interest as a private attorney general, seeks assessment and collection of civil penalties for himself, all other aggrieved employees, and the State of California against WWG for violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, and 2802.

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

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

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

Best Regards,


Anthony Castillo

Copy: THE WILLIAM WARREN GROUP INC. (via U.S. Certified Mail); WILLIAM WARREN PROPERTIES, INC. (via U.S. Certified Mail)

Capstone Law, APC
1875 Century Park, East, 1000
Los Angeles, CA. 90067

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W. Warren
C.P.

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Santa Monica, CA 90406

Signature of Addressee
V. Williams, APC

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