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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO**

DAVID VICTOR MIRANDA, on behalf of
others similarly situated and the State of
California under the Private Attorneys General
Act,

Plaintiff,

vs.

CENTERRA SERVICES INTERNATIONAL,
INC.; CENTERRA GROUP, LLC;
CONSTELLIS, LLC; and DOES 1 through 50,
inclusive,

Defendants.

Case No. 25CU019725C

**REPRESENTATIVE ACTION
COMPLAINT**

1. Civil Penalties under the Private Attorneys
General Act (Labor Code §§ 2698 *et seq.*)

1 Plaintiff DAVID VICTOR MIRANDA, on behalf of all others similarly situated and the State
2 of California under the Private Attorneys General Act (“Plaintiff”) brings this REPRESENTATIVE
3 ACTION COMPLAINT against Defendants CENTERRA SERVICES INTERNATIONAL, INC.;
4 CENTERRA GROUP, LLC; CONSTELLIS, LLC; and DOES 1 through 50, inclusive (collectively
5 “Defendants”), alleging as follows:

6 **INTRODUCTION**

7 1. This is a representative action for Defendants wage and hour violations.

8 2. Defendants underpaid the aggrieved employees wages by failing to include all forms
9 of remuneration, including cash in lieu of benefits payments and shift differentials, into the regular
10 rate of pay calculation for their hourly overtime, sick, and premium wages.

11 3. Defendants engaged in the unlawful practice of automatically deducting meal periods,
12 resulting in unpaid regular wages.

13 4. Defendants also failed to maintain compliant meal and rest period policies and
14 practices, resulting in a failure to pay all wages and premiums owed to the aggrieved employees at the
15 lawful rate.

16 5. Defendants failed to reimburse the aggrieved employees for necessary expenses
17 incurred in furtherance of the aggrieved employees’ job duties.

18 6. Defendants failed to provide Plaintiff with his employee records upon reasonable
19 request.

20 7. Defendants’ employment policies and practices and payroll administration systems
21 enabled and facilitated these violations on a company-wide basis with respect to the aggrieved
22 employees.

23 8. Defendants committed the same overtime violations with respect to a nationwide
24 collective of aggrieved employees, who Plaintiff seek to represent under the Fair Labor Standards Act.

25 9. Plaintiff seeks to recover the unpaid damages, plus associated penalties, interests,
26 attorney’s fees and costs.

1 **JURISDICTION & VENUE**

2 10. Jurisdiction of this action is proper in this Court under Article VI, Section 10 of the
3 California Constitution as the causes of action are premised upon violations of California law.

4 11. The monetary damages and restitution sought exceed the minimal jurisdiction limits of
5 the Superior Court.

6 12. This Court has jurisdiction over Defendants because, upon information and belief,
7 Defendants have sufficient minimum contacts in California, or otherwise intentionally avail
8 themselves to the California economy so as to render the exercise of jurisdiction over them by the
9 California courts consistent with traditional notions of fair play and substantial justice.

10 13. Venue is proper in this Court under Code of Civil Procedure sections 393(a), 395,
11 and/or 395.5 because, upon information and belief, Defendants conducted business and committed
12 some of the alleged violations in this County.

13 **PARTIES**

14 **A. Plaintiff David Victor Miranda**

15 14. Plaintiff Victor Miranda is an individual over 18 years of age who worked for
16 Defendants in California as a non-exempt employee from about April 19, 2024 to Present. Plaintiff
17 worked as an Armed Guard.

18 15. The State of California, via the Labor and Workforce Development Agency
19 (“LWDA”), is the real party in interest in this action. (*Kim v. Reins Int’l California, Inc.* (2020) 9
20 Cal. 5th 73, 81 [The “government entity on whose behalf the plaintiff files suit is always the real party
21 in interest.”]) To the extent permitted by law, including pursuant *Balderas v. Fresh Start Harvesting,*
22 *Inc.* (2024) 101 Cal. App. 5th 533 and *Rodriguez v. Packers Sanitation Services Ltd.* (Feb. 26, 2025,
23 D083400) ___ Cal.Rptr.3d ___ [2025 WL 615064], the PAGA claim is brought exclusively as a
24 representative action and does not include arbitrable claims.

25 **B. Defendants**

26 16. Defendant Centerra Services International, Inc. is a Delaware corporation that
27 maintains operations and conducts business throughout the State of California, including in this
28 county.

1 17. Defendant Centerra Group, LLC is a Delaware limited liability company that maintains
2 operations and conducts business throughout the State of California, including in this county.

3 18. Defendant Constellis, LLC is a Delaware limited liability company that maintains
4 operations and conducts business throughout the State of California, including in this county.

5 19. The true names and capacities, whether individual, corporate, or otherwise, of the
6 parties sued as DOES 1 through 50, are presently unknown, unascertainable, or uncertain, and are sued
7 by such fictitious names under Code of Civil Procedure section 474. Upon information and belief,
8 each of DOES 1 through 50 constitutes a legal employer or is otherwise legally responsible in some
9 manner for the acts and omissions alleged herein. This Complaint may be amended to reflect their
10 true names and capacities once ascertained.

11 20. Upon information and belief, Defendants in this action are employers, co-employers,
12 joint employers, and/or part of an integrated employer enterprise, as each of the Defendants exercised
13 control over the wages, hours, and working conditions of the employees, suffered and permitted them
14 to work, and otherwise engaged them as employees under California law.

15 21. Centerra Group is an employing entity of Plaintiff and, on information and belief, other
16 aggrieved employees. This is based on the following evidence obtained prior to the opening of
17 discovery:

- 18 a. The “Proprietary and Intellectual Property Agreement” defines Plaintiff
19 Miranda (and on information and belief other aggrieved employees who signed
20 it) as the “Employee” and “Centerra Group, LLC and any related affiliate
21 companies or successors” as the “Company” and specifically attests to the
22 employment relationship among the Employee and the Company: “for the
23 duration of Employee’s employment with the Company” and “after the end of
24 Employee’s employment with the Company” etc. Plaintiff further alleges that
25 all Defendants are affiliates of Centerra, as evidenced herein by the allegations
26 regarding common employee policies, practices, management, ownership,
27 integration of operations, control, and engagement of the workforce.

- b. Defendant Constellis, LLC is a Delaware corporation that maintains operations and conducts business throughout the State of California, including in this county. Constellis is an employing entity of Plaintiff and, on information and belief, other aggrieved employees. This is based on the following evidence obtained prior to the opening of discovery: Plaintiff Miranda issued a request for records to Constellis under the California Labor Code to obtain his employment and payroll records. Constellis' Corporate Paralegal C. Meek responded to the records request on Constellis letterhead and provided the employment records Plaintiff Miranda sought from Constellis.
- c. Constellis is the only entity listed on the document entitled "Allocation of H&W Contribution," which is the allocation form relevant to Plaintiff's claim for failure to pay overtime at the lawful rate. This form was issued by Constellis to its employees and signed and completed by Plaintiff and, on information and belief, other aggrieved employees.
- d. Constellis, as the employing entity, obtained Plaintiff's authorization to conduct a pre-employment background check and the "Background Screening Results" state that Constellis is the entity that procured the background check from ADP.
- e. Constellis is the only entity listed on the document entitled "Code of Business Ethics and Conduct," which is a document issued to Plaintiff and other aggrieved employees which states, in relevant part, "Constellis is committed to the highest standards of integrity, ethical behavior, and compliance with all applicable laws. As an employee (or prospective employee) of Constellis, I support these objectives and affirm the following..." This document was acknowledged by Plaintiff and, on information and belief, other aggrieved employees and is a company-provided policy and agreement that lists Constellis as the employer.
- f. allocation form relevant to Plaintiff's claim for failure to pay overtime at the lawful rate. This form was issued by Constellis to its employees and signed and

completed by Plaintiff and, on information and belief, other aggrieved employees.

g. Constellis required Plaintiff and other aggrieved employees to fill out an “Employee Demographics” disclosure which is on Constellis letterhead and attests that “Constellis, LLC and its affiliates (the “Company” or “Constellis”)” are subject to federal reporting requirements for its employees.

h. Plaintiff engaged in email correspondence with Constellis management and supervisors regarding company policy changes, payroll changes (including pay rates and terms of employment) and formally accepted his job offer by responding to Constellis management accepting his position.

i. The offer of employment provided to Plaintiff and, on information and belief other aggrieved employees, came from Constellis management. For example, Plaintiff received an offer letter from “Constellis North America Recruiting Team” stating, among other relevant facts, “Constellis is pleased to offer you an offer of employment for the position of Security Guard III, CBP-SW-SCA Border Program, reporting to Contract Manager Wade Gregg[.]” The offer letter listed rates of pay, start date, hiring bonus, pre-hire requirements (background check, drug screen, paperwork, etc.) and lists the Health and Welfare cash payments Plaintiff was entitled to receive, and which that are the subject of this lawsuit. On information, and belief, Plaintiff allege this standardized form offer letter was used for other aggrieved employees as well.

j. Plaintiff time records show “Centerra, a Constellis Company” as their employer.

k. Centerra was also listed on the name tag of Plaintiff and other aggrieved employees uniforms including the Supervisors.

l. Constellis appears as the only employer entity on the following additional documents in Plaintiff’s personnel file, which Plaintiff allege on information and belief are standardized, new hire forms that are used for all aggrieved

employees: Emergency Contact Form, Invitation to Self-Identify Protected Veteran Status, psychological testing completion notice (which indicates he was fit for duty for assignment with Constellis), Anti-Retaliation and Whistleblower Policy Acknowledgment (noting that all complaints should be made up the chain of command, to a manager, or to Human Resources at hr@constellis.com), and other policy acknowledgments.

m. The 401(k) employee retirement program Plaintiff were enrolled in and received employer safe harbor contributions from was the Constellis 401(k) Plan.

22. Based on the foregoing, Plaintiff allege that Defendants were together joint employers of Plaintiff, and the aggrieved employees based on the joint exercise of control over wages, hours and working conditions, suffering or permitting them to work, and engaging the employees in employment. Indeed, together through management, supervisors, corporate, HR and payroll, Constellis and Centerra jointly operated in the employment of Plaintiff and other aggrieved employees.

23. Additionally, based on the foregoing, Plaintiff alleges that the Defendants are indeed part of an integrated enterprise and are liable as a single employment unit, based on the common management, interrelated operations, centralized control over labor relations, and common ownership and financial control.

24. Upon information and belief, at least some of the Defendants have common ownership, common management, interrelationship of operations, and centralized control over labor relations and are therefore part of an integrated enterprise and thus jointly and severally responsible for the acts and omissions alleged herein, including pursuant to Labor Code sections 558, 558.1, and 1197.1.

25. Upon information and belief, Defendants acted in all respects pertinent to this action as an alter-ego, agent, servant, joint employer, joint venturer, co-conspirator, partner, in an integrated enterprise, or in some other capacity on behalf of all other co-defendants, such that the acts and omissions of each defendant may be legally attributable to all others.

GENERAL ALLEGATIONS

26. Plaintiff and the aggrieved employees worked for Defendants and were compensated on an hourly basis as nonexempt employees.

27. Plaintiff and the aggrieved employees often worked off-the-clock due to Defendants policy and practice of automatically deducting an unpaid 30-minute meal period regardless of their ability to take one.

28. For example, during Plaintiff's employment, Defendants agents altered his time records to insert meal period times (when none were taken) or forced him to select "true" when asked if a compliant meal period was taken. Plaintiff and the aggrieved employees were deprived of regular wages each time Defendants altered their time records to make it appear as though they had taken a 30-minute meal period when in reality they had a shorter/interrupted meal period or no meal period at all.

29. Defendants failed to pay Plaintiff and the aggrieved employees overtime wages and the lawful rate of pay for overtime hours worked, resulting in unpaid overtime wages.

30. First, as a result of Defendants editing Plaintiff's and, on information and belief, the aggrieved employees' time records to include false meal periods, Defendant failed to compensate Plaintiff and the aggrieved employees for all overtime hours worked. Each time this practice resulted in unpaid work over 8 hours in a day or 40 hours in a week, this resulted in unpaid overtime. This occurred each week during Plaintiff's employment.

31. Second, Defendants failed to pay overtime and double time at the "regular rate of pay."

32. Specifically, in addition to earning hourly compensation, Defendants paid Plaintiff and the aggrieved employees earned other forms of non-discretionary remuneration, including fringe benefit cash payments and shift differentials that Defendants failed to include in the overtime and double time rates in the pay periods where they earned both.

33. An illustrative example of this violation is shown on Plaintiff Miranda's wage statement with the pay period 9/2/2024 to 9/15/2024. Here, Plaintiff Miranda earned a shift differential ("Post Dif") at a rate of \$0.5000/hour and Cash Benefit ("H&W Cshinlieu") in the amount of \$365.60. He also worked 8.00 hours of overtime. The overtime was paid at a rate of only \$15.2100/hour (less

than Plaintiff Miranda's base hourly rate of \$30.00/hour). Defendants failed to pay overtime as the proper rate of pay and failed to include all these non-discretionary and non-excludable payments into Plaintiff Miranda's overtime rate. This is one illustrative example of Defendants' common policy of not including shift differentials and the H&W Casinlieu payments in the regular rate of pay, which occurred each pay period throughout the PAGA period. For Plaintiff Miranda, this violation occurred in every pay period in 2024 and continues through the present.

34. A true and correct screenshot of Plaintiff Miranda's 09/06/2024 paystub showing the H&W cash payment not included in the regular rate of pay is set forth below:

Earnings	rate	hours	this period	year to date
Rg Pay	30.0000	96.00	2,880.00	26,475.00
H&W Cshinlieu			365.60	3,425.30
Ot Premium	15.2100	16.00	243.34	1,219.80
Post Dif	0.5000	80.00	40.00	358.63
Holiday				720.00
Sick				607.50
Gross Pay			\$3,528.94	33,049.57

35. A true and correct screenshot of the common document and policy under which this cash in lieu of benefits policy and practice was facilitated, under the Constellis letterhead reflecting Constellis's status as a controlling entity and employer and/or joint employer of Plaintiff and the putative class and collective, is set forth below:

 **Allocation of H&W Contribution**

Please check one of the two boxes below.

I wish to receive my H&W money in the form of:

☒ Receive all as cash-lieu

or

☐ Allocate all to my Company sponsored 401(k) Plan

For those employees who do not opt into the cash-in-lieu, all H&W amounts earned by these employees will be placed in an HWBP account under their name and shall be 100% vested in the employee.

Date 5-3-2023

Name David Miranda

Signature [Signature]

1 36. For each overtime hour worked during the period in which Plaintiff and the aggrieved
2 employees earned the additional forms of remuneration, Defendants should have (but failed to) pay
3 overtime “at a rate no less than *one and one-half times the regular rate of pay* for an employee” and
4 “twice the regular rate of pay” for double time hours as required by the plain language of Labor Code
5 section 510(a) and the IWC Wage Orders.

6 37. Defendants failed to comply with California’s paid sick leave laws with respect to the
7 aggrieved employees. As stated above, due to Defendants’ failure to include all non-discretionary pay,
8 including shift differential pay and cash in lieu benefits, Defendants failed to pay Plaintiff’s and, on
9 information and belief, the class and collective’ paid sick leave at the regular rate of pay.

10 38. An illustrative example of this violation is shown on Plaintiff Miranda’s wage
11 statement with the pay period 6/24/2024 – 7/7/2024. Here, Plaintiff Miranda earned a shift differential
12 of \$24.63, H&W Cash benefits of \$338.18, and worked overtime in the same pay period he earned
13 sick pay. However, Defendants only paid sick leave at Plaintiff Miranda’s base hourly rate of \$30.0000
14 per hour rather than “in the same manner as the regular rate of pay for the worked week in which the
15 employee uses paid sick leave, whether or not the employee actually worked overtime in that
16 workweek,” as the regular rate should have included all these forms of additional non-excludable
17 remuneration.

18 39. Additionally, Plaintiff and the aggrieved employees worked off-the-clock, overtime
19 hours that were not accounted for when calculating an employee’s accrued paid sick leave. The off-
20 the-clock work is attributed in relevant part to the automatic or deducted meal periods aforementioned.
21 Therefore, Plaintiff and the aggrieved employees were not awarded the total accrued sick leave time
22 they had earned. The off the clock work occurred due to the automatic entry of meal periods by
23 Defendants, regardless of whether meal periods were actually taken. This occurred virtually the entire
24 period of Plaintiff employment. However, Plaintiff does not have their time records, and Plaintiff
25 Miranda requested his time records but was denied them, which is an independent claim in this action.
26 However, Plaintiff Miranda has a time record dated 12/15/2024 reveals hours worked without a meal
27 period and without a corresponding meal period premium paid at the lawful rate of pay on the
28 associated paystub.

1 40. Additionally, Defendants failed to pay meal and rest period premiums to Plaintiff and
2 the California aggrieved employees at the regular rate of compensation.

3 41. Defendants did not consistently pay all meal and rest premiums and, to the extent paid,
4 Defendants improperly excluded all forms of additional remuneration, such as the cash benefits, from
5 the calculation of the premium pay.

6 42. Instead, Defendants paid these premiums to Plaintiff and the California aggrieved
7 employees at their respective base hourly rates.

8 43. First, Plaintiff and the California Aggrieved employees often experienced missed, late,
9 short, and interrupted first and second meal periods due to the pressure to keep up with the high
10 demands of the job and pressures from management.

11 44. Despite the non-compliant meal periods, Defendants had an unlawful policy and
12 practice of requiring Plaintiff and other California Aggrieved employees to work through their unpaid
13 meal periods. Defendants failed to relieve Plaintiff and the California Aggrieved employees of their
14 job duties in order to take a compliant meal period. Plaintiff Miranda recalls being instructed to change
15 his entry from “False” to “True” when asked if he took a meal break when in reality, he did not.
16 Plaintiff Miranda was told that management would not submit his time entry if he didn’t select “True.”
17 Due to the manipulation, work was done off the clock resulting not only in premium pay violations,
18 but unpaid overtime and minimum wage for those hours, as applicable.

19 45. Similarly, Defendants failed to provide all rest periods to which Plaintiff and the
20 California Aggrieved employees were entitled and further failed to pay all owed rest period premiums.
21 For the same reasons Plaintiff and the California Aggrieved employees experienced non-compliant
22 meal periods, like the pressure to keep up with the high demands of the job, they also experienced
23 non-compliant rest periods. Plaintiff and the California Aggrieved employees were hardly ever
24 relieved of their job duties because supervisors did not want to sit in the pods while employees were
25 on break.

26 46. Defendants had an unlawful policy and practice of encouraging Plaintiff and other
27 California Aggrieved employees to work through their rest periods without being paid rest period
28 premiums.

1 47. However, the Labor Code § 226.7 premium was not paid at the “regular rate of
2 compensation,” including all earnings and factoring in cash fringe benefits.

3 48. As a result of Defendants’ failure to include all earnings in the premium rate,
4 Defendants underpaid Plaintiff and the aggrieved employees in those applicable pay periods.

5 49. Because of these violations, Defendants failed to provide accurate itemized wage
6 statements to aggrieved employees that included the accurate gross or net wages earned, as the
7 employees earned overtime pay and premiums, which were not paid at the lawful rate in light of the
8 regular rate violations.

9 50. Likewise, overtime, sick, and premium wages were paid at inaccurate hourly wage rates
10 (*i.e.* the base rate or a multiple of the base rate for overtime instead of the regular rate) which violates
11 the wage statement requirement to include the correct hourly rate in effect each pay period along with
12 the correct number of hours. Therefore, Defendants has provided inaccurate and non-compliant wage
13 statements to the aggrieved employees.

14 51. Furthermore, in each pay period in which Defendants paid cash in lieu of fringe
15 benefits, Defendants violated Labor Code § 226(a)(9) by failing to state the hourly rate at which the
16 cash in lieu of benefit payment earnings were paid, and the corresponding number of hours at that rate.
17 Indeed, on the illustrative pay stub provided in this complaint, the wage statement does not show the
18 total number of hours or the hourly rate that the H&W payment was paid at, resulting in a facial
19 violation of the statute. This wage statement violation was willful because Defendants have previously
20 been sued in prior class actions for this exact issue, but have failed to correct it.

21 52. The H&W payments, like other forms of pay, are subject to the clear mandates of Labor
22 Code sec. 226(a). Defendants failure to provide the information required by the statute, namely, the
23 hourly rates and corresponding rate of pay for the H&W payments, is knowing and intentional within
24 the meaning of the statute because Defendants have been on notice based (a) ignorance of the law is
25 no excuse for non-compliance; and (b) regardless, they have been informed of the violation repeatedly
26 in prior lawsuits and PAGA notices filed with the State of California. Therefore, Plaintiff alleges this
27 noncompliance in the face of prior claims and prior notice demonstrates an absence of good faith and
28 intent.

1 53. An illustrative example of this violation is shown on Plaintiff Miranda's wage
2 statement for the pay period 07/08/2024 – 07/21/2024. Here, Plaintiff Miranda earned a Health &
3 Welfare Cash Payment ("H&W Cshinlieu") in the amount of \$365.60. However, Defendant failed to
4 state the applicable hourly rates in effect and the number of hours worked at that rate. Instead,
5 Defendants simply listed the gross amount as a lump sum paid, without listing rates or hours.

6 54. Moreover, Defendants violated Labor Code section 226(a)(2) by failing to accurately
7 list employees' "total hours worked," as the wage statements did not accurately include the
8 uncompensated time Plaintiff and other aggrieved employees worked during their meal periods.

9 55. Defendants required Plaintiff and the aggrieved employees to incur costs for work-
10 related purposes without full reimbursement. In direct consequence of their job duties, Plaintiff and
11 the aggrieved employees unavoidably and necessarily incurred these losses, expenditures, costs, and
12 as a matter of policy and practice.

13 56. Specifically, Defendants required Plaintiff and the aggrieved employees to use their
14 personal cell phones to take photos, receive phone calls and messages from Defendants' agents about
15 work-related matters. Further, Plaintiff was required to utilize their personal vehicles to drive from
16 his post to the hospital when he was subject to hospital watch. However, Defendants did not reimburse
17 Plaintiff and other aggrieved employees for expenses incurred from cellphone and gas usage required
18 for the job. This occurred every pay period. Moreover, as part of their job duties, Plaintiff had to use
19 their personal cell phone cameras to take pictures of wristbands given to the immigrants in order to
20 find them when border patrol put them in the wrong pod. The wrist bands showed ID numbers and
21 Plaintiff would also receive pictures of immigrants to identify them as well as part of their job duties.
22 No other communication or camera was provided and the only option to complete the job duty was
23 their personal cell phones. No reimbursement was provided.

24 57. Additionally, incident reports were sent from their personal cell phones to explain
25 certain work-related situations from personal cell phones. An example of an incident report is one
26 that Plaintiff Miranda sent to management on February 4, 2025 from his personal cell phone explaining
27 a disturbance caused by an immigrant.
28

1 58. The use of personal devices for these reasons by Plaintiff and the California class were
2 in direct consequence of the discharge of their duties, not voluntary, and not elective, and Defendants
3 did not maintain a policy of reimbursement or facilitation of company provided equipment to complete
4 those job functions, instead relying on employees' use of personal devices.

5 59. Defendants also failed to provide all records upon Plaintiff Miranda's request.
6 Specifically, Plaintiff Miranda requested copies of his timecards for his time spent working for
7 Defendants. However, to date, Defendants have not provided Plaintiff Miranda with those time records
8 and requests on behalf of Plaintiff Miranda have been rejected. Consequently, Defendants have failed
9 to afford Plaintiff and the aggrieved employees the opportunity to inspect the records pertaining to
10 their employment. This claim is brought individually by Plaintiff Miranda and not alleged on a
11 classwide or collective basis.

12 60. These violations create derivative liability for failure to pay all wages owed each
13 payday or upon separation of employment. As alleged above, Defendants have had prior claims
14 regarding regular rate of pay violations, missed meal and rest periods, and other claims under
15 California law, but have not corrected those issues. Plaintiff alleges that despite their awareness of
16 the violations through audits and/or other review of employee records, Defendants failed to
17 retroactively pay out these amounts owed to employees, have demonstrated willfulness in their
18 decision to not pay out those wages and to continue to fail to pay wages at the lawful rates, and thus
19 are liable for waiting time penalties accordingly.

20 61. As a result of the forgoing violations, Defendants also failed to timely pay all wages as
21 they were due to Plaintiff and the aggrieved employees while they were employed and also failed to
22 timely pay all wages due to Plaintiff and the aggrieved employees at their separation of employment.
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1 **FIRST CAUSE OF ACTION**

2 **CIVIL PENALTIES UNDER THE PRIVATE ATTORNEYS GENERAL ACT**

3 **Violation of Labor Code §§ 2698 *et seq.***

4 **(By Plaintiff on Behalf of the State and the Aggrieved Employees Against All Defendants)**

5 62. All outside paragraphs of this Complaint are incorporated into this section.

6 63. Plaintiff brings this cause of action as a proxy for the State of California on behalf of
7 the following “aggrieved employees” pursuant to the Private Attorneys General Act (“PAGA”),
8 codified as Labor Code section 2698 *et seq.*:

9 a. All current and former non-exempt employees who worked for Defendants in
10 California at any time from one year prior to the postmark date of the initial
11 PAGA notice through date of trial.

12 64. Plaintiff reserves the right to amend, supplement, or add to this description of the
13 aggrieved employees, according to proof.

14 65. The State of California, via the Labor and Workforce Development Agency
15 (“LWDA”), is the real party in interest in this action with respect to this cause of action. (*Kim v. Reins*
16 *Int’l California, Inc.* (2020) 9 Cal. 5th 73, 81 [The “government entity on whose behalf the plaintiff
17 files suit is always the real party in interest.”])

18 66. Labor Code section 2699(a) provides: “Notwithstanding any other provision of law,,
19 any provision of this code that provides for a civil penalty to be assessed and collected by the Labor
20 and Workforce Development Agency or any of its departments, divisions, commissions, boards,
21 agencies, or employees, for a violation of this code, may, as an alternative, be recovered through a civil
22 action brought by an aggrieved employee on behalf of the employee and other current or former
23 employees against whom a violation of the same provision was committed pursuant to the procedures
24 specified in Section 2699.3. “

25 67. Any allegations regarding violations of the IWC Wage Orders are enforceable as
26 violations of Labor Code section 1198, which states: “[t]he employment of any employee for longer
27 hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful.”
28

68. Labor Code section 2699.3 sets forth the procedure for commencing an action for civil penalties under the PAGA.

69. On or about **December 6, 2024**, Plaintiff paid the requisite PAGA filing fee and provided written notice (by online electronic filing with the LWDA and by certified mail to Defendant Centerra Services International, Inc.) of Defendant's alleged Labor Code violations, including the facts and theories to support the alleged violations.

70. On or about **February 10, 2025**, Plaintiff filed an Amended PAGA Notice (by online electronic filing with the LWDA and by certified mail to Defendants Centerra Services International, Inc., Centerra Group, LLC, and Constellis, LLC) of Defendants' alleged Labor Code violations, including the facts and theories to support the alleged violations.

71. True and correct copies of Plaintiff's written PAGA notices (including any amendments), entitled "Notice of Labor Code Violations" is attached hereto as Exhibit 1 and Exhibit 2 and incorporated by reference as though fully set forth herein (the "PAGA notice").

72. To date, neither Plaintiff nor Plaintiff's counsel has received a response to Plaintiff's written PAGA notice from the LWDA.

73. Within 33 calendar days of the postmark date of the notice sent by Plaintiff, neither Plaintiff nor Plaintiff's counsel has received written notice by certified mail from any defendant providing a description of any actions taken to cure the alleged violations.

74. Now that at least 65 days have passed from Plaintiff notifying Defendants of these violations, without notice of cure from Defendants or notice from the LWDA of its intent to investigate the alleged allegations and issue the appropriate citations to Defendants, Plaintiff exhausted all prerequisites and commenced this civil action under Labor Code section 2699 *et seq.*

75. As set forth in the PAGA notices attached as Exhibit 1 and Exhibit 2 and incorporated into this Complaint, Defendants committed the following violations and are liable for all corresponding civil penalties:

- a. ***Unpaid Hours Worked/Minimum Wage.*** Violation of Labor Code §§ 1194, 1197, 1198; IWC Wage Orders.

- b. ***Unpaid Overtime.*** Violation of Labor Code §§ 510, 1194, 1198; IWC Wage Orders.
- c. ***Unpaid Paid Sick Leave.*** Violation of Labor Code §§ 246 through 248.7.
- d. ***Unpaid Meal Period Premium Wages.*** Violation of Labor Code §§ 226.7, 512, 1198; IWC Wage Orders.
- e. ***Unpaid Rest Period Premium Wages.*** Violation of Labor Code §§ 226.7, 516, 1198; IWC Wage Orders.
- f. ***Untimely Payment of Wages During Employment.*** Violation of Labor Code §§ 204, 204b, 210.
- g. ***Untimely Payment of Wages Upon Separation of Employment.*** Violation of Labor Code §§ 201, 202, 203, 256.
- h. ***Non-Compliant Wage Statements.*** Violation of Labor Code §§ 226, 226.3.
- i. ***Unreimbursed Employee Expenses.*** Violation of Labor Code §§ 2802, 2804.
- j. ***Failure to Provide Employee Records.*** Violation of Labor Code §§ 226, 432, 1174, 1198.5; IWC Wage Orders.
- k. ***Failure to Maintain Accurate Records.*** Violation of Labor Code § 1174; IWC Wage Orders.

76. Plaintiff seeks to collect all recoverable civil penalties for the Labor Code violations alleged in this Complaint and the PAGA notice (including amendments thereto) against Defendants pursuant to Labor Code section 2699(a) and (f), in addition to attorneys' fees, costs, and interest to the extent permitted by law, including under Labor Code section 2699(k).

PRAYER

Plaintiff prays for judgment as follows:

- a. For recovery of damages in amount according to proof;
- b. For all recoverable pre- and post-judgment interest;
- c. For this action to be maintained as a representative action under the PAGA;

- 1 d. For Plaintiff and counsel of record to be provided with all enforcement capability as if
2 the action were brought by the State of California or the California Division of Labor
3 Enforcement;
4 e. For recovery of all civil penalties and other recoverable amounts under the PAGA;
5 f. For reasonable attorneys' fees and costs of suit, including expert fees, to the extent
6 permitted by law, associated with the PAGA claims pursuant to Labor Code § 2699,
7 and Code of Civil Procedure section 1021.5 and any other applicable sections; and
8 g. For such other relief the Court deems just and proper.

9
10 Dated: April 17, 2025

Ferraro Vega Employment Lawyers, Inc.

11 

12 Nicholas J. Ferraro

13 Xavier L. Woodford

14 *Attorneys for Plaintiff David Victor Miranda*

EXHIBIT 1

Notice of Labor Code Violations

FERRARO VEGA

SAN DIEGO EMPLOYMENT LAWYERS

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December 6, 2024

NOTICE OF LABOR CODE VIOLATIONS CALIFORNIA LABOR CODE SECTIONS 2698 *et seq.*

VIA CERTIFIED U.S. MAIL
- Electronic Return Receipt -

Centerra Services International, Inc.
13530 Dulles Technology Drive, Suite 500
Herndon, Virginia 20171

- PAGA Notice & Filing Fee -
Submitted electronically to the Labor and
Workforce Development Agency

Dear LWDA Officer and Company Representatives:

This letter serves as written notice under Labor Code section 2699.3 on behalf of **DAVID VICTOR MIRANDA** (“Plaintiff(s)”) and all other “aggrieved employees” of the following “Defendant(s)”:

CENTERRA SERVICES INTERNATIONAL, INC.

Defendant(s) shall mean and include the foregoing in addition to any other related employer entities, individuals under Labor Code sections 558 and 558.1, and all others who may be later added upon further investigation and discovery as liable employers.

This office serves as legal counsel for Plaintiff. If the California Labor and Workforce Development Agency (“LWDA”) does not investigate the facts, allegations, and violations set forth in this notice within the statutorily prescribed 65-day period under Labor Code section 2699.3, Plaintiff intends to commence a civil action against Defendants as a proxy and agent of the State of California under the Private Attorneys General Act (“PAGA”). “PAGA allows an ‘aggrieved employee’—a person affected by at least one Labor Code violation committed by an employer—to pursue penalties for all the Labor Code violations committed by that employer.” *Huff v. Securitas Security Services USA, Inc.* (2018) 23 Cal. App. 5th 745, 751; *Kim v. Reins International California, Inc.* (2020) 9 Cal. 73, 79. Plaintiff maintains standing to pursue these claims against Defendants as an aggrieved employee.

Through this notice, Plaintiff requests that Defendants complete an internal investigation and audit of the wage and hour and employment practices at issue and make a good faith effort to

correct any violations. Plaintiff attempts to identify the non-compliant policies and practices affecting the aggrieved employees so that the parties may resolve the underlying damages and penalties in judgment or settlement approved by the Superior Court of California under Labor Code section 2699(s). Defendants are notified that any attempt to resolve this case should be conducted in coordination with Plaintiff's counsel to protect the interests of Plaintiff, the aggrieved employees, and the State of California via the LWDA. Plaintiff advises Defendants this letter should be also considered a reasonable attempt at settlement of this matter, subject to an exchange of additional documents and information. *Graham v. Daimler Chrysler Corp.* (2004) 24 Cal. 4th 553, 561.

- BACKGROUND -

Defendants employed Plaintiff during the PAGA Period in the position of Armed Guard from about April 19, 2024 to Current. During their employment Plaintiff and the other aggrieved employees were subject to the wage and hour and employment protections set forth in the California Labor Code and IWC Wage Orders.

Through this notice, Plaintiff informs the LWDA of the Labor Code violations set forth herein. The “aggrieved employees” include Plaintiff and the following individuals:

All current and former non-exempt employees who worked for Defendants in the State of California during one-year period preceding the date of this notice through the current date and the date of trial in any pending action (the “aggrieved employees” and the “PAGA Period”).

Plaintiff reserves the right to expand or narrow the definition of the “aggrieved employees” in the forthcoming civil action. Furthermore, Plaintiff seeks all recoverable civil penalties for Defendants’ violations and reserves the right to supplement this notice as further investigation is completed and further facts, witnesses, and violations are uncovered.

- PAGA CLAIMS -

Unpaid Hours Worked/Minimum Wage Violation of Labor Code §§ 1194, 1197, 1198; IWC Wage Orders

Defendants violated Labor Code sections 1194, 1197, and 1198, along with the California Minimum Wage Order, the applicable local minimum wage ordinances, and the “Hours and Days of Work” and “Minimum Wages” sections of the applicable IWC Wage Orders with respect to the aggrieved employees.

Labor Code section 1194 renders it unlawful for an employee to receive less than the legal minimum wage for hours worked in California. Labor Code section 1197 further mandates that “[t]he minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a lower wage than the minimum so fixed is unlawful.”

Labor Code section 1198 renders “employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the [IWC Wage Orders]” unlawful. The California Minimum Wage Order and the applicable sections of the IWC Wage Orders further require payment of minimum wages for all hours worked. The “Minimum Wages” sections of the applicable IWC Wage Order provide that “[e]very employer shall pay to each employee, on the established payday for the period involved, not less than the applicable minimum wage for all hours worked in the payroll period, whether the remuneration is measured by time, piece, commission, or otherwise.” The foregoing California wage laws require payment of “not less than the applicable minimum wage *for all hours worked* in the payroll period” and California law does not allow averaging of pay over the hours worked in the pay period, even if the total pay results in an average above the minimum wage. *Armenta v. Osmose, Inc.* (2005) 135 Cal. App. 3d 314, 324.

Defendants failed to pay Plaintiff and the aggrieved employees at the lawful minimum wage rate for all hours worked, resulting in unpaid minimum wages. Specifically, Defendants had a policy and practice of inserting false meal period entries (i.e., time editing) into Plaintiff and, on information and belief, the aggrieved employees time records. During Plaintiff’s employment, Defendants’ agents altered his time records to insert meal period times (when none were taken) or forced him to select “true” when asked if a compliant meal period was taken. Plaintiff and the aggrieved employees were deprived of regular wages each time Defendants altered their time records to make it appear as though they had taken a 30-minute meal period when in reality they had a shorter/interrupted meal period or no meal period at all. Plaintiff is informed and believes that other employees suffered the same violations.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Unpaid Overtime **Violation of Labor Code §§ 510, 1194, 1198; IWC Wage Orders**

Defendants violated Labor Code sections 510, 1194, and 1198, along with the “Hours and Days of Work” sections of the applicable IWC Wage Orders with respect to the aggrieved employees.

Labor Code section 510 requires “[a]ny work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee;” and “any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee;” and “any work in excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less than twice the regular rate of pay of an employee.” Labor Code section 1194 renders it unlawful for an employee to receive less than the legal overtime rate for overtime hours worked in California. Labor Code section 1198

renders “employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the [IWC Wage Orders]” unlawful. The IWC Wage Orders further require payment of overtime wages for all overtime hours worked, including the “Hours and Days of Work” sections.

Defendants failed to pay Plaintiff and the aggrieved employees overtime wages and the lawful rate of pay for overtime hours worked, resulting in unpaid overtime wages.

First, as a result of Defendants editing Plaintiff’s and, on information and belief, the aggrieved employees time records to include false meal periods, Defendants failed to compensate Plaintiff and the aggrieved employees for all overtime hours worked. Each time this practice resulted in unpaid work over 8 hours in a day or 40 hours in a week, this resulted in unpaid overtime.

Second, Defendants failed to pay overtime at the regular rate of pay. Plaintiff and the aggrieved employees earned shift differential pay, H&W Cash in lieu benefits, and other non-excludable remuneration in the same pay period they worked overtime, which Defendants did not include in the regular rate of pay. Below is an example of Defendants’ failure to pay the overtime at the regular rate of pay.

Earnings	rate	hours	this period
Rg Pay	30.0000	80.00	2,400.00
H&W Cshinlieu			365.60
Holiday	30.0000	8.00	240.00
Ot Premium	15.2100	8.00	121.67
Post Dif	0.5000	72.00	36.00
Sick	30.0000	8.00	240.00
Gross Pay			\$3,403.27

Extract of Plaintiff’s Wage Statement from the pay period 9/2/2024 – 9/15/2024.

Here, Plaintiff earned a “Post Dif” differential at a rate of \$0.5000/hour and Cash Benefit (“H&W Cshinlieu”) in the amount of \$365.60. He also earned 8.00 hours of overtime. The overtime was paid at a rate of only \$15.2100/hour (less than Plaintiff’s base hourly rate of \$30.00/hour). Defendants failed to pay overtime as the proper rate of pay and failed to include Plaintiff’s differential pay in calculating his overtime rate.

For each overtime hour worked during the period in which Plaintiff and the aggrieved employees earned the additional forms of remuneration, Defendants should have (but failed to) pay overtime “at a rate no less than ***one and one-half times the regular rate of pay*** for an employee” and “twice the regular rate of pay” for double time hours as required by the plain language of Labor Code section 510(a) and the IWC Wage Orders.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Unpaid Paid Sick Leave
Violation of Labor Code §§ 246 through 248.7

Defendants violated Labor Code sections 246 through 248.7 with respect to the aggrieved employees.

Labor Code section 246 requires employers to provide paid sick leave to its workforce on the terms set forth in the statute. Employers must comply with the accrual, use, and notice provisions of Labor Code sections 246, 246.5, 247, and must further ensure that they maintain the paid sick leave records required by Labor Code section 247.5. Employers have the option of providing 24 hours of paid sick leave to employees or to allow employees to accrue paid sick leave each pay period. If an employer chooses the accrual method, employees must accrue sick leave at a rate of one hour for every thirty hours worked in a given pay period as set forth in Labor Code section 246(b)(1). Under the accrual method, employees must begin accruing paid sick leave at the commencement of employment.

Employers must pay sick leave in accordance with one of the three permissible methods provided in Labor Code section 246(l): (1) “the same manner as the regular rate of pay for the workweek;” (2) “by dividing the employee’s total wages, not including overtime premium pay, by the employee’s total hours worked in the full pay periods of the prior 90 days;” or (3) “for exempt employee ... in the same manner as the employer calculates wages for other forms of paid leave time.” Labor Code sections 248.6 and 248.7 similarly require paid sick leave to be paid at a regular rate-based calculation in excess of the base hourly rate and at the lawful accrual rate.

Under Labor Code section 246(i), employers must provide employees “with written notice of the amount of paid sick leave available ... for use on either the employee’s itemized wage statement ... or in a separate writing provided on the designated pay date with the employee’s payment of wages.”

Defendants failed to comply with California’s paid sick leave laws with respect to the aggrieved employees. As stated above, due to Defendants’ failure to include all non-discretionary pay, including shift differential pay, Defendants failed to pay Plaintiff’s and, on information and belief, the aggrieved employees’ paid sick leave at the regular rate of pay. An illustrative example of this violation is shown below:

Earnings	rate	hours	this period	year to date
Rg Pay	30.0000	74.00	2,220.00	15,172.50
H&W Cshinlieu			338.18	1,999.46
Holiday	30.0000	8.00	240.00	720.00
Ot Premium	15.2200	4.50	68.50	479.30
Ot Premium	15.2400	.25	3.81	
Post Dif	0.5000	69.25	34.63	198.63
Sick	30.0000	10.75	322.50	367.50
Gross Pay			\$3,227.62	18,937.39

Extract of Plaintiff's Wage Statement during the pay period from 6/24/2024 – 7/7/2024.

Here, Plaintiff earned a shift differential, H&W Cash benefits, and worked overtime in the same pay period he earned sick pay. However, Defendants only paid sick leave at Plaintiff's base hourly rate rather than "in the same manner as the regular rate of pay for the worked week in which the employee uses paid sick leave, whether or not the employee actually worked overtime in that workweek," as the regular rate should have included shift differentials and all other forms of additional non-excludable remuneration.

Additionally, Plaintiff and the aggrieved employees worked off-the-clock, overtime hours that were not accounted for when calculating an employee's accrued paid sick leave. Therefore, Plaintiff and the aggrieved employees were not awarded the total accrued sick leave time they had earned.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Unpaid Meal Period Premium Wages **Violation of Labor Code §§ 226.7, 512, 1198; IWC Wage Orders**

Defendants violated Labor Code sections 226.7, 512, and 1198, along with the related sections of the IWC Wage Orders with respect to the aggrieved employees.

Labor Code section 512 and the IWC Wage Orders require that employers provide an uninterrupted 30-minute meal period after no more than five hours of work and a second meal period after no more than 10 hours of work. *See Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal. 4th 1004, 1049. Labor Code section 226.7 requires that if a meal period is late, missed, short, or interrupted, the employer must pay one additional hour of pay at the employee's "regular rate" of compensation. *Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal. 5th 858, 862 ("We hold that the terms are synonymous: "regular rate of compensation" under section 226.7(c), like "regular rate of pay" under section 510(a), encompasses all nondiscretionary payments, not just hourly wages"). "[T]ime records showing noncompliant meal periods raise a rebuttable presumption of meal period violations, including at the summary judgment stage."

Donohue v. AMN Services, LLC (2021) 11 Cal. 5th 58, 61. Labor Code section 1198 renders “employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the [IWC Wage Orders]” unlawful. The IWC Wage Orders, including Section 11 (Meal Periods), further require one uninterrupted 30-minute meal period after no more than five hours of work and a second meal period after no more than 10 hours of work and an additional hour of pay at the employee’s regular rate of compensation for each workday that a compliant meal period is not provided. Pursuant to Section 11(A) of the IWC Wage Orders, the California Supreme Court has held that the on-duty meal period exception is “exceedingly narrow” and applies only when (1) “the nature of the work prevents the employee from being relieved of all duty” and (2) *both* “the employer and employee have agreed, in writing, to the on-duty meal period.” *Augustus v. AMB Security Services, Inc.* (2016) 2 Cal. 5th 257, 266-276 (emphasis added). If these two requirements are not met, then the employer owes the employee one hour of premium pay for each non-compliant meal period taken under the purported on-duty meal arrangement. *Naranjo v. Spectrum Security Services, Inc.* (2019) 40 Cal. 5th 444, 459.

First, Plaintiff and the aggrieved employees often experienced missed, late, short, and interrupted first and second meal periods due to the pressure to keep up with the high demands of the job and pressures from management.

Defendants had an unlawful policy and practice of requiring Plaintiff and other aggrieved employees to work through their unpaid meal periods. Defendants failed to relieve Plaintiff and the aggrieved employees of their job duties in order to take a compliant meal period. Plaintiff recalls being instructed to change his entry from “False” to “True” when asked if he took a meal break, when in reality, he did not. Plaintiff was told that management would not submit his time entry if he didn’t select “True.”

Each time Plaintiff and the aggrieved employees experienced a non-compliant meal period they were owed a meal period premium. As a matter of policy and practice, Defendants failed to pay all owed meal period premiums.

Second, to the extent Defendants paid meal period premiums, Defendants failed to pay these premiums at the regular rate of compensation. Based on Defendants failure to pay overtime at the regular rate of compensation, Plaintiff believes and alleges Defendants similarly failed to factor in all additional non-excludable remuneration into the regular rate of pay. Instead, paying premiums at their base rate or an otherwise deficient rate.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Unpaid Rest Period Premium Wages
Violation of Labor Code §§ 226.7, 516, 1198; IWC Wage Orders

Defendants violated Labor Code sections 226.7, 516, and 1198, and the related sections of the IWC Wage Orders with respect to Plaintiff and the aggrieved employees.

Labor Code sections 226.7 and 516 and the IWC Wage Orders require that employers authorize and permit an uninterrupted 10-minute rest period for each four-hour period (or major fraction thereof) that an employee works. Labor Code section 226.7 requires that if a rest period is non-compliant, the employer must pay one additional hour of pay at the employee's "regular rate" of compensation. *Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal. 5th 858, 862 ("We hold that the terms are synonymous: "regular rate of compensation" under section 226.7(c), like "regular rate of pay" under section 510(a), encompasses all nondiscretionary payments, not just hourly wages"). Labor Code section 1198 renders "employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the [IWC Wage Orders]" unlawful. The IWC Wage Orders, including Section 12 (Rest Periods), further require one uninterrupted 10-minute rest period for each four-hour period (or major fraction thereof) worked and an additional hour of pay at the employee's regular rate of compensation for each workday that a compliant rest period is not authorized or permitted.

Defendants failed to provide all rest periods to which Plaintiff and the aggrieved employees were entitled and further failed to pay all owed rest period premiums. For the same reasons Plaintiff and the aggrieved employees experienced non-compliant meal periods, like the pressure to keep up with the high demands of the job, they also experienced non-compliant rest periods. Plaintiff and the aggrieved employees were hardly ever relieved of their job duties because supervisors did not want to sit in the pods while employees were on break.

Defendant had an unlawful policy and practice of encouraging Plaintiff and other aggrieved employees to work through their rest periods without being paid rest period premiums. When Defendant did not provide compliant rest periods, Defendant failed to pay Plaintiff and other aggrieved employees a rest period premium in violation of Labor Code section 226.7.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Untimely Payment of Wages During Employment
Violation of Labor Code §§ 204, 204b, 210

Defendants violated Labor Code sections 204 and/or 204b and 210, as applicable, with respect to Plaintiff and the aggrieved employees.

Labor Code section 204(a) requires payment of “all wages” for non-exempt employees at least twice each calendar month. Labor Code section 204(d) states all wages due must be paid “not more than seven calendar days following the close of the payroll period.” Labor Code section 204b applies to employees paid on a weekly basis and also requires the payment for all labor within the required pay periods. Labor Code section 210 provides “every person who fails to pay the wages of an employee as provided in Section ... 204 ... shall be subject to a civil penalty” of \$100 for an initial violation and \$200 plus 25% of the amount unlawfully withheld for a subsequent violation.

Because Defendants failed to pay all wages and premiums in each pay period in which such wages were earned at the lawful rate, Defendants violated Labor Code section 204 and/or 204b (for weekly employees, as applicable). Defendants violated Labor Code sections 204 and 204b by failing to pay all wages and premiums owed on the regular pay days scheduled each pay period within seven calendar days of the close of the payroll period, as a result of the policies and practices set forth in this notice. Indeed, Defendants failed to pay all premiums, overtime, regular, sick leave, and other earnings on time each payday.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Untimely Payment of Wages Upon Separation of Employment **Violation of Labor Code §§ 201, 202, 203, 256**

Defendants violated Labor Code sections 201, 202, and 203 with respect to the aggrieved employees by failing to pay all wages and premiums owed upon termination of employment.

Labor Code section 201 requires that if an employer fires an employee, the wages must be paid immediately. Labor Code section 202 requires that if an employee quits without providing 72 hours’ notice, his or her wages must be paid no later than 72 hours thereafter. Labor Code section 202 states that if an employee provides 72 hours’ notice, the final wages are payable upon his or her final day of employment. Labor Code section 203 requires an employer who fails to comply with Labor Code sections 201 or 202 to pay a waiting time penalty for each employee, up to a period of 30 days additional compensation.

Defendants failed to pay all wages and premiums owed to aggrieved employees during their employment as set forth in this notice, and also failed to timely pay those amounts to departing employees upon separation of employment. Defendants did not pay waiting time penalties for the late payments. As a result, Defendants violated Labor Code sections 201, 202, and 203.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Non-Compliant Wage Statements
Violation of Labor Code §§ 226, 226.3

Defendants violated Labor Code sections 226(a) and 226.3 with respect to the aggrieved employees by failing to furnish itemized wage statements each pay period that accurately list all information required by Labor Code section 226(a)(1) through (9).

Labor Code section 226(a) requires an employer to furnish wage statements to employees semimonthly or at the time of each payment of wages, “an accurate itemized statement in writing showing:” (1) gross wages earned, (2) total hours worked, (3) the number of piece rate units earned and applicable piece-rate in effect, (4) all deductions, (5) net wages earned, (6) the inclusive dates of the pay period, (7) the name of the employee and last four digits of SSN or an EIN, (8) the name and address of the legal name of the employer, and (9) all applicable hourly rates in effect during the pay period and the number of hours worked at each hourly rate by the employee.

Defendants failed to provide accurate itemized wage statements to the aggrieved employees each pay period as a result of the policies and practices set forth in this notice. Defendants violated Labor Code section 226(a)(1) and (5) by not listing the correct “gross wages earned” or “net wages earned,” as the employees earned wages and premiums that were not paid, resulting in an inaccurate reflection, and recording of “gross wages earned” on those wage statements.

Likewise, in violation of Labor Code section 226(a)(9), Defendants failed to state on employee wage statements each pay period the applicable hourly rates in effect and the number of hours worked at that rate, as Defendants failed to pay all wages and premiums owed to employees. The amounts stated are instead depreciated and underpaid, resulting in an inaccurate reflection on the pay stub. An illustrative example of this violation is shown below:

Earnings	rate	hours	this period
Rg Pay	30.0000	104.50	3,135.00
H&W Cshinlieu			365.60
Ot Premium	15.1900	24.50	372.19
Post Dif	0.5000	80.00	40.00
Holiday			
Sick			
Gross Pay			\$3,912.79

**Extract of Plaintiff’s wage statement for the pay period from 07/08/2024 –
07/21/2024.**

Here, Plaintiff earned a Health & Welfare Cash Payment (“H&W Cshinlieu”) in the amount of \$365.60. However, Defendants failed to state the applicable hourly rates in effect and the

number of hours worked at that rate. Thus, Defendants violated Labor Code section 226(a)(9) by failing to state any hourly rates and the number of hours worked at that rate.

Defendants violated Labor Code section 226(a)(2) by failing to accurately list employees' "total hours worked," as the wage statements did not accurately include the uncompensated time Plaintiff and other aggrieved employees worked during their meal periods.

Plaintiff and other aggrieved employees cannot promptly and easily determine from the wage statement alone the wages paid or earned without reference to other documents or information. Indeed, these wage statement violations are significant because they sow confusion among Plaintiff and other aggrieved employees with respect to what amounts were owed and paid, at what rates, the number of hours worked, and how those amounts were or should be calculated. The wage statements reflect a false statement of earnings and concealed the underlying problems and underpayments of employee wages.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Unreimbursed Employee Expenses **Violation of Labor Code §§ 2802, 2804**

Defendants violated Labor Code section 2802 with respect to the aggrieved employees by failing to reimburse the aggrieved employees for all necessary expenditures or losses incurred as part of their job duties.

Labor Code section 2802 requires an employer to "indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer, even though unlawful, unless the employee, at the time of obeying the directions, believed them to be unlawful." *See, e.g., Espinoza v. West Coast Tomato Growers, LLC*, 2016 WL 4468175 at *4, n.2 (S.D. Cal. Aug. 24, 2016, No. 14-CV-2984 W (KSC)).

Labor Code section 2804 affirms that "[a]ny contract or agreement, express or implied, made by any employee to waive the benefits of this article or any part thereof, is null and void, and this article shall not deprive any employee or his personal representative of any right or remedy to which he is entitled under the laws of this State."

Defendants required Plaintiff and the aggrieved employees to incur costs for work-related purposes without full reimbursement. In direct consequence of their job duties, Plaintiff and the aggrieved employees unavoidably and necessarily incurred these losses, expenditures, costs, and as a matter of policy and practice. Defendants required Plaintiff and the aggrieved employees to use their personal cellphones to receive phone calls and messages from Defendants agents about work-related matters. Further, Plaintiff was required utilize his

personal vehicle to drive from his post to the hospital when he was subject to hospital watch. However, Defendant did not reimburse Plaintiff and other aggrieved employees for expenses incurred from cellphone and gas usage required for the job.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Failure to Provide Employee Records
Violation of Labor Code §§ 226, 432, 1174, 1198.5; IWC Wage Orders

Defendants violated Labor Code sections 226, 432, 1198.5, and 1174 with respect to the aggrieved employees.

Labor Code section 226(b) requires employers to “afford current and former employees the right to inspect or receive a copy of records pertaining to their employment, upon reasonable request to the employer.” Labor Code section 432 states that “[i]f an employee ... signs any instrument relating to the obtaining or holding of employment, he shall be given a copy of the instrument upon request.” Labor Code section 1198.5 grants “[e]very current and former employee, or his or her representative, ... the right to inspect and receive a copy of the personnel files that the employer maintains relating to the employee’s performance or to any grievance concerning the employee.” Section 7(A) (Records) of the IWC Wage Orders, which may be enforced through Labor Code section 1198, mandates that employers maintain and make available “time records showing when the employee begins and ends each work period” as well as time records showing “[m]eal periods, split shift intervals, and daily hours worked[.]” Labor Code section 1174(d) requires these and other records be maintained for at least three years.

Defendants failed to provide all records upon Plaintiff’s request. Specifically, Plaintiff requested copies of his timecards for his time spent working for Defendant. However, to date, Defendant has not provided Plaintiff with those time cards. Consequently, Defendant has failed to afford Plaintiff and the aggrieved employees the opportunity to inspect the records pertaining to their employment.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Failure to Maintain Accurate Records
Violation of Labor Code § 1174; IWC Wage Orders

Defendants violated Labor Code sections 1174 and the IWC Wage Orders by failing to maintain accurate employee payroll records with respect to Plaintiff and other aggrieved employees.

Labor Code section 1174 requires that employers maintain accurate “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.” Section 7(A) of the IWC Wage Orders, which may be enforced through Labor Code section 1198, mandates similar recordkeeping obligations.

Because of the policies and practices set forth in this notice, including the failure to accurately account for wages earned or hours worked, Defendants failed to accurately maintain records in accordance with Labor Code section 1174 and the IWC Wage Orders.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Attorneys’ Fees and Costs
Labor Code § 2699(k)(1)

Plaintiff has been compelled to retain the services of counsel to protect the interests of other aggrieved employees and the State of California. Plaintiff continues to incur attorneys’ fees and costs, which are recoverable under California law, including Labor Code section 2699(k)(1).

- LITIGATION HOLD NOTICE -

This letter imposes a duty upon all defendants and their respective employees, officers, directors, executives, attorneys, human resource and payroll personnel, accountants, and other agents to preserve all physical and electronic evidence, including electronically stored information and emails, which relate to the employment of Plaintiff and the aggrieved employees specified in this notice. Evidence includes, but is not limited to, Defendants’ written employment and payroll policies and handbooks; the aggrieved employees’ personnel files and payroll records, such as paystubs, time records, wage statements, compensation reports, as well as the underlying electronically data in Excel or similar format. Memoranda and internal and external correspondence relating to the subject matter of this notice shall also be maintained. Failure to preserve and retain relevant evidence may constitute spoliation of evidence and result in an adverse inference or sanctions.

If you have any questions regarding the scope of your obligations to preserve evidence, please consult your legal counsel and always err on the side of caution. Periodic or regularly scheduled purges or deletions of information covered by this hold must be suspended immediately.

- CONCLUSION -

If the LWDA does not pursue enforcement, Plaintiff intends to bring representative claims on behalf of the State of California and the aggrieved employees seeking civil penalties for violations of the Labor Code and the IWC Wage Orders, along with attorneys' fees, costs, interest, and other appropriate relief.

Please advise if the LWDA intends to investigate any of the factual or legal allegations set forth in this notice. Defendants may contact Plaintiff's counsel with any questions regarding this letter or the forthcoming lawsuit.

Sincerely,



Xavier L. Woodford

Cc Plaintiff David Victor Miranda

Candice Meek – Corporate Paralegal
cbmeek@constellis.com

Katherine McKenzie-Veal – HR Representative
Kmckenzie-veal@constellis.com

Heather Collins – HR Generalist
Heather.L.Collins@constellis.com

EXHIBIT 2

Amended Notice of Labor Code Violations

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February 10, 2025

AMENDED NOTICE OF LABOR CODE VIOLATIONS **CALIFORNIA LABOR CODE SECTIONS 2698 *et seq.***

VIA CERTIFIED U.S. MAIL
- Electronic Return Receipt -

Centerra Services International, Inc.
13530 Dulles Technology Drive, Suite 500
Herndon, Virginia 20171

Constellis, LLC
13530 Dulles Technology Drive, Suite 500
Herndon, Virginia 20171

Centerra Group, LLC
13530 Dulles Technology Drive, Suite 500
Herndon, Virginia 20171

- PAGA Notice & Filing Fee -
Submitted electronically to the Labor and
Workforce Development Agency

Dear LWDA Officer and Company Representatives:

This letter serves as written notice under Labor Code section 2699.3 on behalf of **DAVID VICTOR MIRANDA** (“Plaintiff(s)”) and all other “aggrieved employees” of the following “Defendant(s)”:

**CENTERRA SERVICES INTERNATIONAL, INC.; CENTERRA GROUP, LLC;
CONSTELLIS, LLC**

Defendant(s) shall mean and include the foregoing in addition to any other related employer entities, individuals under Labor Code sections 558 and 558.1, and all others who may be later added upon further investigation and discovery as liable employers.

This office serves as legal counsel for Plaintiff. If the California Labor and Workforce Development Agency (“LWDA”) does not investigate the facts, allegations, and violations set forth in this notice within the statutorily prescribed 65-day period under Labor Code section 2699.3, Plaintiff intends to commence a civil action against Defendants as a proxy and agent of the State of California under the Private Attorneys General Act (“PAGA”). “PAGA allows an ‘aggrieved employee’—a person affected by at least one Labor Code violation committed by an employer—to pursue penalties for all the Labor Code violations committed by that

employer.” *Huff v. Securitas Security Services USA, Inc.* (2018) 23 Cal. App. 5th 745, 751; *Kim v. Reins International California, Inc.* (2020) 9 Cal. 73, 79. Plaintiff maintains standing to pursue these claims against Defendants as an aggrieved employee.

Through this notice, Plaintiff requests that Defendants complete an internal investigation and audit of the wage and hour and employment practices at issue and make a good faith effort to correct any violations. Plaintiff attempts to identify the non-compliant policies and practices affecting the aggrieved employees so that the parties may resolve the underlying damages and penalties in judgment or settlement approved by the Superior Court of California under Labor Code section 2699(s). Defendants are notified that any attempt to resolve this case should be conducted in coordination with Plaintiff’s counsel to protect the interests of Plaintiff, the aggrieved employees, and the State of California via the LWDA. Plaintiff advises Defendants this letter should be also considered a reasonable attempt at settlement of this matter, subject to an exchange of additional documents and information. *Graham v. Daimler Chrysler Corp.* (2004) 24 Cal. 4th 553, 561.

- BACKGROUND -

Defendants employed Plaintiff during the PAGA Period in the position of Armed Guard from about April 19, 2024 to Current. During their employment Plaintiff and the other aggrieved employees were subject to the wage and hour and employment protections set forth in the California Labor Code and IWC Wage Orders.

Through this notice, Plaintiff informs the LWDA of the Labor Code violations set forth herein. The “aggrieved employees” include Plaintiff and the following individuals:

All current and former non-exempt employees who worked for Defendants in the State of California during one-year period preceding the date of this notice through the current date and the date of trial in any pending action (the “aggrieved employees” and the “PAGA Period”).

Plaintiff reserves the right to expand or narrow the definition of the “aggrieved employees” in the forthcoming civil action. Furthermore, Plaintiff seeks all recoverable civil penalties for Defendants’ violations and reserves the right to supplement this notice as further investigation is completed and further facts, witnesses, and violations are uncovered.

- PAGA CLAIMS -

Unpaid Hours Worked/Minimum Wage Violation of Labor Code §§ 1194, 1197, 1198; IWC Wage Orders

Defendants violated Labor Code sections 1194, 1197, and 1198, along with the California Minimum Wage Order, the applicable local minimum wage ordinances, and the “Hours and

Days of Work” and “Minimum Wages” sections of the applicable IWC Wage Orders with respect to the aggrieved employees.

Labor Code section 1194 renders it unlawful for an employee to receive less than the legal minimum wage for hours worked in California. Labor Code section 1197 further mandates that “[t]he minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a lower wage than the minimum so fixed is unlawful.” Labor Code section 1198 renders “employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the [IWC Wage Orders]” unlawful. The California Minimum Wage Order and the applicable sections of the IWC Wage Orders further require payment of minimum wages for all hours worked. The “Minimum Wages” sections of the applicable IWC Wage Order provide that “[e]very employer shall pay to each employee, on the established payday for the period involved, not less than the applicable minimum wage for all hours worked in the payroll period, whether the remuneration is measured by time, piece, commission, or otherwise.” The foregoing California wage laws require payment of “not less than the applicable minimum wage *for all hours worked* in the payroll period” and California law does not allow averaging of pay over the hours worked in the pay period, even if the total pay results in an average above the minimum wage. *Armenta v. Osmose, Inc.* (2005) 135 Cal. App. 3d 314, 324.

Defendants failed to pay Plaintiff and the aggrieved employees at the lawful minimum wage rate for all hours worked, resulting in unpaid minimum wages. Specifically, Defendants had a policy and practice of inserting false meal period entries (i.e., time editing) into Plaintiff and, on information and belief, the aggrieved employees time records. During Plaintiff’s employment, Defendants’ agents altered his time records to insert meal period times (when none were taken) or forced him to select “true” when asked if a compliant meal period was taken. Plaintiff and the aggrieved employees were deprived of regular wages each time Defendants altered their time records to make it appear as though they had taken a 30-minute meal period when in reality they had a shorter/interrupted meal period or no meal period at all. Plaintiff is informed and believes that other employees suffered the same violations.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Unpaid Overtime

Violation of Labor Code §§ 510, 1194, 1198; IWC Wage Orders

Defendants violated Labor Code sections 510, 1194, and 1198, along with the “Hours and Days of Work” sections of the applicable IWC Wage Orders with respect to the aggrieved employees.

Labor Code section 510 requires “[a]ny work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the

seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee;” and “any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee;” and “any work in excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less than twice the regular rate of pay of an employee.” Labor Code section 1194 renders it unlawful for an employee to receive less than the legal overtime rate for overtime hours worked in California. Labor Code section 1198 renders “employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the [IWC Wage Orders]” unlawful. The IWC Wage Orders further require payment of overtime wages for all overtime hours worked, including the “Hours and Days of Work” sections.

Defendants failed to pay Plaintiff and the aggrieved employees overtime wages and the lawful rate of pay for overtime hours worked, resulting in unpaid overtime wages.

First, as a result of Defendants editing Plaintiff’s and, on information and belief, the aggrieved employees time records to include false meal periods, Defendants failed to compensate Plaintiff and the aggrieved employees for all overtime hours worked. Each time this practice resulted in unpaid work over 8 hours in a day or 40 hours in a week, this resulted in unpaid overtime.

Second, Defendants failed to pay overtime at the regular rate of pay. Plaintiff and the aggrieved employees earned shift differential pay, H&W Cash in lieu benefits, and other non-excludable remuneration in the same pay period they worked overtime, which Defendants did not include in the regular rate of pay. Below is an example of Defendants’ failure to pay the overtime at the regular rate of pay.

Earnings	rate	hours	this period
Rg Pay	30.0000	80.00	2,400.00
H&W Cshinlieu			365.60
Holiday	30.0000	8.00	240.00
Ot Premium	15.2100	8.00	121.67
Post Dif	0.5000	72.00	36.00
Sick	30.0000	8.00	240.00
Gross Pay			\$3,403.27

Extract of Plaintiff’s Wage Statement from the pay period 9/2/2024 – 9/15/2024.

Here, Plaintiff earned a “Post Dif” differential at a rate of \$0.5000/hour and Cash Benefit (“H&W Cshinlieu”) in the amount of \$365.60. He also earned 8.00 hours of overtime. The overtime was paid at a rate of only \$15.2100/hour (less than Plaintiff’s base hourly rate of \$30.00/hour). Defendants failed to pay overtime as the proper rate of pay and failed to include Plaintiff’s differential pay in calculating his overtime rate.

For each overtime hour worked during the period in which Plaintiff and the aggrieved employees earned the additional forms of remuneration, Defendants should have (but failed to) pay overtime “at a rate no less than *one and one-half times the regular rate of pay* for an employee” and “twice the regular rate of pay” for double time hours as required by the plain language of Labor Code section 510(a) and the IWC Wage Orders.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Unpaid Paid Sick Leave **Violation of Labor Code §§ 246 through 248.7**

Defendants violated Labor Code sections 246 through 248.7 with respect to the aggrieved employees.

Labor Code section 246 requires employers to provide paid sick leave to its workforce on the terms set forth in the statute. Employers must comply with the accrual, use, and notice provisions of Labor Code sections 246, 246.5, 247, and must further ensure that they maintain the paid sick leave records required by Labor Code section 247.5. Employers have the option of providing 24 hours of paid sick leave to employees or to allow employees to accrue paid sick leave each pay period. If an employer chooses the accrual method, employees must accrue sick leave at a rate of one hour for every thirty hours worked in a given pay period as set forth in Labor Code section 246(b)(1). Under the accrual method, employees must begin accruing paid sick leave at the commencement of employment.

Employers must pay sick leave in accordance with one of the three permissible methods provided in Labor Code section 246(l): (1) “the same manner as the regular rate of pay for the workweek;” (2) “by dividing the employee’s total wages, not including overtime premium pay, by the employee’s total hours worked in the full pay periods of the prior 90 days;” or (3) “for exempt employee ... in the same manner as the employer calculates wages for other forms of paid leave time.” Labor Code sections 248.6 and 248.7 similarly require paid sick leave to be paid at a regular rate-based calculation in excess of the base hourly rate and at the lawful accrual rate.

Under Labor Code section 246(i), employers must provide employees “with written notice of the amount of paid sick leave available ... for use on either the employee’s itemized wage statement ... or in a separate writing provided on the designated pay date with the employee’s payment of wages.”

Defendants failed to comply with California’s paid sick leave laws with respect to the aggrieved employees. As stated above, due to Defendants’ failure to include all non-discretionary pay, including shift differential pay, Defendants failed to pay Plaintiff’s and, on information and

belief, the aggrieved employees' paid sick leave at the regular rate of pay. An illustrative example of this violation is shown below:

Earnings	rate	hours	this period	year to date
Rg Pay	30.0000	74.00	2,220.00	15,172.50
H&W Cshinlieu			338.18	1,999.46
Holiday	30.0000	8.00	240.00	720.00
Ot Premium	15.2200	4.50	68.50	479.30
Ot Premium	15.2400	.25	3.81	
Post Dif	0.5000	69.25	34.63	198.63
Sick	30.0000	10.75	322.50	367.50
Gross Pay			\$3,227.62	18,937.39

Extract of Plaintiff's Wage Statement during the pay period from 6/24/2024 – 7/7/2024.

Here, Plaintiff earned a shift differential, H&W Cash benefits, and worked overtime in the same pay period he earned sick pay. However, Defendants only paid sick leave at Plaintiff's base hourly rate rather than "in the same manner as the regular rate of pay for the worked week in which the employee uses paid sick leave, whether or not the employee actually worked overtime in that workweek," as the regular rate should have included shift differentials and all other forms of additional non-excludable remuneration.

Additionally, Plaintiff and the aggrieved employees worked off-the-clock, overtime hours that were not accounted for when calculating an employee's accrued paid sick leave. Therefore, Plaintiff and the aggrieved employees were not awarded the total accrued sick leave time they had earned.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Unpaid Meal Period Premium Wages **Violation of Labor Code §§ 226.7, 512, 1198; IWC Wage Orders**

Defendants violated Labor Code sections 226.7, 512, and 1198, along with the related sections of the IWC Wage Orders with respect to the aggrieved employees.

Labor Code section 512 and the IWC Wage Orders require that employers provide an uninterrupted 30-minute meal period after no more than five hours of work and a second meal period after no more than 10 hours of work. *See Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal. 4th 1004, 1049. Labor Code section 226.7 requires that if a meal period is late, missed, short, or interrupted, the employer must pay one additional hour of pay at the employee's "regular rate" of compensation. *Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal. 5th 858, 862 ("We hold that the terms are synonymous: "regular rate of compensation" under section 226.7(c), like "regular rate of pay" under section 510(a), encompasses all nondiscretionary

payments, not just hourly wages”). “[T]ime records showing noncompliant meal periods raise a rebuttable presumption of meal period violations, including at the summary judgment stage.” *Donohue v. AMN Services, LLC* (2021) 11 Cal. 5th 58, 61. Labor Code section 1198 renders “employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the [IWC Wage Orders]” unlawful. The IWC Wage Orders, including Section 11 (Meal Periods), further require one uninterrupted 30-minute meal period after no more than five hours of work and a second meal period after no more than 10 hours of work and an additional hour of pay at the employee’s regular rate of compensation for each workday that a compliant meal period is not provided. Pursuant to Section 11(A) of the IWC Wage Orders, the California Supreme Court has held that the on-duty meal period exception is “exceedingly narrow” and applies only when (1) “the nature of the work prevents the employee from being relieved of all duty” and (2) *both* “the employer and employee have agreed, in writing, to the on-duty meal period.” *Augustus v. AMB Security Services, Inc.* (2016) 2 Cal. 5th 257, 266-276 (emphasis added). If these two requirements are not met, then the employer owes the employee one hour of premium pay for each non-compliant meal period taken under the purported on-duty meal arrangement. *Naranjo v. Spectrum Security Services, Inc.* (2019) 40 Cal. 5th 444, 459.

First, Plaintiff and the aggrieved employees often experienced missed, late, short, and interrupted first and second meal periods due to the pressure to keep up with the high demands of the job and pressures from management.

Defendants had an unlawful policy and practice of requiring Plaintiff and other aggrieved employees to work through their unpaid meal periods. Defendants failed to relieve Plaintiff and the aggrieved employees of their job duties in order to take a compliant meal period. Plaintiff recalls being instructed to change his entry from “False” to “True” when asked if he took a meal break, when in reality, he did not. Plaintiff was told that management would not submit his time entry if he didn’t select “True.”

Each time Plaintiff and the aggrieved employees experienced a non-compliant meal period they were owed a meal period premium. As a matter of policy and practice, Defendants failed to pay all owed meal period premiums.

Second, to the extent Defendants paid meal period premiums, Defendants failed to pay these premiums at the regular rate of compensation. Based on Defendants failure to pay overtime at the regular rate of compensation, Plaintiff believes and alleges Defendants similarly failed to factor in all additional non-excludable remuneration into the regular rate of pay. Instead, paying premiums at their base rate or an otherwise deficient rate.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Unpaid Rest Period Premium Wages
Violation of Labor Code §§ 226.7, 516, 1198; IWC Wage Orders

Defendants violated Labor Code sections 226.7, 516, and 1198, and the related sections of the IWC Wage Orders with respect to Plaintiff and the aggrieved employees.

Labor Code sections 226.7 and 516 and the IWC Wage Orders require that employers authorize and permit an uninterrupted 10-minute rest period for each four-hour period (or major fraction thereof) that an employee works. Labor Code section 226.7 requires that if a rest period is non-compliant, the employer must pay one additional hour of pay at the employee's "regular rate" of compensation. *Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal. 5th 858, 862 ("We hold that the terms are synonymous: "regular rate of compensation" under section 226.7(c), like "regular rate of pay" under section 510(a), encompasses all nondiscretionary payments, not just hourly wages"). Labor Code section 1198 renders "employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the [IWC Wage Orders]" unlawful. The IWC Wage Orders, including Section 12 (Rest Periods), further require one uninterrupted 10-minute rest period for each four-hour period (or major fraction thereof) worked and an additional hour of pay at the employee's regular rate of compensation for each workday that a compliant rest period is not authorized or permitted.

Defendants failed to provide all rest periods to which Plaintiff and the aggrieved employees were entitled and further failed to pay all owed rest period premiums. For the same reasons Plaintiff and the aggrieved employees experienced non-compliant meal periods, like the pressure to keep up with the high demands of the job, they also experienced non-compliant rest periods. Plaintiff and the aggrieved employees were hardly ever relieved of their job duties because supervisors did not want to sit in the pods while employees were on break.

Defendant had an unlawful policy and practice of encouraging Plaintiff and other aggrieved employees to work through their rest periods without being paid rest period premiums. When Defendant did not provide compliant rest periods, Defendant failed to pay Plaintiff and other aggrieved employees a rest period premium in violation of Labor Code section 226.7.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Untimely Payment of Wages During Employment
Violation of Labor Code §§ 204, 204b, 210

Defendants violated Labor Code sections 204 and/or 204b and 210, as applicable, with respect to Plaintiff and the aggrieved employees.

Labor Code section 204(a) requires payment of “all wages” for non-exempt employees at least twice each calendar month. Labor Code section 204(d) states all wages due must be paid “not more than seven calendar days following the close of the payroll period.” Labor Code section 204b applies to employees paid on a weekly basis and also requires the payment for all labor within the required pay periods. Labor Code section 210 provides “every person who fails to pay the wages of an employee as provided in Section ... 204 ... shall be subject to a civil penalty” of \$100 for an initial violation and \$200 plus 25% of the amount unlawfully withheld for a subsequent violation.

Because Defendants failed to pay all wages and premiums in each pay period in which such wages were earned at the lawful rate, Defendants violated Labor Code section 204 and/or 204b (for weekly employees, as applicable). Defendants violated Labor Code sections 204 and 204b by failing to pay all wages and premiums owed on the regular pay days scheduled each pay period within seven calendar days of the close of the payroll period, as a result of the policies and practices set forth in this notice. Indeed, Defendants failed to pay all premiums, overtime, regular, sick leave, and other earnings on time each payday.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Untimely Payment of Wages Upon Separation of Employment **Violation of Labor Code §§ 201, 202, 203, 256**

Defendants violated Labor Code sections 201, 202, and 203 with respect to the aggrieved employees by failing to pay all wages and premiums owed upon termination of employment.

Labor Code section 201 requires that if an employer fires an employee, the wages must be paid immediately. Labor Code section 202 requires that if an employee quits without providing 72 hours’ notice, his or her wages must be paid no later than 72 hours thereafter. Labor Code section 202 states that if an employee provides 72 hours’ notice, the final wages are payable upon his or her final day of employment. Labor Code section 203 requires an employer who fails to comply with Labor Code sections 201 or 202 to pay a waiting time penalty for each employee, up to a period of 30 days additional compensation.

Defendants failed to pay all wages and premiums owed to aggrieved employees during their employment as set forth in this notice, and also failed to timely pay those amounts to departing employees upon separation of employment. Defendants did not pay waiting time penalties for the late payments. As a result, Defendants violated Labor Code sections 201, 202, and 203.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Non-Compliant Wage Statements
Violation of Labor Code §§ 226, 226.3

Defendants violated Labor Code sections 226(a) and 226.3 with respect to the aggrieved employees by failing to furnish itemized wage statements each pay period that accurately list all information required by Labor Code section 226(a)(1) through (9).

Labor Code section 226(a) requires an employer to furnish wage statements to employees semimonthly or at the time of each payment of wages, “an accurate itemized statement in writing showing:” (1) gross wages earned, (2) total hours worked, (3) the number of piece rate units earned and applicable piece-rate in effect, (4) all deductions, (5) net wages earned, (6) the inclusive dates of the pay period, (7) the name of the employee and last four digits of SSN or an EIN, (8) the name and address of the legal name of the employer, and (9) all applicable hourly rates in effect during the pay period and the number of hours worked at each hourly rate by the employee.

Defendants failed to provide accurate itemized wage statements to the aggrieved employees each pay period as a result of the policies and practices set forth in this notice. Defendants violated Labor Code section 226(a)(1) and (5) by not listing the correct “gross wages earned” or “net wages earned,” as the employees earned wages and premiums that were not paid, resulting in an inaccurate reflection, and recording of “gross wages earned” on those wage statements.

Likewise, in violation of Labor Code section 226(a)(9), Defendants failed to state on employee wage statements each pay period the applicable hourly rates in effect and the number of hours worked at that rate, as Defendants failed to pay all wages and premiums owed to employees. The amounts stated are instead depreciated and underpaid, resulting in an inaccurate reflection on the pay stub. An illustrative example of this violation is shown below:

Earnings	rate	hours	this period
Rg Pay	30.0000	104.50	3,135.00
H&W Cshinlieu			365.60
Ot Premium	15.1900	24.50	372.19
Post Dif	0.5000	80.00	40.00
Holiday			
Sick			
Gross Pay			\$3,912.79

**Extract of Plaintiff's wage statement for the pay period from 07/08/2024 –
07/21/2024.**

Here, Plaintiff earned a Health & Welfare Cash Payment (“H&W Cshinlieu”) in the amount of \$365.60. However, Defendants failed to state the applicable hourly rates in effect and the

number of hours worked at that rate. Thus, Defendants violated Labor Code section 226(a)(9) by failing to state any hourly rates and the number of hours worked at that rate.

Defendants violated Labor Code section 226(a)(2) by failing to accurately list employees' "total hours worked," as the wage statements did not accurately include the uncompensated time Plaintiff and other aggrieved employees worked during their meal periods.

Plaintiff and other aggrieved employees cannot promptly and easily determine from the wage statement alone the wages paid or earned without reference to other documents or information. Indeed, these wage statement violations are significant because they sow confusion among Plaintiff and other aggrieved employees with respect to what amounts were owed and paid, at what rates, the number of hours worked, and how those amounts were or should be calculated. The wage statements reflect a false statement of earnings and concealed the underlying problems and underpayments of employee wages.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Unreimbursed Employee Expenses **Violation of Labor Code §§ 2802, 2804**

Defendants violated Labor Code section 2802 with respect to the aggrieved employees by failing to reimburse the aggrieved employees for all necessary expenditures or losses incurred as part of their job duties.

Labor Code section 2802 requires an employer to "indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer, even though unlawful, unless the employee, at the time of obeying the directions, believed them to be unlawful." *See, e.g., Espinoza v. West Coast Tomato Growers, LLC*, 2016 WL 4468175 at *4, n.2 (S.D. Cal. Aug. 24, 2016, No. 14-CV-2984 W (KSC)).

Labor Code section 2804 affirms that "[a]ny contract or agreement, express or implied, made by any employee to waive the benefits of this article or any part thereof, is null and void, and this article shall not deprive any employee or his personal representative of any right or remedy to which he is entitled under the laws of this State."

Defendants required Plaintiff and the aggrieved employees to incur costs for work-related purposes without full reimbursement. In direct consequence of their job duties, Plaintiff and the aggrieved employees unavoidably and necessarily incurred these losses, expenditures, costs, and as a matter of policy and practice. Defendants required Plaintiff and the aggrieved employees to use their personal cellphones to receive phone calls and messages from Defendants agents about work-related matters. Further, Plaintiff was required utilize his

personal vehicle to drive from his post to the hospital when he was subject to hospital watch. However, Defendant did not reimburse Plaintiff and other aggrieved employees for expenses incurred from cellphone and gas usage required for the job.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Failure to Provide Employee Records
Violation of Labor Code §§ 226, 432, 1174, 1198.5; IWC Wage Orders

Defendants violated Labor Code sections 226, 432, 1198.5, and 1174 with respect to the aggrieved employees.

Labor Code section 226(b) requires employers to “afford current and former employees the right to inspect or receive a copy of records pertaining to their employment, upon reasonable request to the employer.” Labor Code section 432 states that “[i]f an employee ... signs any instrument relating to the obtaining or holding of employment, he shall be given a copy of the instrument upon request.” Labor Code section 1198.5 grants “[e]very current and former employee, or his or her representative, ... the right to inspect and receive a copy of the personnel files that the employer maintains relating to the employee’s performance or to any grievance concerning the employee.” Section 7(A) (Records) of the IWC Wage Orders, which may be enforced through Labor Code section 1198, mandates that employers maintain and make available “time records showing when the employee begins and ends each work period” as well as time records showing “[m]eal periods, split shift intervals, and daily hours worked[.]” Labor Code section 1174(d) requires these and other records be maintained for at least three years.

Defendants failed to provide all records upon Plaintiff’s request. Specifically, Plaintiff requested copies of his timecards for his time spent working for Defendant. However, to date, Defendant has not provided Plaintiff with those time cards. Consequently, Defendant has failed to afford Plaintiff and the aggrieved employees the opportunity to inspect the records pertaining to their employment.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Failure to Maintain Accurate Records
Violation of Labor Code § 1174; IWC Wage Orders

Defendants violated Labor Code sections 1174 and the IWC Wage Orders by failing to maintain accurate employee payroll records with respect to Plaintiff and other aggrieved employees.

Labor Code section 1174 requires that employers maintain accurate “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.” Section 7(A) of the IWC Wage Orders, which may be enforced through Labor Code section 1198, mandates similar recordkeeping obligations.

Because of the policies and practices set forth in this notice, including the failure to accurately account for wages earned or hours worked, Defendants failed to accurately maintain records in accordance with Labor Code section 1174 and the IWC Wage Orders.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Attorneys’ Fees and Costs
Labor Code § 2699(k)(1)

Plaintiff has been compelled to retain the services of counsel to protect the interests of other aggrieved employees and the State of California. Plaintiff continues to incur attorneys’ fees and costs, which are recoverable under California law, including Labor Code section 2699(k)(1).

- LITIGATION HOLD NOTICE -

This letter imposes a duty upon all defendants and their respective employees, officers, directors, executives, attorneys, human resource and payroll personnel, accountants, and other agents to preserve all physical and electronic evidence, including electronically stored information and emails, which relate to the employment of Plaintiff and the aggrieved employees specified in this notice. Evidence includes, but is not limited to, Defendants’ written employment and payroll policies and handbooks; the aggrieved employees’ personnel files and payroll records, such as paystubs, time records, wage statements, compensation reports, as well as the underlying electronically data in Excel or similar format. Memoranda and internal and external correspondence relating to the subject matter of this notice shall also be maintained. Failure to preserve and retain relevant evidence may constitute spoliation of evidence and result in an adverse inference or sanctions.

If you have any questions regarding the scope of your obligations to preserve evidence, please consult your legal counsel and always err on the side of caution. Periodic or regularly scheduled purges or deletions of information covered by this hold must be suspended immediately.

- CONCLUSION -

If the LWDA does not pursue enforcement, Plaintiff intends to bring representative claims on behalf of the State of California and the aggrieved employees seeking civil penalties for violations of the Labor Code and the IWC Wage Orders, along with attorneys' fees, costs, interest, and other appropriate relief.

Please advise if the LWDA intends to investigate any of the factual or legal allegations set forth in this notice. Defendants may contact Plaintiff's counsel with any questions regarding this letter or the forthcoming lawsuit.

Sincerely,



Xavier L. Woodford

Cc Plaintiff David Victor Miranda

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