**Section 210.1000 Assessment and Notice of Underpayment, Penalties, and Punitive Damages**

a) The Director may conduct investigations, conferences, or hearings to determine whether an employer's conduct is wilful for purposes of assessing penalties and punitive damages as provided under Section 12(a) of the Act.

b) An employer that wilfully underpaid its employees shall be liable to the Director for penalties equal to 20% of its total underpayment and shall be additionally liable to each underpaid employee for punitive damages equal to 2% of any such underpayment for each month following the date of payment during which such underpayment remained unpaid. The amount of the underpayment will be based on the findings of the Compliance Officer. The Director will assess the penalties and punitive damages, and remit a written "Notice of Underpayment, Penalties, and Punitive Damages" to the employer for the underpayment, plus a 20% penalty and 2% punitive damages assessment.