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The [Iron Cactus](#) restaurant chain has been served with a collective action lawsuit alleging that it failed to comply with some federal employment laws.

The lawsuit alleges the Mexican food restaurant denied employees overtime pay, required wait staff to divide tips amongst ineligible employees and required wait staff to pay for "walked tabs" or broken items, all illegal under the Fair Labor Standards Act, according to the lawsuit.

[Joshua Covey](#) and [Jacob Hinojosa](#) — waiters who worked for almost a year at the Hill Country Galleria and downtown Austin Sixth Street locations, respectively — filed the collective action lawsuit on behalf of wait staff at all Iron Cactus locations.

According to the lawsuit, the plaintiffs seek to recover wages owed by Iron Cactus since Feb. 3, 2009, all misappropriated funds, damages equal to the amount of all unpaid wages, and attorney's fees and court costs.

"We're saddened and shocked by [the lawsuit]," said [Gary Manley](#), general partner of Iron Cactus. "We don't feel we've done anything wrong," he said.

Their flagship restaurant at Sixth Street and Trinity opened in Austin 16 years ago and has expanded to five restaurants in Austin, Dallas, and San Antonio.

Houston-based Kennedy Hodges LLP filed the wage lawsuit on behalf of its clients on Feb. 3 in the Austin Division of the United States District Court for the Western District of Texas.

Current and former Iron Cactus employees interested in joining the lawsuit may sign up on [Kennedy Hodges' website](#).

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