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9 UNITED STATES DISTRICT COURT
 10 FOR THE NORTHERN DISTRICT OF CALIFORNIA

11 JULIE A. SU,
 Acting Secretary of Labor,
 United States Department of Labor,

Case No.: 3:23-cv-01714

12
 13 Plaintiff,

14 v.

~~PROPOSED~~ CONSENT
 JUDGMENT AND
 PERMANENT INJUNCTION

15 JOHN MICHAEL MEZA; JESSICA LEVYA MEZA;
 HAMZA AYESH; MZS ENTERPRISES, LLC;
 16 CRAVE BRANDS, LLC,

17 Defendants.
 18

19 Plaintiff Julie A. Su, Acting Secretary of Labor, United States Department of Labor
 20 (“Secretary”), and Defendants John Meza; Jessica Leyva Meza; Hamza Ayesh; MZS Enterprises LLC;
 21 and Crave Brands LLC (“Defendants”) have agreed to resolve the matters in controversy in this civil
 22 action and consent to the entry of this Consent Judgment in accordance herewith:

23 **STATEMENTS AND AGREEMENTS BY THE PARTIES**

24 A. The Secretary filed a Complaint in the above-captioned proceeding against Defendants
 25 and alleged that they violated provisions of sections 6, 7, 11(c), 12(c), 15(a)(2), 15(a)(3), 15(a)(4), and
 26 15(a)(5) of the Fair Labor Standards Act of 1938, as amended (“FLSA”), 29 U.S.C. §§ 206, 207,
 27 211(c), 212(c), 215(a)(2), 215(a)(3), 215(a)(4), and 215(a)(5).
 28

1 B. Defendants acknowledge receipt of a copy of the Secretary’s Complaint, the
2 accompanying summons, and the First Amended Complaint.

3 C. Defendants are represented by counsel, who has appeared in this action, and has
4 answered the First Amended Complaint, largely admitting the Secretary’s allegations.

5 D. Parties agree to waive findings of fact and conclusions of law and agree to the entry of
6 this Consent Judgment without further contest.

7 E. Defendants admit that the Court has jurisdiction over the parties and subject matter of
8 this civil action and that venue lies in the Northern District of California.

9 F. Defendants admit to violating Sections 3(m)(2)(B), 6, 7, 11, 12(c), 15(a)(2)-(5), during
10 the period from April 10, 2020 to September 25, 2023.

11 G. Defendants acknowledge that they and any individual or entity acting on their behalf or
12 at their direction have notice of and understand the provisions of this Order and Consent Judgment.

13 H. Defendants John and Jessica Meza admit that they directly or indirectly own the
14 following businesses (“the Meza businesses” or “companies”):

- 15 1. Crave Brands LLC
- 16 2. Crave Brands Group LLC
- 17 3. Factory Subs LLC
- 18 4. Grindstone Subs LLC
- 19 5. Lyons Brands LLC
- 20 6. Mad Cobra LLC
- 21 7. MZS Enterprises LLC
- 22 8. MZS Limitless Holdings LLC
- 23 9. Next Level Brands LLC
- 24 10. Sub Brands LLC
- 25 11. Summit Foods Group LLC
- 26 12. Yum Brands LLC

27 I. Defendants agree to waive any right to appeal this judgment and any right to notice prior
28 to execution of post-judgment remedies.

1 J. Defendants John and Jessica Meza affirm that they directly or indirectly own and control
2 the Meza businesses.

3 K. Defendant John Meza acknowledges that he is also known as John Michael Meza, Juan
4 Meza and John R. Meza and agrees that any assets listed under these alternate names does not bar
5 execution of post-judgment remedies as to those assets. Defendant John Meza agrees not to contest any
6 post-judgment debt collection remedies by virtue of small differences in the spelling or form of the
7 name in this judgment.

8 L. Defendant Jessica Meza acknowledges that she is also known as Jessica L. Meza and
9 Jessica Leyva Meza and agrees that any assets listed under these alternate names does not bar execution
10 of post-judgment remedies as to those assets. Defendant Jessica Meza agrees not to contest any post-
11 judgment debt collection remedies by virtue of small differences in the spelling or form of the name in
12 this judgment, including her use of her maiden name, Leyva.

13 M. Defendants waive formal service for any debtor exam, order for examination, and any
14 other debt collection purposes including any service required by the Federal Debt Collection Practices
15 Act, 28 U.S.C. §§ 3201 et seq. In lieu of formal service, Defendants must accept service by email from
16 the U.S. Department of Labor for any purpose at the following email addresses (or any updated email
17 addresses which Defendants provide to the Secretary through written notice):

- 18 a. John Meza: mezaphp@gmail;
- 19 b. Hamza Ayesh: mayesh30@gmail.com;
- 20 c. Jessica Meza: jmmworld@yahoo.com.

21 N. The Department shall copy counsel for Defendants, Arkady Itkin, on all email
22 correspondence to Defendants unless the Department receives written notification to cease doing so.

23 O. Defendants John Meza, Jessica Meza, and Hamza Ayesh aver under penalty of perjury
24 that they, collectively, cannot produce more than \$12,000 in cash funds as of September 25, 2023.

1 **PERMANENT INJUNCTION**

2 **IT IS HEREBY ORDERED, ADJUDGED, AND DECREED** that, pursuant to Section 17 of
3 the FLSA, 29 U.S.C. § 217, Defendants, their officers, agents, servants, employees, successor
4 companies, parties in interest, and all persons and entities acting at their direction or in concert or
5 participation with them, (hereinafter, “Defendants”), are permanently enjoined and restrained from
6 violating the FLSA, including through any of the following manners:

7 1. Defendants are enjoined from violating Sections 3(m)(2)(B), 6, 7, 12(c), or 15 of the
8 FLSA, 29 U.S.C. §§ 203(m)(2)(B), 206, 207, 212(c), or 215.

9 2. Defendants shall not refuse to provide documents and information to the Department of
10 Labor to aid in its investigation in violation of 29 U.S.C. § 211(a);

11 3. Defendants shall not instruct employees not to speak to the Department of Labor, or
12 otherwise prevent employees from cooperating with the Department of Labor;

13 4. Defendants, their officers, agents, servants, and employees and those persons in active
14 concert or participation with them, shall not violate 29 U.S.C. § 215(a)(3) by in any way retaliating or
15 taking any adverse employment action, or threatening or implying that adverse action will be taken
16 against any employee who exercises or asserts their rights under the FLSA or provides information to
17 any public agency investigating compliance with the FLSA. Violation of this Paragraph may subject
18 Defendants to equitable and legal damages, including punitive damages and civil contempt.

19 **IT IS HEREBY ORDERED, ADJUDGED, AND DECREED** that, pursuant to Section 17 of
20 the FLSA, 29 U.S.C. § 217, the Defendants, their officers, agents, servants, employees, successor
21 companies, parties in interest, and all persons and entities acting at their direction or in concert or
22 participation with them, (hereinafter, “Defendants”), are further permanently enjoined and restrained as
23 follows:

24 5. Defendants shall either sell or wind down all of their businesses, including but not
25 limited to the Meza businesses, **within 60 days of the entry of this judgment and order.**

26 6. Defendants shall submit written documentation showing that each of their businesses has
27 been sold or wound down, including but not limited to the Meza businesses, **within 60 days of the**
28 **entry of this judgment and order.**

1 7. If Defendants sell all or part of their businesses to comply with this judgment and order,
2 including but not limited to the Meza businesses, then any proceeds that otherwise would have been
3 paid to Defendants—directly or indirectly—from the sold business(es) shall be deposited with the U.S.
4 Department of Labor, Wage and Hour Division, **within 15 days of any such sale.**

5 8. If Defendants sell all or part of their businesses, including but not limited to the Meza
6 businesses, then Defendants shall send the Wage and Hour Division all documents which are used to
7 execute the sale(s) such as purchase agreements **within 15 days of any such sale.**

8 9. Defendants John and Jessica Meza shall not directly or indirectly open or own another
9 Subway franchise restaurant or any similar business (food franchise) for three years.

10 10. For three years from the date of entry of this judgment and permanent injunction,
11 Defendants John and Jessica Meza shall provide written notice to the U.S. Department of Labor, Wage
12 and Hour Division, District Director of the Walnut Creek Area Office within 30 days of hiring any
13 employee in any food-related business they own directly or indirectly.

14 **JUDGMENT AND ORDER**

15 **FURTHER, JUDGMENT IS HEREBY ENTERED**, pursuant Section 16(c) of the FLSA, 29
16 U.S.C. § 216(c), in favor of the Secretary and against Defendants in the amount of \$1,112,000.00, as
17 detailed below. Pursuant to this Judgment, **IT IS HEREBY ORDERED THAT**

18 11. Defendants John and Jessica Meza shall pay \$475,000 in minimum wage, overtime, and
19 tip pay hereby due under the FLSA and this Judgment, to their employees. In addition, liquidated
20 damages in the amount of \$475,000 are hereby due under the FLSA and Defendants John and Jessica
21 Meza shall pay this amount to the employees on Exhibit A to the First Amended Complaint (“Exhibit
22 A”). Defendants can deposit the monies referenced in this paragraph by ACH transfer, credit card, debit
23 card, or digital wallet by going to <https://www.pay.gov/public/form/start/77761888>, or by going to
24 www.pay.gov and searching “WHD Back Wage Payment Form - Western Region.” All payments shall
25 reference BW Case Number 1970756.

26 12. **By October 10, 2023**, all Defendants shall pay \$12,000 in punitive damages by ACH
27 transfer, credit card, debit card, or digital wallet by going to
28 <https://www.pay.gov/public/form/start/77761888>, or by going to www.pay.gov and searching “WHD

1 Back Wage Payment Form - Western Region.” All payments shall reference BW Case Number
2 1970756. The Department shall have sole discretion regarding the allocation of the \$12,000 in punitive
3 damages paid by Defendants. If Defendants fail to abide by this paragraph then Defendant Ayesh shall
4 be jointly responsible for the payments in paragraphs 11 and 13.

5 13. The amount of \$150,000 in civil money penalties is assessed against Defendants John
6 and Jessica Meza and finally determined, pursuant to FLSA Section 16(e), 29 U.S.C. § 216(e).
7 Defendants waive the right to a hearing with respect to this assessment of civil money penalties.

8 14. The Secretary shall deposit payment into the Treasury of the United States as
9 miscellaneous receipts under 29 U.S.C. § 216(c) with respect to any monies not distributed to
10 employees because of an inability to locate the proper persons.

11 15. **Within 15 days of entry of this Consent Judgment**, Defendants shall deliver a
12 schedule containing the full name of each employee they have employed from April 10, 2020 to the
13 date of the entry of this judgment, the employee’s current address or last known address, full social
14 security number, home phone number, cell phone number, and other known contact information of the
15 employee.

16 16. The amounts owed under paragraphs 11 and 13 shall begin accruing post-judgment
17 interest at the rate of 10% per year upon the expiration of three hundred and sixty five days after the
18 entry of this judgment and order on the docket until the full principal and interest are paid off.

19 17. If Defendants do not pay the amounts due in paragraphs 11 and 13 in full within 30 days
20 of the entry of this judgment and order on the docket, then Defendants consent to entry of a writ of
21 execution pursuant to Rule 69 of the Federal Rules of Civil Procedure, to enforce the monetary terms of
22 this consent judgment and permanent injunction. Such a writ of execution shall be limited to the
23 pending balance of the Defendants’ monetary obligations under this consent judgment and permanent
24 injunction, including any post-judgment interest, at the time such writ is issued. The Acting Secretary
25 may represent in filing for such a writ that Defendants consent to its issuance. Upon request from the
26 Acting Secretary, Defendants agree to furnish a complete and accurate list of their real, personal, and
27 business property and other assets, including bank accounts with account numbers, that have an
28 estimated value of \$2,000.00 or more and the locations of such property for purposes of the Acting

1 Secretary seeking a Writ of Execution in accordance with this paragraph of the consent judgment and
2 permanent injunction.

3 **IT IS FURTHER ORDERED** that the filing, pursuit, and/or resolution of this proceeding with
4 the entry of this Judgment shall not act as or be asserted as a bar to any action or claim under FLSA §
5 16(b), 29 U.S.C. § 216(b), as to any employee not on the attached Exhibit A, nor as to any employee on
6 the attached Exhibit A for any period not specified therein, nor as to any employer other than the
7 Defendants.

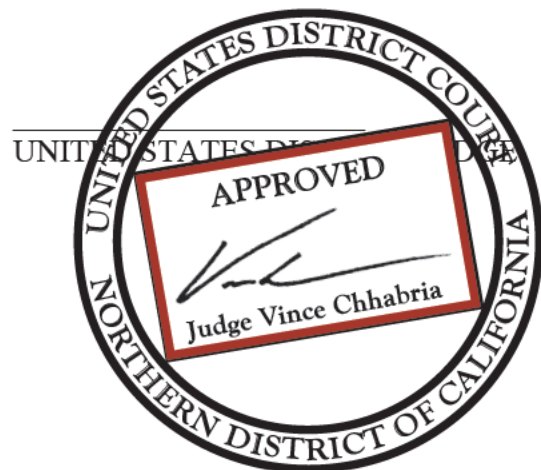
8 **IT IS FURTHER ORDERED** that nothing in this Consent Judgment and Permanent Injunction
9 is binding on any governmental agency other than the United States Department of Labor, Wage and
10 Hour Division.

11 **IT IS FURTHER ORDERED** that nothing in this Consent Judgment and Permanent Injunction
12 may be used by Defendants as a defense against private claims brought by an employee including but
13 not limited to res judicata, collateral estoppel defense, offset, satisfaction and accord, or any other
14 defense.

15 **IT IS FURTHER ORDERED** that each party shall bear their own fees, costs, and other
16 expenses incurred by such party in connection with any stage of this proceeding, including but not
17 limited to attorneys' fees, which may be available under the Equal Access to Justice Act, as amended,
18 to the date of entry of the Judgment herein but excludes any fees and costs incurred with respect to the
19 Acting Secretary's collections efforts; and

20 **IT IS FURTHER ORDERED** that this Court retains jurisdiction of this action for purposes of
21 enforcing compliance with the terms of this Consent Judgment.

22
23 Dated: September 27, 2023



1 **SO STIPULATED AND AGREED:**

2 For Defendants:

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4 MZS ENTERPRISES LLC


5 
6 BY: John Meza
7 Managing Agent

DATE: 9-28-23

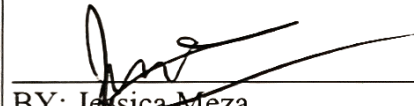
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9 CRAVE BRANDS, LLC

10 
11 BY: John Meza
12 Managing Agent


DATE: 9-25-23

13 
14 BY: John Meza
15 In his individual capacity

DATE: 9-25-23

16 
17 BY: Jessica Meza
18 In her individual capacity

DATE: 9/25/23

19
20 
21 BY: Hamza Ayesh
22 In his individual capacity

DATE: 9/25/23

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1 For the Secretary:

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3 MARC A. PILOTIN
Regional Solicitor

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5 ANDREW J. SCHULTZ
Counsel for Wage and Hour

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11 EDUARD MELESHINSKY
12 KARLA MALAGÓN CASTILLO
Trial Attorneys

9-25-2023