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October 3, 2024

Sent Via Certified U.S. Mail

Wal-Mart Associates, Inc.
702 Southwest 8th Street
Bentonville, AR. 72716

[Certified No.: 7018 0360 0000 8464 3459]

RE: Abel Reyes v. Walmart Inc.

To Whom It May Concern:

This letter is the written notice required by the California Labor Code Private Attorneys General Act of 2004 ("PAGA"), California Labor Code Section 2698 *et seq.*, including without limitation California Labor Code Sections 2699.33 (a)(1), 2699.3(b)(1), and/or 2699.3(c)(1) of the California Labor Code, and any other applicable provision of statute, rule, or law. This letter is being sent simultaneously via online filing to the California Labor and Workforce Development Agency. This letter is an important formal legal notice which may lead to immediate action against you and your company in a court of law and in administrative proceedings, or both and the imposition of substantial penalties and other orders and remedies against you and your company.

This office represents Abel Reyes who has worked at Walmart locations in Salinas, Gilroy, Pleasanton, Marina, and San Jose, California. We are investigating a potential class and representative action on behalf of current and former Walmart employees from whom Walmart collected and/or received part of the wages paid to them, in violation of California Labor Code § 221.

The claims made on behalf of Mr. Reyes, the class, and the aggrieved employees who are the subject of the representative action, are based upon the following common facts and theories:

Walmart has a program which it calls the "Associates in Critical Need Trust" ("ACNT"), through which it provides monetary grants to its non-exempt employees it deems in "critical need" of funds. Walmart funds this program in part through wages collected and/or received from its employees that it treats as exempt under the California Labor

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Code and Wage Order exemptions from overtime, under the executive/managerial exemption. Walmart runs “campaigns” through which it pressures these employees to “agree to contribute” to the program, typically through payroll deductions. Although employees technically have the ability to reject the deduction, most do not.

The program is not a charity or a social program for the good of the general public. Rather, it benefits only Walmart’s non-exempt employees, to counteract some of the drastic effects to these employees resulting from the low wages paid by Walmart. Thus, Walmart itself directly benefits from the program, through which it supplements the wages paid to non-exempt employees who receive ACNT grants.

California Labor Code §221 provides as follows:

“It shall be unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee.”

Because Walmart, through the ACNT, unquestionably “collects [and/]or receives” part of the wages paid to affected employees, the program, on its face, violates California Labor Code §221.

This notice is hereby given to and is made against Walmart Inc. and all related and/or alter ego companies, corporations, partnerships, and/or business entities, as well as against any and all officers, owners, directors, managers, managing agents, or entities who are or may be liable under law for any of these alleged violations as to any locations or employees who worked at any time in the State of California.

This notice is made on behalf of all persons who are, were, or will be employees of Walmart Inc. or any related or alter ego company, corporation, partnership, and/or business entity, at any time on or after a date four years prior to the date of this letter at any location within the State of California, who had any part of their wages deducted by Walmart through its ACNT program.

This notice shall apply without limitation to any past, present, future, or continuing violation of the California Labor Code or regulations thereunder which might be discovered because of reasonable and diligent investigation made pursuant to this notice.

Very truly yours,

Rastegar Law Group, APC

A handwritten signature in blue ink, appearing to read "Douglas W. Perlman".

Douglas W. Perlman, Esq.