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June 3, 2025

VIA ONLINE SUBMISSION

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

Subject: *Donnell Petetan v. CRST Lincoln Sales, Inc., et al.*

Dear PAGA Administrator:

This office represents Donnell Petetan in connection with his claims under the California Labor Code. Mr. Petetan was an employee of CRST LINCOLN SALES, INC. and/or CRST THE TRANSPORTATION SOLUTION, INC. For the purposes of this letter, Mr. Petetan collectively refers to the entities as "CRST."

The employers may be contacted directly at the addresses below:

CRST LINCOLN SALES, INC.
3930 16TH AVENUE SW
CEDAR RAPIDS, IA 52404

CRST THE TRANSPORTATION SOLUTION,
INC.
3930 16TH AVENUE SW
CEDAR RAPIDS, IA 52404

Mr. Petetan intends to seek civil penalties, attorney's fees, costs, and other available relief for violations of the California Labor Code, which are recoverable under sections 2698, *et seq.*, the Labor Code Private Attorneys General Act of 2004 ("PAGA"). Mr. Petetan seeks relief on behalf of himself, the State of California, and other persons who are or were employed by CRST in California as a non-exempt, hourly paid employee and who received at least one wage statement ("aggrieved employees"). This letter is sent in compliance with the notice and reporting requirements of California Labor Code section 2699.3.

CRST employed Mr. Petetan as an hourly paid, non-exempt employee from approximately October 2024 to approximately February 2025. Mr. Petetan worked as a Service Truck Mechanic at CRST's facility in Boron, California. During his employment, Mr. Petetan typically worked anywhere from ten (10) hours to twelve (12) hours per day and four (4) to five (5) days per week. Mr. Petetan's job duties included, without limitation, diagnosing, repairing, and maintaining service trucks and trailers. Mr. Petetan was paid at a rate of \$38.61 per hour.

CRST has committed one or more of the following Labor Code violations against Mr. Petetan, the facts and theories of which follow, making him an "aggrieved employee" pursuant to California Labor Code section 2699(c):¹

CRST's Company-Wide and Uniform Payroll and HR Practices

CRST LINCOLN SALES, INC. and CRST THE TRANSPORTATION SOLUTION, INC. are Iowa corporations. Together, CRST provides a comprehensive range of freight and logistics services to a wide variety of industries. Upon information and belief, CRST maintains a single, centralized Human Resources (HR) department at its company headquarters in Cedar Rapids, Iowa, for all non-exempt, hourly paid employees working for CRST in California, including Mr. Petetan and other aggrieved employees. At all relevant times, CRST issued and maintained uniform, standardized scheduling and timekeeping practices and procedures for all non-exempt, hourly paid employees in California, including Mr. Petetan and other aggrieved employees, regardless of their location or position.

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

Violation of California Labor Code §§ 510 and 1198 – Unpaid Overtime

California Labor Code sections 510 and 1198 and the applicable Industrial Welfare Commission ("IWC") Wage Order require employers to pay employees working more than eight (8) hours in a day or more than forty (40) hours in a workweek at the rate of time-and-one-half (1 ½) times the regular rate of pay for all hours worked in excess of eight (8) hours in a day or more than forty (40) hours in a workweek. The applicable IWC Wage Order further provides that employers are required to pay employees working more than twelve (12) hours in a day overtime compensation at a rate of two (2) times their regular rate of pay. An employee's regular rate of pay includes all remuneration

¹ These facts, theories, and claims are based on Mr. Petetan's experience and counsel's review of those records currently available relating to Mr. Petetan's employment. Discovery conducted in litigation of wage and hour claims such as these often reveals additional claims that the aggrieved employee was not initially aware of (because the aggrieved employee was not aware of the law's requirements, the employer misinformed its employee of the law's requirements, or because the employer effectively hid the violations). Thus, Mr. Petetan reserves the right to supplement this letter with additional facts, theories, and claims if he becomes aware of them subsequent to the submission of this letter.

for employment paid to, or on behalf of, the employee, including nondiscretionary bonuses and incentive pay.

CRST willfully failed to pay all overtime wages owed to Mr. Petetan and other aggrieved employees. During the relevant time period, Mr. Petetan and other aggrieved employees were not paid overtime premiums for all of the hours they worked in excess of eight (8) hours in a day, in excess of twelve (12) hours in a day, and/or in excess of forty (40) hours in a week, because all hours that they worked were not recorded.

First, during the relevant period, CRST required Mr. Petetan and other aggrieved employees to clock in and out using a laptop that frequently malfunctioned or failed to connect to the internet. Mr. Petetan, for example, encountered issues clocking in approximately two (2) to three (3) times per week. Despite being informed of these recurring problems, management failed to correct Mr. Petetan's recorded hours, resulting in consistent underpayment of wages to Mr. Petetan and other aggrieved employees—including hours that should have been compensated at the overtime rate.

Second, during the relevant period, CRST forced Mr. Petetan and other aggrieved employees to perform pre-shift work that went uncompensated. For example, when Mr. Petetan arrived for work, he was required to unlock and open two gates, turn on certain trucks, turn on a compressor, and then boot up a laptop before clocking in. Mr. Petetan estimates that this all took ten (10) to fifteen (15) minutes in a best-case scenario, i.e., when the laptop did not have any technical issues or delays in booting up.

Third, during the relevant period, Mr. Petetan and other aggrieved employees were frequently required to perform post-shift work. Specifically, Mr. Petetan and other aggrieved employees were often required stay late after clocking out to discuss work-related topics with management. However, Mr. Petetan and other aggrieved employees were not compensated for this time as they had already clocked out and CRST refused to properly adjust their hours.

Fourth, during the relevant period, Mr. Petetan and other aggrieved employees routinely had their unpaid meal breaks interrupted to perform work-related duties but were not always compensated for this time. For instance, about two (2) to three (3) times per month, Mr. Petetan was required to make an emergency repair to a company vehicle during his lunch break. At other times, management asked Mr. Petetan work-related questions during his meal periods. However, CRST failed to compensate Mr. Petetan for this time.

Fifth, during the relevant period, CRST routinely contacted Mr. Petetan and other aggrieved employees while they were off the clock to discuss work-related topics, such as scheduling. These communications occurred by call, text, and the Microsoft Teams app. However, CRST failed to compensate Mr. Petetan and other aggrieved employees for the time spent responding to these communications.

Because Mr. Petetan and other aggrieved employees worked shifts of eight (8) hours or more a day, or forty (40) hours a week or more, some of this off-the-clock work qualified for overtime premium pay. Therefore, Mr. Petetan and other aggrieved employees were not paid overtime wages for all of the overtime hours they actually worked.

CRST's failure to pay Mr. Petetan and other aggrieved employees the balance of overtime compensation, as required by California law, violates the provisions of California Labor Code

sections 510 and 1198. Mr. Petetan and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 1182.12, 1194, 1197, 1197.1, and 1198 – Unpaid Minimum Wages

California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198 require employers to pay employees the minimum wage fixed by the IWC. The payment of a lesser wage than the minimum so fixed is unlawful. Compensable work time is defined in IWC Wage Order No. 9-2001 as "the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so." Cal. Code Regs. tit. 8, § 11090(2)(H) (defining "Hours Worked").

First, as set forth above, during the relevant period, CRST required Mr. Petetan and other aggrieved employees to clock in and out using a laptop that frequently malfunctioned or failed to connect to the internet. Mr. Petetan, for example, encountered issues clocking in approximately two (2) to three (3) times per week. Despite being informed of these recurring problems, management failed to correct Mr. Petetan's recorded hours, resulting in consistent underpayment of wages to Mr. Petetan and other aggrieved employees.

Second, as stated, CRST forced Mr. Petetan and other aggrieved employees to perform pre-shift work that went uncompensated. For example, when he arrived for work, Mr. Petetan was required to unlock and open two gates, turn on certain trucks, turn on a compressor, and then boot up a laptop before clocking in.

Third, as stated, Mr. Petetan and other aggrieved employees were frequently required to perform post-shift work. Specifically, Mr. Petetan and other aggrieved employees were often required stay late after clocking out to discuss work-related topics with management. However, Mr. Petetan and other aggrieved employees were not compensated for this time as they had already clocked out and CRST refused to properly adjust their hours.

Fourth, as stated, Mr. Petetan and other aggrieved employees routinely had their unpaid meal breaks interrupted to perform work-related duties but were not always compensated for this time. For instance, about two (2) to three (3) times per month, Mr. Petetan was required to make an emergency repair to a company vehicle during his lunch break. At other times, management asked Mr. Petetan work-related questions during his meal periods. However, CRST failed to compensate Mr. Petetan for this time.

Fifth, as stated, CRST routinely contacted Mr. Petetan and other aggrieved employees while they were off the clock to discuss work-related topics, such as scheduling. These communications occurred by call, text, and the Microsoft Teams app.

Thus, CRST did not pay minimum wages for all hours worked by Mr. Petetan and other aggrieved employees. To the extent that these off-the-clock hours did not qualify for overtime premium payment, CRST did not pay at least minimum wages for those hours worked off-the-clock in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198.

Accordingly, CRST regularly failed to pay at least minimum wages to Mr. Petetan and other

aggrieved employees for all of the hours they worked in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198. Mr. Petetan and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 1197.1 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 226.7, 512(a), 516, and 1198 – Failure to Provide Meal Periods

California Labor Code sections 226.7, 512(a), 516, and 1198 and the applicable IWC Wage Order require employers to provide meal periods and to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a meal or rest period is not provided. Pursuant to Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order, an employer may not require, cause or permit an employee to work for a period of more than five (5) hours per day without providing the employee with an uninterrupted meal period of not less than thirty (30) minutes, except that if the total work period per day of the employee is not more than six (6) hours, the meal period may be waived by mutual consent of both the employer and the employee. Under California law, first meal periods must start after no more than five hours. *Brinker Rest. Corp. v. Superior Court*, 53 Cal. 4th 1004, 1041-1042 (2012). Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order also require employers to provide a second meal period of not less than thirty (30) minutes if an employee works over ten (10) hours per day or to pay an employee one (1) additional hour of pay at the employee's regular rate, except that if the total hours worked is no more than twelve (12) hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived.

First, as set forth above, Mr. Petetan and other aggrieved employees routinely had their unpaid meal breaks interrupted to perform work-related duties but were not always compensated for this time. For instance, about two (2) to three (3) times per month, Mr. Petetan was required to make an emergency repair to a company vehicle during his lunch break. At other times, management asked Mr. Petetan work-related questions during his meal periods.

Second, during the relevant period, Mr. Petetan and other aggrieved employees were required to finish certain jobs before taking a meal period. As a result, Mr. Petetan and other aggrieved employees took late meals as these jobs prevented them from taking meals before the fifth hour. Mr. Petetan estimates that he took late lunches on approximately 50% of his shifts due to these job demands.

On information and belief, CRST engaged in a company-wide practice and/or policy of not paying meal period premiums owed when compliant meal periods were not provided. Because of this practice and/or policy, Mr. Petetan and other aggrieved employees have not received premium pay for missed, late, and/or interrupted meal periods. To the extent that premiums were paid, on information and belief, CRST failed to pay premiums at the regular rate of pay.

As a result, CRST failed to provide Mr. Petetan and other aggrieved employees compliant meal periods in violation of California Labor Code sections 226.7, 512(a), and 516 and failed to pay the full meal period premiums due.

CRST's conduct violates the applicable IWC Wage Order, and California Labor Code sections 226.7, 512(a), 516, and 1198. Mr. Petetan and other aggrieved employees are therefore entitled to recover from CRST one (1) additional hour of pay at the employee's regular rate of compensation for each

work day that the meal period was not provided.

Accordingly, CRST failed to provide all meal periods in violation of California Labor Code sections 226.7, 512(a), 516, and 1198. Mr. Petetan and other aggrieved employees are entitled to civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 226.7, 516, and 1198 – Failure to Authorize and Permit Rest Periods

California Labor Code sections 226.7, 516, and 1198 and the applicable IWC Wage Order require employers to provide rest periods and to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a meal or rest period is not provided. California Labor Code section 226.7 provides that no employer shall require an employee to work during any rest period mandated by an applicable order of the California IWC. The applicable IWC Wage Order provides that "[e]very employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period" and that the "rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof" unless the total daily work time is less than three and one-half (3 ½) hours.

To comply with its obligation to authorize and permit rest periods under California Labor Code section 226.7 and the applicable IWC Wage Order, an employer must "relinquish any control over how employees spend their break time, and relieve their employees of all duties—including the obligation that an employee remain on call. A rest period, in short, must be a period of rest." *Augustus v. ABM Security Services, Inc.*, 2 Cal. 5th 257, 273 (2016).

During the relevant time period, CRST regularly failed to authorize and permit Mr. Petetan and other aggrieved employees to take a ten (10) minute rest period per each four (4) hour period worked or major fraction thereof. CRST's company-wide practices, including understaffing, assigning heavy workloads, and pressure from management prevented Mr. Petetan and other aggrieved employees from being relieved of all duty to take compliant rest periods. Moreover, CRST failed to schedule rest periods, which, coupled with CRST's failure to provide adequate rest period coverage, further led to Mr. Petetan and other aggrieved employees not being authorized and permitted to take compliant rest periods.

As a result of CRST's practices and policies, Mr. Petetan and other aggrieved employees worked shifts in excess of 3.5 hours, in excess of 6 hours, and/or in excess of 10 hours without receiving all uninterrupted rest periods to which they were entitled.

CRST has also engaged in a company-wide practice and/or policy of not paying rest period premiums owed when rest periods are not authorized and permitted. Because of this practice and/or policy, Mr. Petetan and other aggrieved employees have not received premium pay for all missed rest periods. Alternatively, on information and belief, to the extent that CRST did pay Mr. Petetan and/or other aggrieved employees one (1) additional hour of premium pay for missed rest periods, CRST did not pay Mr. Petetan and/or other aggrieved employees at the correct rate of pay for premiums because CRST failed to include all forms of compensation, such incentive pay, nondiscretionary bonuses, and/or other forms of remuneration, in the regular rate of pay.

Accordingly, CRST failed to authorize and permit all rest periods in violation of California Labor Code sections 226.7, 516, and 1198. Mr. Petetan and other aggrieved employees are entitled to civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 226.7, 516, and 1198 & California Code of Regulations Title 8, Section 3395 – Failure to Provide Heat Recovery Periods

California Labor Code sections 226.7, 516, and 1198, and the applicable IWC Wage Order require employers to provide recovery periods and to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a rest or recovery period is not provided. California Labor Code section 226.7(a) defines "recovery period" to mean a cooldown period afforded an employee to prevent heat illness. California Labor Code section 226.7 provides that no employer shall require an employee to work during any recovery period mandated by an applicable order of the California IWC, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health. The applicable General Industry Safety Order provides that "[w]hen the outdoor temperature in the work area exceeds 80 degrees Fahrenheit, the employer shall have and maintain one or more areas with shade at all times while employees are present that are either open to the air or provided with ventilation or cooling." Cal. Code of Reg., Title 8, § 3395(d)(1). Furthermore, "[t]he amount of shade present shall be at least enough to accommodate the number of employees on recovery or rest periods, so that they can sit in a normal posture fully in the shade without having to be in physical contact with each other." *Id.* "Employees shall be allowed and encouraged to take a preventative cool-down rest in the shade when they feel the need to do so to protect themselves from overheating. Such access to shade shall be permitted at all times." *Id.*

During the relevant time period, CRST violated California Labor Code section 226.7 and California Code of Regulations, Title 8, section 3395(d), because CRST failed to provide Mr. Petetan and other aggrieved employees with recovery periods.

CRST also has engaged in a company-wide practice and/or policy of not paying all recovery period premiums owed when compliant recovery periods are not provided. Because of this practice and/or policy, Mr. Petetan and other aggrieved employees have not received premium pay for all missed recovery periods.

Accordingly, CRST failed to authorize and permit all recovery periods in violation of California Labor Code sections 226.7, 516, and 1198. Mr. Petetan and other aggrieved employees are entitled to civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 226(a), 1174(d), and 1198 – Non-Compliant Wage Statements and Failure to Maintain Accurate Payroll Records

California Labor Code section 226(a) requires employers to make, keep and provide true, accurate, and complete employment records. CRST has not provided Mr. Petetan and other aggrieved employees with properly itemized wage statements. Labor Code section 226(e) provides that if an employer fails to comply with providing an employee with properly itemized wage statements as set forth in 226(a), then the employee is entitled to recover the greater of all actual damages or \$50 for the initial pay period in which a violation occurs and \$100 per employee for each violation in a

subsequent pay period, not to exceed \$4,000. Further, Labor Code section 226.3 provides that any employer who violates section 226(a) shall be subject to a civil penalty in the amount of \$250 per employee per violation in an initial citation and \$1,000 per employee for each violation in a subsequent citation, for which the employer fails to provide the employee a wage statement or fails to keep the required records pursuant to Section 226(a).

At all relevant times, CRST have knowingly and intentionally provided Mr. Petetan and other aggrieved employees with uniform, incomplete, and inaccurate wage statements. For example, CRST issued uniform wage statements to Mr. Petetan and other aggrieved employees that fail to correctly list: gross wages earned; total hours worked; net wages earned; and all applicable hourly rates in effect during the pay period, including rates of pay for overtime wages, and the corresponding number of hours worked at each hourly rate. Specifically, CRST violated sections 226(a)(1), 226(a)(2), 226(a)(5), and 226(a)(9).

Because CRST did not record the time Mr. Petetan and other aggrieved employees spent working off-the-clock, CRST did not list the correct amount of gross wages and net wages earned by Mr. Petetan and other aggrieved employees, in compliance with section 226(a)(1) and section 226(a)(5), respectively. For the same reason, CRST failed to accurately list the total number of the hours worked by Mr. Petetan and other aggrieved employees, in violation of section 226(a)(2), and failed to list the applicable hourly rates of pay in effect during the pay period and the corresponding accurate number of hours worked at each hourly rate, in violation of section 226(a)(9).

Moreover, on information and belief, because CRST did not calculate Mr. Petetan's and/or other aggrieved employees' regular rate of pay correctly for purposes of paying overtime wages, meal and rest period premiums, and/or paid sick leave, CRST did not list the correct amount of gross wages in compliance with section 226(a)(1) and did not list the correct amount of net wages in violation of section 226(a)(5). CRST also failed to correctly list all applicable hourly rates in effect during the pay period, namely, correct rates of pay for overtime wages, meal and rest period premiums, and/or paid sick leave, in violation of section 226(a)(9).

The wage statement deficiencies also include, among other things, failing to list the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis; failing to list all deductions; failing to list the inclusive dates of the period for which employees were paid; failing to list the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number; failing to list the name and address of the legal entity that is the employer; and/or failing to state all hours worked as a result of not recording or stating hours worked off-the-clock.

California Labor Code section 1174(d) provides that "[e]very person employing labor in this state shall . . . [k]eep a record showing the names and addresses of all employees employed and the ages of all minors" and "[k]eep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments" At all relevant times, and in violation of Labor Code section 1174(d), CRST willfully failed to maintain accurate payroll records for Mr. Petetan and other aggrieved employees showing the daily hours they worked and the wages paid thereto as a result of failing to record the off-the-clock hours that they worked.

California Labor Code section 1198 provides that the maximum hours of work and the standard conditions of labor shall be those fixed by the Labor Commissioner and as set forth in the applicable IWC Wage Order. Section 1198 further provides that “[t]he employment of any employees for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful.” Pursuant to the applicable IWC Wage Order, employers are required to keep accurate time records showing when the employee begins and ends each work period and meal period. During the relevant time period, CRST engaged in company-wide practices and/or policies of failing to record actual hours worked, and thereby failed to keep accurate records of work period and meal period start and end times for Mr. Petetan and other aggrieved employees, in violation of section 1198. Furthermore, in light of CRST’s failure to provide other aggrieved employees with second 30-minute meal periods to which they were entitled, CRST kept no records of meal start and end times for second meal periods.

Because CRST failed to provide the correct net and gross wages earned, applicable rates of pay, and number of total hours worked on wage statements, Mr. Petetan and other aggrieved employees have been prevented from verifying, solely from information on the wage statements themselves, that they were paid correctly and in full. Instead, Mr. Petetan and other aggrieved employees have had to look to sources outside of the wage statements themselves and reconstruct time records to determine whether in fact they were paid correctly and the extent of underpayment, thereby causing them injury.

Mr. Petetan and other aggrieved employees are entitled to recover civil penalties, attorney’s fees, costs, and interest thereon pursuant to Labor Code sections 226.3, 1174.5, and/or 2699(a), (f)-(g).

Violation of California Labor Code § 204 – Failure to Timely Pay Wages During Employment

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. Alternatively, California Labor Code section 204 provides that the requirements of this section are deemed satisfied by the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more than seven (7) calendar days following the close of the payroll period.

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

Mr. Petetan and other aggrieved employees are entitled to recover civil penalties, attorney’s fees, costs, and interest thereon, pursuant to Labor Code sections 210 and/or 2699(a), (f)-(g).

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Violation of California Labor Code §§ 201 and 202 – Failure to Timely Pay Final Wages Upon Termination

California Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

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

Mr. Petetan and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 256 and/or 2699(a), (f)-(g).

Violation of California Labor Code § 2802 – Unreimbursed Business Expenses

California Labor Code section 2802 requires employers to pay for all necessary expenditures and losses incurred by the employee in the performance of his or her job. The purpose of Labor Code section 2802 is to prevent employers from passing off their cost of doing business and operating expenses on to their employees. *Cochran v. Schwan's Home Service, Inc.*, 228 Cal. App. 4th 1137, 1144 (2014). The applicable wage order, IWC Wage Order No. 16-2001, provides that: "[w]hen tools or equipment are required by the employer or are necessary to the performance of a job, such tools and equipment shall be provided and maintained by the employer, except that an employee whose wages are at least two (2) times the minimum wage provided herein may be required to provide and maintain hand tools and equipment customarily required by the trade or craft."

During the relevant time period, CRST had a company-wide policy of requiring Mr. Petetan and other aggrieved employees to utilize their own mobile devices, including, but not limited to, personal mobile phones, and/or mobile data to carry out their job duties, but CRST failed to reimburse them for the costs of their work-related mobile device expenses. Mr. Petetan and other aggrieved employees were required to use their personal mobile devices for work-related tasks, including responding to communications from CRST's management while off-the-clock to discuss work-related topics, such as scheduling. Further, some of these communications occurred via the Microsoft Teams app, which Mr. Petetan and other aggrieved employees were required to download to their personal mobile devices. Although CRST required Mr. Petetan and other aggrieved employees to utilize their personal mobile devices to carry out their work-related duties, CRST failed to reimburse them for this cost.

CRST could have reimbursed employees for work-related mobile device expenses. Instead, CRST passed these operating costs off onto Mr. Petetan and other aggrieved employees.

Thus, CRST had, and continues to have, a company-wide policy and/or practice of not reimbursing employees for expenses necessarily incurred and passing on their operating costs to Mr. Petetan and other aggrieved employees violates California Labor Code section 2802. Mr. Petetan and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs,

and interest thereon, pursuant to Labor Code sections 2699(a), (f)-(g).

Violation of California Labor Code § 2810.5(a)(1)(A)-(C) – Failure to Provide Notice of Material Terms of Employment

California's Wage Theft Prevention Act was enacted to ensure that employers provide employees with basic information material to their employment relationship at the time of hiring, and to ensure that employees are given written and timely notice of any changes to basic information material to their employment. Codified at California Labor Code section 2810.5, the Wage Theft Prevention Act provides that at the time of hiring, an employer must provide written notice to employees of the rate(s) of pay and basis thereof, whether paid by the hour, shift, day, week, salary, piece, commission, or otherwise, including any rates for overtime, the regular payday designated by the employer, and any allowances claims as part of the minimum wage, including meal or lodging allowances.

During the relevant time period, on information and belief, CRST failed, on a company-wide basis, to provide written notice to Mr. Petetan and other aggrieved employees that lists the requisite information set forth in Labor Code section 2810.5(a)(1)(A)-(C). CRST's failure to provide Mr. Petetan and other aggrieved employees with written notice of basic information regarding their employment with CRST is in violation of California Labor Code section 2810.5.

Mr. Petetan and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 2699(a), (f)-(g).

Violation of Labor Code §§ 6400-6402 – Failure to Prevent Unsafe Working Conditions

The California Labor Code imposes a comprehensive duty on employers to protect worker health and safety through several interrelated provisions. Section 6400 establishes the foundational requirement that every employer must provide a workplace that is both safe and healthful for employees. Building on this obligation, section 6401 mandates that employers develop and implement an effective injury prevention program (IPP) to systematically identify and address potential hazards before they cause harm. Complementing these directives, section 6402 further requires employers not only to adopt safety measures but to actively ensure their implementation, reinforcing the principle that safety protocols must be more than formalities—they must be meaningfully and consistently enforced in practice. Together, these provisions create a proactive, enforceable framework to minimize workplace risks and protect employee well-being.

At all relevant times, CRST failed to maintain a safe and healthful workplace in violation of California Labor Code sections 6400, 6401, and 6402. Mr. Petetan and other aggrieved employees were subjected to hazardous and unlawful working conditions, including but not limited to, improperly secured tarps that broke loose, resulting in physical injuries to workers and property damage, including broken windows. CRST failed to implement proper containment and disposal procedures for hazardous substances, as evidenced by the routine and unsafe dumping of 55-gallon barrels of oil, which was recorded on video. Moreover, CRST failed to follow legally required tire disposal protocols, allowing employees to inflate tires without the protective tire case, creating serious risk of explosion or injury. Additionally, CRST routinely directed or permitted employees to dispose of used oil by throwing it into the trash, in violation of environmental and workplace safety regulations. These violations created unsafe working conditions and demonstrated CRST's systemic failure to comply with basic health and safety obligations under California law.

California Labor Code § 558(a)

California Labor Code section 558(a) provides “[a]ny employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provision regulating hours and days of work in any order of the Industrial Welfare Commission shall be subject to a civil penalty as follows: (1) For any initial violation, fifty dollars (\$50) for each underpaid employee for each pay period for which the employee was underpaid. . . . (2) For each subsequent violation, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee was underpaid. . . .” Labor Code section 558(c) provides that “[t]he civil penalties provided for in this section are in addition to any other civil or criminal penalty provided by law.” CRST, at all relevant times, was an employer or person acting on behalf of an employer(s) who violated Mr. Petetan’s and other aggrieved employees’ rights by violating various sections of the California Labor Code.

Accordingly, Mr. Petetan seeks the remedies set forth in Labor Code section 558 for himself, the State of California, and all other aggrieved employees. Specifically, pursuant to PAGA, and in particular California Labor Code sections 2699(a), 2699.3(a) and 2699.3(c), 2699.5, and 558, Mr. Petetan, acting in the public interest as a private attorney general, seeks assessment and collection of civil penalties for himself, all other aggrieved employees, and the State of California against CRST for violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2802, and 2810.5.

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

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

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(310) 492-5139

Best Regards,



Joseph D. Parsons

Copy: CRST LINCOLN SALES, INC. (via U.S. Certified Mail); CRST THE
TRANSPORTATION SOLUTION, INC. (via U.S. Certified Mail).