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Superior Court of California,
County of San Diego
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Clerk of the Superior Court
By I. Ledesma ,Deputy Clerk

Attorneys for Plaintiff,
MICHAEL ANGELO VENERACION on behalf of
himself, all aggrieved employees, and the State
of California as a Private Attorneys General

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN DIEGO

MICHAEL ANGELO VENERACION, an
individual, on behalf of himself, all aggrieved
employees, and the State of California as a
Private Attorneys General,

Plaintiff,

vs.

LEIDOS, INC., a Delaware Corporation, and
DOES 1-50, inclusive,

Defendant.

Case No.: 24CU024062N

REPRESENTATIVE ACTION

**Violation of the Private Attorneys General
Act of 2004, Cal. Labor Code §2698 *et seq.***

Plaintiff MICHAEL ANGELO VENERACION brings this PAGA representative action
complaint on behalf of himself, all aggrieved employees, and the State of California as a Private
Attorneys General, and alleges as follows:

NATURE OF THE ACTION

1. Plaintiff MICHAEL ANGELO VENERACION worked as an employee for Defendant LEIDOS, INC., and Does 1-50 (collectively “Defendant”). Defendant operates a technology company that primarily focuses on national security and health industries with multiple locations throughout California.

2. Plaintiff MICHAEL ANGELO VENERACION worked for Defendant as a Stockroom Specialist and later as a Shipping Receiving Specialist in Vista, CA, for nineteen years, until his separation from employment in June 2024. Plaintiff brings this action pursuant to the Private Attorneys General Act of 2004 (“PAGA”), Cal. Labor Code §2698 *et seq.*, on a representative basis. All current and former hourly, nonexempt employees of Defendant within one year of serving notice on the LWDA to the present are aggrieved employees.

3. Defendant failed to comply with California Labor Code requirements due to erroneous, willful and intentional employment practices and policies. Plaintiff brings this representative action on behalf of himself, all other similarly situated aggrieved employees, and the State of California, based upon the claims articulated below. Plaintiff provided notice of his claims pursuant to §2698 *et seq.*, to the Labor and Workforce and Development Agency (“LWDA”) as illustrated by the attached Exhibit, the content of which is expressly incorporated herein. The LWDA has not provided any notice to Plaintiff following the exhaustion of the 65-day notice period required by 2699.3(a)(2)(B). Accordingly, Plaintiff now brings this Complaint for civil penalties under the Private Attorneys General Act (“PAGA”), Labor Code §2698 *et seq.*

4. Defendant has had a consistent policy and/or practice of: (1) failing to pay for all hours worked, including overtime hours worked; (2) failing to pay for all wages owed twice per month; (3) failing to pay minimum wage; (4) failing to pay wages due upon termination; (5) failing to provide timely meal breaks; (6) failing to provide rest breaks; (7) failing to reimburse for required business expenses; and (8) failing to provide accurate itemized wage statements and record keeping violations. Defendant is therefore liable for civil penalties under the Cal. Labor Code, including the Private Attorney General Act (“PAGA”), Labor Code §2698 *et seq.*, as described more fully herein.

1 **THE PARTIES**

2 5. Plaintiff MICHAEL ANGELO VENERACION is a resident of the State of California
3 and worked for Defendant until June 2024.

4 6. Defendant LEIDOS, INC. is a Delaware corporation authorized to do business and doing
5 business in California with the capacity to sue and to be sued, and doing business, in the county of
6 San Diego, State of California.

7 7. Plaintiff is unaware of the true names, capacities, relationships, and extent of
8 participation in the conduct alleged herein, of the Defendant sued as DOES 1 through 50, but is
9 informed and believes and thereon alleges that said Defendant is legally responsible for the
10 wrongful conduct alleged herein and therefore sues Defendant by such fictitious names, Plaintiff
11 will amend this complaint when their true names and capabilities are ascertained.

12 8. Plaintiff is informed and believes and thereon alleges that each Defendant, directly or
13 indirectly, or through agents or other persons, employed Plaintiff and other aggrieved employees
14 of the representative class, and exercised control over their wages, hours, and working conditions.
15 Plaintiff is informed and believes and thereon alleges that each Defendant acted in all respects
16 pertinent to this action as the agent of the other Defendants, carried out a joint scheme, business
17 plan or policy in all respects pertinent hereto, and the acts of each Defendant is legally attributable
18 to the other Defendants.

19 **JURISDICTION AND VENUE**

20 9. Venue is proper in this judicial district because each Defendant conducts business in this
21 county and each Defendant has legal obligations to Plaintiff and many of the aggrieved employees
22 in this case that arose in this county.

23 10. The statutory penalties sought by Plaintiff exceed the minimal jurisdictional limits of
24 the Superior Court and will be established according to proof at trial. Based on information,
25 investigation and analysis, Plaintiff alleges that the amount in controversy, including claims for
26 monetary damages, penalties and attorney's fees is more than twenty-five thousand dollars
27 (\$25,000).
28

1 11. The California Superior Court has jurisdiction in this matter because Plaintiff is a
2 resident of California and Defendant is qualified to do business in California and regularly conduct
3 business in California. Further, there is no federal question at issue as the claims herein are based
4 solely on California law.

5 **PAGA REPRESENTATIVE ACTION ALLEGATIONS**

6 12. During the relevant time period, Defendant committed various violations of the
7 California Labor Code as alleged below in more detail. Defendant enforces multiple policies that
8 violate state law, which are intended to increase profits to the detriment of aggrieved employees.

9 13. This representative action represents over one hundred current and formerly aggrieved
10 employees.

11 14. For at least one (1) year prior to the date of service notice on the LWDA, and continuing
12 to the present, Defendant engaged in unlawful employment practices that resulted in violations of
13 numerous Labor Code sections, as set forth more fully below.

14 15. Plaintiff and all current and former hourly, nonexempt employees within one year of
15 filing this action to the present are aggrieved employees within the meaning of Labor Code 2699,
16 *et seq.* (See Labor code §2699(c).)

17 16. Defendant, and each of them, have committed the following violations of the California
18 Labor Code:

19 **Failure to Pay For All Hours Worked, Including Overtime Hours Worked**

20 (Cal. Labor Code §§200, 204, 206, 206.5, 207, 210, 216, 218, 218.6, 221, 223, 351, 510, 558,

21 1194, 1197, 1197.1, 1198, 2698 *et seq.*, Wage Order 5)

22 17. Plaintiff reasserts and realleges all preceding paragraphs as if fully set forth and
23 incorporate said paragraphs herein by reference.

24 18. The Wage Orders define “hours worked” as “the time during which an employee is
25 subject to the control of an employer and includes all the time the employee is suffered or permitted
26 to work, whether or not required to do so.” When employees like Plaintiff and his coworkers do
27 not receive payment for all hours worked as a result of unlawful employment practices the result
28 is that they are earning less than the statutory minimum wages for all hours worked.

1 19. Unpaid Wage – Off the Clock Work. Defendant failed to maintain contemporaneous
2 payroll records and instead of having employees' clock in and out, Plaintiff and his coworkers
3 logged their time at the end of their shifts in Defendant's computer system. Additionally, Plaintiff
4 and his coworkers frequently worked off the clock and were routinely subjected to periods wherein
5 they were under Defendant's control but not compensated for their time. For example, Plaintiff
6 was often required to wait for drivers while off the clock. Defendant would also contact Plaintiff
7 since Defendant had Plaintiff as its emergency contact. Aggrieved employees were similarly
8 expected to perform tasks for Defendant while off the clock.

9 20. Plaintiff and aggrieved employees have been employed under conditions prohibited by
10 the wage order, and thus Defendant has also violated §§1198 and 1199. Defendant is liable for
11 civil penalties pursuant to Labor Code §§558 and 2698 *et seq.*

12 **Failure to Pay All Wages Owed Twice Per Month**

13 (Cal. Labor Code §§204, 210, and 2698 *et seq.*)

14 21. Plaintiff reasserts and realleges all preceding paragraphs as if fully set forth and
15 incorporate said paragraphs herein by reference.

16 22. Defendant was required to pay Plaintiff and aggrieved employees all wages earned
17 twice during each calendar month pursuant to Labor Code §204(a).

18 23. Defendant failed to pay all wages earned to employees as a result of the unlawful
19 employment policies and practices discussed herein. As a result of these practices, employees were
20 underpaid for hours worked, including overtime and penalty wages, and this underpayment
21 resulted in a failure to pay all wages owed twice per month.

22 24. Due to these failures, Defendant is liable under Labor Code §204, 210 and 2698 *et seq.*
23 for failure to pay wages as required by law.

24 **Failure to Pay Minimum Wage**

25 (Cal. Labor Code §§200, 218.5, 226, 558, 1194, 1194.2, 1197, 1197.2, 1198, 1199, 2698 *et seq.*)

26 25. Plaintiff reasserts and realleges all preceding paragraphs as if fully set forth and
27 incorporate said paragraphs herein by reference.

1 26. Pursuant to Labor Code sections 1194, 1194.2, and 1197, it is unlawful for an employer
2 to suffer or permit a California employee to work without paying wages at the proper minimum
3 wage for all time worked as required by the applicable IWC Wage Order.

4 27. Defendant failed to pay Plaintiff and aggrieved employees for all hours worked as a
5 result of Defendant's practices described above. Based on Defendant's unlawful conduct described
6 above, Plaintiff and aggrieved employees have been required to work off the clock and have been
7 paid zero wages for that time, clearly resulting in failure to pay for all hours worked, including
8 overtime, in violation of Labor Code §1197, 1197.1, 1199 and the Wage Order. Defendant is liable
9 for civil penalties pursuant to Labor Code §§558 and 2699 *et seq.*

10 **Failure to Pay Wages Due Upon Termination**

11 (Cal. Labor Code §§201, 202, 203, 227.3, 256 and 2698 *et seq.*)

12 28. Plaintiff reasserts and realleges all preceding paragraphs as if fully set forth and
13 incorporate said paragraphs herein by reference.

14 29. An employee who is discharged must be paid all of his or her wages, including accrued
15 vacation, immediately at the time of termination. (Labor Code Sections 201 and 227.3.) As set
16 forth above, Defendant knowingly and willfully failed to pay all compensation due and owing to
17 Plaintiff at the time employment terminated. Defendant willfully failed to pay employees who are
18 no longer employed by it all compensation due upon termination of employment as required by
19 Cal. Lab. Code §§201 and 202. Plaintiff and similarly situated individuals are now entitled to
20 recover up to thirty (30) days' pay as waiting time under the terms of §203. Moreover, Defendant
21 is liable for civil penalties pursuant to Cal. Lab. Code § 2698 *et. seq.*

22 **Failure to Provide Timely Meal Breaks**

23 (Cal. Labor Code §§226(a), 226.7, 512, 558, 1198, 2698 *et seq.*, Wage Orders)

24 30. Plaintiff reasserts and realleges all preceding paragraphs as if fully set forth and
25 incorporate said paragraphs herein by reference.

26 31. During Plaintiff's employment, Defendant failed to maintain a compliant meal period
27 policy and practice. Defendant failed to provide all of its hourly employees with their right to take
28 an off-duty unpaid 30-minute meal period. Labor Code §512 provides, "[a]n employer may not

1 employ an employee for a work period of more than five hours per day without providing the
2 employee with a meal period of not less than 30 minutes..." Labor Code §226.7(a) provides, "[n]o
3 employer shall require an employee to work during any meal... period mandated by an applicable
4 order of the Industrial Welfare Commission." Paragraph 11(A) of the Wage Orders provides, in
5 pertinent part, "[u]nless an employee is relieved of all duty during a 30-minute meal period, the
6 meal period shall be considered an 'on duty' meal period and counted as time worked." Labor
7 Code 1198 states that any violation of a wage order is a violation of the Labor Code.

8 32. Plaintiff and aggrieved employees often missed meal periods, or their meal periods
9 were also late, short, and/or interrupted. Defendant also instructed its employees to forego their
10 rest breaks and instead take a one hour off the clock lunch break. Additionally, Defendant failed
11 to keep accurate records of the employees' meal period start and stop times.

12 33. Full, uninterrupted, off-duty, thirty-minute meal periods were not provided because
13 Defendant: (1) did not account for all hours worked that were unaccounted for on their timecard;
14 (2) did not adequately inform and train employees about their rights to meal periods and premium
15 payments for non-compliant meal periods; (3) did not adequately inform and train employees about
16 when, where and how to take timely and uninterrupted thirty-minute meal periods; (4) because
17 Defendant did not staff enough people to schedule all timely and uninterrupted thirty-minute meal
18 periods; and/or (5) because management at various levels, affecting all hourly, non-exempt
19 employees, refused to offer, permit, or enforce a lawfully compliant meal period policy.

20 34. Plaintiff and aggrieved employees were not paid a premium payment, paid as an hour's
21 wage when meal periods were not given to them in compliance with California law.

22 **Failure to Provide Rest Breaks**

23 (Cal. Labor Code §§226, 226.7, 512, 558, 1198, 2698 *et seq.*, Wage Order)

24 35. Plaintiff reasserts and realleges all preceding paragraphs as if fully set forth and
25 incorporates said paragraphs herein by reference.

26 36. Defendant has failed to maintain a compliant rest period policy and practice that
27 provides its employees with off-duty rest periods as required by California law. Plaintiff reports
28 that he never received rest periods since Defendant required its employees to work straight through

1 their shifts. Defendant instructed the aggrieved employees to take a longer off the clock lunch
2 period in order to forego their required mid-shift rest breaks.

3 37. Rest periods were often either less than ten minutes, not provided, interrupted or late,
4 “on duty”, or not scheduled before and after a meal period for shifts greater than six hours, as
5 prescribed by California law because Defendant: (1) did not account for all hours worked that were
6 unaccounted for on their timecard; (2) did not adequately inform and train employees about their
7 rights to rest breaks and premium payments for non-compliant rest breaks; (3) did not adequately
8 inform and train employees about when, where and how to take timely and uninterrupted ten-
9 minute rest breaks; (4) because Defendant did not staff enough people to schedule all timely and
10 uninterrupted ten-minute rest breaks; and/or (5) because management at various levels, affecting
11 all hourly, non-exempt employees, refused to offer, permit, or enforce a lawfully compliant rest
12 break policy.

13 38. Defendant did not authorize or permit all of its hourly employees to take at least a ten-
14 minute rest period in which they were relieved of all duties, for every 4 hours of work, or major
15 fraction thereof, as required by Cal. Lab. Code §226.7, §512 and Wage Order 4-2001 11(A). When
16 breaks were missed, Defendant failed to pay the one-hour penalty, as required. Because Defendant
17 violated the Wage Order, Defendant is liable under Labor Code §1198. As a result of these
18 violations, Defendant is liable for civil penalties pursuant to Cal. Labor Code §2698 *et. seq.*

19 **Failure to Reimburse For Required Business Expenses**

20 (Cal. Labor Code §§1198, 2802, 2699 *et seq.*)

21 39. Plaintiff reasserts and realleges all preceding paragraphs as if fully set forth and
22 incorporate said paragraphs herein by reference.

23 40. Labor Code §2802 requires employers to indemnify employees for necessary
24 expenditures or losses incurred by employees in direct consequence of discharge of duties. Here,
25 Plaintiff and aggrieved employees were required to use their personal cell phones, tools, and
26 vehicles for business-related purposes. Regardless of the fact the employees were not compensated
27 for the use of their expenses and resources.

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all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee...

44. Such failures caused injury to Plaintiff and others, by, among other things, impeding them from knowing the total hours worked and the amount of wages to which they are and were entitled. Defendant knowingly and intentionally failed to accurately itemize the gross wages earned, net wages earned, and total hours worked. Defendant is liable for civil penalties pursuant to Labor Code § 2698 *et seq.*

45. Finally, Defendant has violated Labor Code §432.5 by forcing Plaintiff and aggrieved employees to sign employment-related contracts and documents that contained unlawful terms of employment.

FIRST CAUSE OF ACTION

Against Defendant for Violation of the Private Attorneys General Act (“PAGA”)

(California Labor Code §2698 *et seq.*)

46. Plaintiff reasserts and realleges all preceding paragraphs as if fully set forth and incorporate said paragraphs herein by reference.

47. Plaintiff is an “aggrieved employee” under PAGA, as she was employed by Defendant during the applicable statutory period and suffered one or more of the Labor Code violations set forth herein. Accordingly, Plaintiff seeks to recover on behalf of herself and all other current and former aggrieved employees of Defendant, the civil penalties provided by PAGA, plus reasonable attorneys’ fees and costs.

48. Plaintiff seeks to recover the PAGA civil penalties through a representative action permitted by PAGA and the California Supreme Court in *Arias v. Superior Court* (2009) 46 Cal. 4th 969. Therefore, class certification of the PAGA claims brought herein is not required.

49. Plaintiff seeks civil penalties pursuant to PAGA for violations of the following Labor Code provisions:

- a. Failure to Pay for All Hours Worked, Including Overtime Hours Worked (Cal. Labor Code §§200, 204, 206, 206.5, 207, 210, 216, 218, 218.6, 221, 223, 351, 510, 558, 1194, 1197, 1197.1, 1198, 2698 *et seq.*, Wage Order 5);

- b. Failure to Pay All Wages Owed Twice Per Month (Cal. Labor Code §§204, 210, and 2698 *et seq.*);
- c. Failure to Pay Minimum Wage (Cal. Labor Code §§200, 218.5, 226, 558, 1194, 1194.2, 1197, 1197.2, 1198, 1199, 2698 *et seq.*);
- d. Failure to Pay Wages Due Upon Termination (Cal. Labor Code §§201, 202, 203, 227.3, 256 and 2698 *et seq.*);
- e. Failure to Provide Timely Meal Breaks (Cal. Labor Code §§226(a), 226.7, 512, 558, 1198, 2698 *et seq.*, Wage Orders);
- f. Failure to Provide Rest Breaks (Cal. Labor Code §§226, 226.7, 512, 558, 1198, 2698 *et seq.*, Wage Orders);
- g. Failure to Reimburse for Required Business Expenses (Cal. Labor Code §§1198, 2802, 2699 *et seq.*);
- h. Failure to Provide Accurate Itemized Wage Statements (Cal. Labor Code §§ 226, 1174, 2699 *et seq.*).

50. With respect to violations of Labor Code §226(a), Labor Code §226.3 imposes a civil penalty in addition to any other penalty provided by law of two hundred fifty dollars (\$250) per aggrieved employee for the first violation, and one thousand dollars (\$1,000) per aggrieved employee for each subsequent violation of Labor Code §226(a).

51. With respect to violations of Labor Code §512, Labor Code §558 imposes a civil penalty in addition to any other penalty provided by law of fifty dollars (\$50) for initial violations for each underpaid employee for each pay period for which the employee was underpaid, and one hundred dollars (\$100) for subsequent violations for each underpaid employee for each pay period for which the employee was underpaid.

52. Labor Code §2698 *et seq.* imposes a civil penalty of one hundred dollars (\$100) per pay period, per aggrieved employee for initial violations, and two hundred dollars (\$200) per pay period, per aggrieved employee for subsequent violations for all Labor Code provisions for which a civil penalty is not specifically provided.

1 53. Plaintiff and the other current and former employees of Defendant are aggrieved
2 employees. They were or are employed by Defendant, and each of them, and the violations alleged
3 herein were committed against them. Plaintiff brings this action on behalf of herself and all other
4 current and former aggrieved employees.

5 54. At the time of each violation, Defendant employed one or more employees.

6 55. As a result of the aforesaid wrongful and illegal conduct of Defendant, and each of
7 them, Plaintiff and aggrieved employees are entitled to civil penalties in an amount to be
8 determined at trial, pre-judgment interest, costs and attorneys' fees.

9 56. Plaintiff has complied with all procedural requirements of Labor Code §2699.3 prior
10 to filing this Complaint. By the Notice attached as Exhibit 1, submitted online to the Labor and
11 Workforce Development Agency ("LWDA") and served by certified mail upon Defendant,
12 Plaintiff through counsel notified the LWDA and Defendant of the specific Labor Code provisions
13 that Defendant has violated. The LWDA did not respond to Plaintiff's Notice within the statutory
14 timeframe, and Plaintiff has therefore exhausted administrative remedies. Pursuant to Labor Code
15 §2699.3, Plaintiff may now pursue their PAGA claims in this action on behalf of aggrieved
16 employees and the State of California.

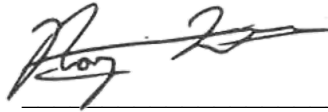
1 **PRAYER FOR RELIEF**

2 WHEREFORE, Plaintiff, individually and on behalf of the aggrieved employees, prays for
3 judgement against Defendant as follows:

- 4 1. An award of civil penalties pursuant to PAGA and the Cal. Labor Code in an amount to be
5 determined at trial, but at least the jurisdictional amount of this Court;
- 6 2. An award of reasonable attorneys' fees and costs pursuant to California Labor Code §2699(g)
7 and/or other applicable law;
- 8 3. For civil penalties as provided under Labor Code §§226.3 and 558, and/or other applicable
9 law;
- 10 4. Pre-judgement and post-judgement interest as provided by law; and
- 11 5. Such other and further relief that the Court may deem just and proper.
- 12

13 DATED: November 20, 2024

KOUL LAW FIRM, APC

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17 BY: Nazo Koulloukian, Esq.
18 Attorneys for Plaintiff MICHAEL ANGELO
19 VENERACION, and all aggrieved employees
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LOS ANGELES, CA 90010

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September 4, 2024

Via E-filing:

California Labor & Workforce
Development Agency
455 Golden Gate Avenue, 9th Floor
San Francisco, CA 94102

Via Certified U.S. Mail:

Leidos, Inc.
1750 Presidents Street
Reston, VA 20190

Leidos, Inc.
2985 Scott Street
Vista, CA 92081

Re: PAGA Notice Pursuant to California Labor Code §2698 *et seq.*

Claimant: Michael Angelo Veneracion
Employer: Leidos, Inc.

Dear Sir or Madam:

Michael Angelo Veneracion (“Claimant”) has retained Nazo Koulloukian, Esq. of Koul Law Firm, APC to represent him, and all other aggrieved employees, for conditions of employment and wage and hour claims against former employer, Leidos, Inc. (hereafter “Employer”). Claimant worked for Employer as a Stockroom Clerk and later as a Shipping Receiving Specialist III from on or about March 5, 2005, until June 3, 2024.

Claimant alleges herein the specific provisions of California law that Employer has violated, requiring this Notice, including but not limited to: California Labor Code sections 201-203, 204, 208, 216, 221-223, 226, 226.2, 226.7, 245-248.6, 432, 432.5, 432.6, 432.7, 510, 512, 558, 558.1, 1024.5, 1174, 1194, 1197, 1197.1, 1198, 1198.5, 1199, 2802, 2810.5, and all applicable Wage Orders.

Employer violated, and/or has caused to be violated, several Labor Code provisions and is therefore liable for civil penalties under Labor Code § 2698 *et seq.* We request that your agency investigate the claims alleged below or permit Claimant to seek civil penalties under the Private Attorney General Act (“PAGA”), Labor Code § 2698 *et seq.*, on behalf of the Labor and Workforce and development Agency (“LWDA”) and the State of California in a representative action. This letter will serve as notice of these allegations pursuant to Labor Code § 2699.3. Based on information and belief, Employer continues to commit all the violations alleged herein.

Failure to Pay For All Hours Worked, Including Overtime Hours Worked

(Cal. Labor Code §§200, 204, 206, 206.5, 207, 210, 216, 218, 218.6, 221, 223, 351, 510, 558, 1194, 1197, 1197.1, 1198, 2698 *et seq.*, Wage Order 5)

The Wage Orders define “hours worked” as “the time during which an employee is subject to the control of an employer, and including all the time the employee is suffered or permitted to work, whether or not required to do so.” Employer has been engaged in many unlawful employment practices which resulted in underpayment for hours worked each pay period, including overtime hours worked which must be paid at the employee’s regular rate of pay, as more fully set forth below.

Off-the-Clock Hours Worked

Employer failed to maintain contemporaneous payroll records and instead of having employees clock in and out, Claimant and his coworkers logged their time at the end of their shifts in Employer’s computer system. Additionally, Claimant and aggrieved employees frequently worked off the clock and were routinely subjected to periods wherein they were under the Employer’s control but not compensated for their time. For example, Claimant was often required to wait for drivers while off the clock. Employer would also contact Claimant because Employer had Claimant as an emergency contact. Aggrieved employees were similarly expected to perform tasks for Employer while off the clock.

Employer has violated Labor Code §§510 1194, 1198, 1199 and the Wage Order. Employer is liable for civil penalties pursuant to Labor Code §§558 and 2698 *et seq.*

Failure to Pay All Wages Owed Twice Per Month

(Cal. Lab. Code §§204, 210, and 2698 *et seq.*)

Employer was required to pay Claimant and aggrieved employees all wages earned twice during each calendar month pursuant to Labor Code §204(a).

Employer failed to pay all wages earned to employees as a result of the unlawful employment policies and practices discussed herein. As a result of these practices, employees were underpaid for hours worked, including overtime and penalty wages, and this underpayment resulted in a failure to pay all wages owed twice per month.

Due to these failures, Employer is liable under Labor Code §204, 210 and 2698 *et seq.* for failure to pay wages as required by law.

Failure to Pay Minimum Wage

(Cal. Labor Code §§ 200, 218.5, 226, 558, 1194, 1194.2, 1197, 1197.2, 1198, 1199, 2698 *et seq.*)

Pursuant to Labor Code sections 1194, 1194.2 and 1197, it is unlawful for an employer to suffer or permit a California employee to work without paying wages at the proper minimum wage for all time worked as required by the applicable IWC Wage Order.

Employer failed to pay Claimant and aggrieved employees for all hours worked as a result of Employer's practices described above, including suffering or permitting employees to work off the clock. Based on Employer's unlawful conduct described above, and because Claimant and the aggrieved employees were paid at or near minimum wage, employer's failure to pay for all hours worked, including overtime, resulted in a payment of less than the minimum wage for all hours worked, in violation of Labor Code §1197, 1197.1, 1199 and the Wage Order. Employer is liable for civil penalties pursuant to Labor Code §§558 and 2699 *et seq.*

Failure to Pay Wages Due Upon Termination

(Cal. Lab. Code §§201, 202, 203, 227.3, 256 and 2698 *et seq.*)

An employee who is discharged must be paid all of his or her wages, including accrued vacation, immediately at the time of termination. (Labor Code Sections 201 and 227.3.) As set forth above, Employer knowingly and willfully failed to pay all compensation due and owing to Claimant at the time employment terminated.

Employer willfully failed to pay employees who are no longer employed by it all compensation due upon termination of employment as required by Cal. Lab. Code §§201 and 202. Claimant and similarly situated individuals are now entitled to recover up to thirty (30) days pay as waiting time under the terms of §203. Moreover, Employer is liable for civil penalties pursuant to Cal. Lab. Code § 2698 *et. seq.*

Failure to Provide Timely Meal Breaks

(Cal. Labor Code §§226 (a), 226.7, 512, 558, 1198, 2698 *et seq.*, Wage Order)

Labor Code §512 provides, "[a]n employer may not employ an employee for a work period of more than five hours per day without providing the employee with a meal period of not less than 30 minutes..." Labor Code §226.7(a) provides, "[n]o employer shall require an employee to work during any meal... period mandated by an applicable order of the Industrial Welfare Commission." Paragraph 11 of the Wage Order provides, in pertinent part, "[u]nless an employee is relieved of all duty during a 30-minute meal period, the meal period shall be considered an 'on duty' meal period and counted as time worked."

In this case, Claimant and his coworkers missed meal periods on a weekly basis. They were also sometimes late, short, and/or interrupted. Additionally, Employer instructs its employees to forego their rest breaks and instead take a one-hour off the clock lunch break. Employer also failed to keep accurate records of meal period start and stop times.

Full, uninterrupted, off-duty, thirty-minute meal periods were not provided because Employer: (1) did not account for all hours worked that were unaccounted for on their timecard; (2) did not adequately inform and train employees about their rights to meal periods and premium payments for non-compliant meal periods; (3) did not adequately inform and train employees about when, where and how to take timely and uninterrupted thirty-minute meal periods; (4) because Employer did not staff enough people to schedule all timely and uninterrupted thirty-minute meal periods; (5) because management at various levels, affecting all hourly, non-exempt employees, refused to offer, permit, or enforce a lawfully compliant meal period policy; and/or (6) because Employer unlawfully shaved and/or rounded clock in and clock out times for meal periods. Employees were not paid a premium payment, paid as an hour's wage when meal periods were not given to them in compliance with California law.

The Wage Orders require employers to authorize and permit employees to take an uninterrupted 30-minute meal period after no more than 5 hours of work. Pursuant to Labor Code §1198, "the employment of any employee... under conditions of labor prohibited by the order is unlawful." Employer failed to permit Claimant and others to take timely, off-duty, meal breaks of "not less than 30 minutes" for each five consecutive hours of work in violation of Labor Code §§226.7 and 512. Employer failed to pay all penalty pay to Claimant or aggrieved employees for noncompliant meal periods. As a derivative claim, Claimant alleges that pay statements were inaccurate, failing to include required meal period penalties, thus failing the requirements of Labor Code §226(a). As a result of these violations, Employers are liable for civil penalties pursuant to Cal. Labor Code §558 and §2698 *et. seq.*

Failure to Provide Rest Breaks

(Cal. Labor Code §§226, 226.7, 512, 558, 1198, 2698 et seq., Wage Order)

Employer has failed to maintain a compliant rest period policy and practice that provides its employees with off-duty rest periods as required by California law.

Claimant reports that he never received rest periods as a result of Employer requiring that they work straight through their shifts. Employer instructs employees to take a longer off the clock lunch period and forego their mid-shift required breaks.

Rest periods were either less than ten minutes, not provided, interrupted or late, "on duty," or not scheduled before and after a meal period for shifts greater than six hours, as prescribed by California law because Employer: (1) did not account for all hours worked that were unaccounted for on their timecard; (2) did not adequately inform and train employees about their rights to rest breaks and premium payments for non-compliant rest breaks; (3) did not adequately inform and train employees about when, where and how to take timely and uninterrupted ten-minute rest breaks; (4) because Employer did not staff enough people to schedule all timely and uninterrupted

ten-minute rest breaks; and/or (5) because management at various levels, affecting all hourly, non-exempt employees, refused to offer, permit, or enforce a lawfully compliant rest break policy.

Employer did not authorize or permit all of its hourly employees to take at least a ten-minute rest period in which they were relieved of all duties, for every 4 hours of work, or major fraction thereof, as required by Cal. Lab. Code §226.7, §512 and Wage Order 4-2001 11(A). When breaks were missed Employer failed to pay the 1-hour penalty, as required. Because Employer violated the Wage Order, Employer is liable under Labor Code §1198. As a result of these violations, Employer is liable for civil penalties pursuant to Cal. Labor Code §2698 *et seq.*

Failure to Reimburse for Required Business Expenses

(Cal. Labor Code §§1198, 2802, 2699 *et seq.*)

Labor Code §2802 requires employers to indemnify employees for necessary expenditures or losses incurred by employees in direct consequence of the discharge of duties.

Claimant and aggrieved employees are required to use their personal cell phones for work related communications, although Employers did not reimburse them in any way for the expense of their personal cell phone use as required by the Labor Code. This requires employees to utilize their personal cellphone every workday for the sole purpose of serving their employers. Claimant also brought his own tools to use during work and his personal vehicle and he was not fully reimbursed for them. Accordingly, Employers are liable for civil penalties under PAGA §2699 *et seq.*

Failure to Provide Accurate Itemized Wage Statements

(Cal. Labor Code §§ 226, 1174, 2699 *et seq.*)

Employer knowingly and intentionally failed to provide timely, accurate, itemized wage statements to Claimant and the aggrieved employees in accordance with Labor Code §§ 226 and keep accurate records as required by §1174(d). The statements provided to Claimant and aggrieved employees, and the records maintained by Employer, have not accurately reflected actual gross wages earned, including pay for all hours worked and the accurate rate of pay for all hours worked, and overtime pay, sick pay at the correct rate, and pay for meal and rest period premium wages.

§226 (a) requires:

An employer, semimonthly or at the time of each payment of wages, shall furnish to his or her employee, either as a detachable part of the check, draft, or voucher paying the employee's wages, or separately if wages are paid by personal check or cash, an accurate itemized statement in writing showing (1) gross wages earned, (2) total hours worked by the employee, except as provided in subdivision (j), (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis,

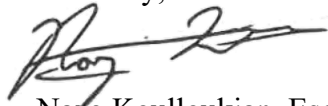
(4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer and, if the employer is a farm labor contractor, as defined in subdivision (b) of Section 1682, the name and address of the legal entity that secured the services of the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee...

Such failures called injury to Claimant and others, by, among other things, impeding them from knowing the true legal name of their employer, the total hours worked, and the amount of wages to which they are and were entitled. Employer knowingly and intentionally failed to accurately itemize the gross wages earned, net wages earned, and total hours worked. Employer is liable for civil penalties pursuant to Labor Code § 2698 *et seq.*

Conclusion

Employer has violated a number of California wage and hour laws. Claimant respectfully requests that the agency investigate the above allegations and hereby provides notice of the allegations pursuant to PAGA's provisions. Alternatively, Claimant requests that the agency inform Claimant if it does not intend to investigate these violations so that Claimant may pursue these claims as a representative action in civil court.

Sincerely,

A handwritten signature in black ink, appearing to read 'Nazo Koulloukian', written over a horizontal line.

Nazo Koulloukian, Esq.
Attorney for Claimant