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JOSHUA BLANCHARD, and FREDERICK DE GUZMAN,
on behalf of themselves and others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE

EDDIE HOWARD JEFFERSON, JOSHUA
BLANCHARD, and FREDERICK DE
GUZMAN, individuals on behalf of
themselves and others similarly situated,

Plaintiffs,

vs.

HOMETOWN EQUITY MORTGAGE LLC,
a Missouri limited liability company doing
business as THELENDER; and DOES 1
through 50, inclusive,

Defendants.

Case No.: 30-2026-01577674-CU-OE-CXC

CLASS ACTION

Assigned for All Purposes To:
Hon. Layne H. Melzer
Dept.: CX-102

**FIRST AMENDED CLASS ACTION
COMPLAINT FOR:**

1. Failure to Pay Minimum Wages;
2. Failure to Pay Wages and Overtime Under Labor Code § 510;
3. Meal Period Liability Under Labor Code § 226.7;
4. Rest-Break Liability Under Labor Code § 226.7;
5. Violation of Labor Code § 226(a);
6. Violation of Labor Code § 203;
7. Violation of Labor Code § 204;
8. Failure to Keep Required Payroll Records under Labor Code §§ 1174 and 1174.5;
9. Failure to Pay Reporting Time Pay;
10. Failure to Reimburse Necessary Business Expenses § 2802; and
11. Violation of Business & Professions Code § 17200 *et seq.*

DEMAND FOR JURY TRIAL

INTRODUCTION

1. Plaintiffs EDDIE HOWARD JEFFERSON, JOSHUA BLANCHARD, and FREDERICK DE GUZMAN (“Plaintiffs”) bring this action on behalf of themselves and the Class Members who are defined as “all current and former employees within the State of California who, at any time from four (4) years prior to the filing of this lawsuit, are or were employed as non-exempt hourly employees by Defendants HOMETOWN EQUITY MORTGAGE LLC, a Missouri limited liability company doing business as theLender; and DOES 1 through 50” (all defendants being collectively referred to herein as “Defendants”).

2. Plaintiffs allege that Defendants, and each of them, violated various provisions of the California Labor Code, relevant orders of the Industrial Welfare Commission (IWC), and the California Business & Professions Code, and seeks redress for these violations.

3. Upon information and belief, Plaintiffs were employed by Defendants and (1) shared similar job duties and responsibilities; (2) was subjected to the same policies and practices; and (3) endured similar violations at the hands of Defendants as the other Class Members who served in similar and related positions.

THE PARTIES

A. The Plaintiffs

4. Plaintiff EDDIE HOWARD JEFFERSON resides in California, during the time period relevant to this Complaint, was employed by Defendants as a non-exempt hourly employee within the State of California.

5. Plaintiff JOSHUA BLANCHARD resides in California, during the time period relevant to this Complaint, was employed by Defendants as a non-exempt hourly employee within the State of California.

6. Plaintiff FREDERICK DE GUZMAN resides in California, during the time period relevant to this Complaint, was employed by Defendants as a non-exempt hourly employee within the State of California.

B. The Defendants

7. Defendant HOMETOWN EQUITY MORTGAGE, LLC, is a Missouri limited

1 liability company doing business as the Lender with its principal offices in Lake Forest, California
2 and is registered with the California Secretary of State. Defendant HOMETOWN EQUITY
3 MORTGAGE, LLC has been the employer listed on the wage statements and employment records
4 issued to Plaintiffs during the relevant time period that Plaintiffs were employed with Defendants.
5 Defendant HOMETOWN EQUITY MORTGAGE, LLC, employs Plaintiffs and the Class
6 Members in California, including at Defendants' offices and facilities in Lake Forest, California,
7 and throughout California, and conducts business throughout California.

8 8. The true names and capacities, whether individual, corporate, associate, or
9 whatever else, of the Defendants sued herein as Does 1 through 50, inclusive, are currently
10 unknown to Plaintiffs, who therefore sue these Defendants by such fictitious names under Code of
11 Civil Procedure § 474. Plaintiffs are informed and believe and thereon allege that Defendants
12 designated herein as Does 1 through 50, inclusive, and each of them, are legally responsible in
13 some manner for the unlawful acts referred to herein. Plaintiffs will seek leave of court to amend
14 this Complaint to reflect the true names and capacities of the Defendants designated herein as
15 Does 1 through 50 when their identities become known.

16 9. Plaintiffs are informed and believe and thereon allege that each Defendant acted in
17 all respects pertinent to this action as the agent of the other Defendants, that Defendants carried
18 out a joint scheme, business plan, or policy in all respects pertinent hereto, and that the acts of
19 each Defendant are legally attributable to the other Defendants. Furthermore, Defendants acted in
20 all respects as the employers or joint employers of Class Members. Defendants, and each of them,
21 exercised control over the wages, hours or working conditions of Class Members, or suffered or
22 permitted Class Members to work, or engaged, thereby creating a common law employment
23 relationship, with Class Members. Therefore, Defendants, and each of them, employed or jointly
24 employed Class Members.

25 10. Whenever and wherever reference is made in this Complaint to any act by a
26 defendant or defendants, such allegations and references shall also be deemed to mean the acts and
27 failures to act of each defendant acting individually, jointly, and severally.

28 11. Whenever and wherever reference is made to individuals who are not named as a

1 Defendant in this Complaint but were agents, servants, employees and/or supervisors of
2 Defendants, such individuals at all relevant times acted on behalf of Defendants within the scope
3 of their employment.

4 **JURISDICTION AND VENUE**

5 12. This Court has jurisdiction over this Action pursuant to California Code of Civil
6 Procedure § 410.10 and California Business & Professions Code § 17203. This Action is brought
7 as a Class Action on behalf of similarly situated Class Members of Defendants pursuant to
8 California Code of Civil Procedure § 382. Venue as to Defendants is also proper in this judicial
9 district pursuant to California Code of Civil Procedure § 395 *et seq.* Upon information and belief,
10 the obligations and liabilities giving rise to this lawsuit occurred in part in Orange County.
11 Defendants maintain and operate facilities in Orange County and employs Plaintiffs and other
12 Class Members in Orange County, while doing business throughout California.

13 **FACTUAL BACKGROUND**

14 13. Class Members consistently worked at Defendants behest without being paid all
15 wages due. Class Members were either not paid by Defendants for all hours worked or were not
16 paid at the appropriate minimum, regular and overtime rates. Plaintiffs also contend that
17 Defendants failed to pay Class Members all wages due and owing, including by requiring off the
18 clock work, failing to pay commissions according to Defendant's commission structure, failing to
19 incorporate non-discretionary bonuses into the regular rate of pay used to calculate and pay for
20 overtime pay, sick pay, and meal and rest break premiums; failing to provide meal and rest breaks,
21 failing to timely pay wages including final wages, failing to maintain accurate records, failing to
22 pay reporting time pay, and failing to reimburse necessary business expenses, all in violation of
23 various provisions of the California Labor Code and applicable Wage Orders.

24 14. During the course of Class Members' employment with Defendants, they were not
25 paid all wages they were owed, including for all work performed resulting in off the clock work.
26 Defendants required Class Members to perform pre-shift and post-shift off the clock work. For
27 instance, Plaintiffs Jefferson, Blanchard, and Class Members were required to badge into their
28 building, log into their computers and into their timekeeping software before being able to clock in

1 for the day. After clocking out, Class Members were required to continue taking phone calls from
2 brokers, and they were not paid for this time. Plaintiffs were often required to check emails and
3 take calls from coworkers outside of scheduled work hours, and they were not paid for this time.
4 Plaintiff de Guzman was told by his manager that he was taking too much overtime, but his
5 workload was not reduced, resulting in him working off-the-clock. Moreover, Class Members
6 were often required to work through portions of their meal periods, and they were not paid for this
7 time.

8 15. Defendants also failed to pay Class Members all wages due and owing because
9 Defendants failed to incorporate non-discretionary bonuses into the regular rate of pay. Contrary to
10 the requirements of the Labor Code and IWC Wage Orders under California law, Defendants did
11 not incorporate these non-discretionary bonuses paid to the Class Members into the regular rate of
12 pay Defendants used to calculate and pay for overtime, sick pay, and meal and rest break premiums.

13 16. By implementing policies, programs, practices, procedures and protocols which
14 resulted in off the clock work and failing to incorporate non-discretionary bonuses into the regular
15 rate of pay used to calculate and pay overtime compensation, sick pay, and meal and rest period
16 premiums, Defendants' willful actions resulted in the systematic underpayment of wages to Class
17 Members, including underpayment of overtime pay to Class Members over the relevant time
18 period. For example, the above described off the clock work addressed above caused Plaintiffs to
19 begin receiving overtime pay later than they should have.

20 17. As a result of the above described requirements to work off the clock, the failure to
21 incorporate non-discretionary bonuses into the regular rate of pay used to calculate and pay
22 overtime compensation, sick pay, and meal and rest period premiums, and the other wage
23 violations they endured at Defendants' hands, Class Members were not properly paid all wages
24 earned and all wages owed to them by Defendants, including when working more than eight (8)
25 hours in any given day and/or more than forty (40) hours in any given week.

26 18. Upon information and belief, Defendants' compensation system was unlawful in
27 both policy and practice, as Defendants would manipulate the policy to deny commissions to
28 employees who earned them pursuant to the commission policy. Thus, Defendant selectively

1 manipulated the compensation Defendants paid to Class Members by ensuring they were
2 underpaid commissions.

3 19. As a result of Defendants' unlawful policies and practices, Class Members incurred
4 overtime hours worked for which they were not adequately and completely compensated, in
5 addition to the hours they were required to work off the clock. To the extent applicable,
6 Defendants also failed to pay Class Members at an overtime rate of 1.5 times the regular rate for
7 the first eight hours of the seventh consecutive work day in a week and overtime payments at the
8 rate of 2 times the regular rate for hours worked over eight (8) on the seventh consecutive work
9 day, as required under the Labor Code and applicable IWC Wage Orders. Defendants
10 systematically miscalculated the underlying regular rate for overtime by failing to include all
11 forms of remuneration, including commissions, and underpaid Plaintiffs and the Class Members
12 by failing to pay them at the required overtime rates for all hours over eight in a work shift or over
13 forty in a work week, and all hours over twelve in a day at the required double time rate.

14 20. Therefore, from at least four (4) years prior to the filing of this lawsuit and
15 continuing to the present, Defendants had a consistent policy or practice of failing to pay Class
16 Members for all hours worked, and failing to pay minimum wages for all time worked, as required
17 by California law. Defendants thus failed to pay Class Members at least minimum wages for all
18 the time they worked for Defendants in violation of the Labor Code and applicable IWC Wage
19 Orders as the actual times when Class Members were under the control and direction of
20 Defendants was under reported in the hours reflected on the timekeeping records. Furthermore,
21 Defendants' willful actions resulted in the systematic underpayment of wages to Class Members,
22 including underpayment of overtime pay to Class Members over a period of time.

23 21. Therefore, from at least four (4) years prior to the filing of this lawsuit and
24 continuing to the present, Defendants had a consistent policy or practice of failing to pay Class
25 Members for all hours worked. Also, from at least four (4) years prior to the filing of this lawsuit
26 and continuing to the present, Defendants also had a consistent policy or practice of failing to pay
27 Class Members their true and correct overtime compensation at premium overtime rates for all
28 hours worked in excess of eight (8) hours a day and/or forty (40) hours a week, and double-time

1 rates for all hours worked in excess of twelve (12) hours a day, in violation of Labor Code § 510
2 and the corresponding sections of IWC Wage Orders.

3 22. Additionally, Defendants failed to provide all the legally required unpaid, off-duty
4 meal periods and all the legally required paid, off-duty rest periods to Class Members, as required
5 by the applicable Wage Order and Labor Code. Class Members were required to perform work as
6 ordered by Defendants for more than five (5) hours during a shift but were often required to do so
7 without receiving a lawful and timely meal break. In addition to untimely meal periods,
8 Defendants also required Class Members to respond to work demands. Defendants placed their
9 needs over Class Members lawful meal and rest breaks and this resulted in Class Members often
10 having to work through their scheduled meal and/or rest breaks, or otherwise taking shortened
11 ones, because the demands of the job would not avail them the opportunity to take a lawfully
12 uninterrupted and off duty meal and/or rest break.

13 23. On the occasions when Class Members worked over 10 hours in a shift, Defendants
14 also failed to provide them with a second, uninterrupted, timely and duty-free meal period. As a
15 result, Defendants' failure to provide Class Members with all legally required off-duty, unpaid
16 meal periods and all the legally required off-duty, paid rest periods is and will be evidenced by
17 Defendants' business records, or lack thereof. Defendants also failed to pay Class Members
18 "premium pay," i.e. one hour of wages at each Class Member's effective hourly rate of pay, for
19 each meal period or rest break that Defendants failed to provide or deficiently provided.

20 24. Therefore, for at least four years prior to the filing of this action and through to the
21 present, Defendants have regularly required Class Members to work shifts in excess of five (5)
22 hours without providing them with uninterrupted meal periods of not less than thirty (30) minutes,
23 and shifts in excess of (10) hours without providing them with second meal periods of not less
24 than thirty minutes; nor did Defendants pay Class Members "premium pay," i.e. one hour of
25 wages at each Class Member's effective hourly rate of pay, for each meal period that Defendants
26 failed to provide or deficiently provided.

27 25. Meal period violations thus occurred in one or more of the following manners:

28 (a) Class Members were not provided full thirty-minute duty free meal periods

1 for work days in excess of five (5) hours and were not compensated one (1)
2 hour's wages in lieu thereof, all in violation of, among others, Labor Code
3 §§ 226.7, 512, and the applicable Industrial Welfare Commission Wage
4 Order(s);

5 (b) Class Members were not provided second full thirty-minute duty free meal
6 periods for work days in excess of ten (10) hours;

7 (c) Class Members were required to work through at least part of their daily
8 meal period(s);

9 (d) Meal periods were provided after five (5) hours of continuous work during
10 a shift; and

11 (e) Class Members were restricted in their ability to take a full thirty-minute
12 meal period.

13 26. Class Members were also not authorized and permitted to take lawful rest periods,
14 were systematically required by Defendants to work through or during breaks and were not
15 provided with one (1) hour's wages in lieu thereof. Class Members were restricted in their ability
16 to take their full ten (10) minutes net rest time or were otherwise not provided with duty-free rest
17 periods. Therefore, from at least four years prior to the filing of this lawsuit and continuing to the
18 present, Defendants have consistently failed to provide Class Members with paid rest breaks of not
19 less than ten minutes for every work period of four or more consecutive hours; or major fraction
20 thereof, nor did Defendant pay Class Members premium pay for each day on which requisite rest
21 breaks were not provided or were deficiently provided.

22 27. Rest period violations therefore arose in one or more of the following manners:

23 (a) Class Members were required to work without being provided a minimum
24 ten (10) minute rest period for every four (4) hours or major fraction
25 thereof worked and were not compensated one (1) hour of pay at their
26 regular rate of compensation for each workday that a rest period was not
27 provided;

28 (b) Class Members were not authorized and permitted to take timely rest

1 periods for every four hours worked, or major fraction thereof; and

2 (c) Class Members were required to remain on-duty during rest periods or
3 otherwise had their rest periods interrupted by work demands.

4 28. Defendants also consistently failed to issue accurate itemized wage statements as
5 required by Labor Code § 226(a). Specifically, the wage statements given to Class Members failed
6 to incorporate non-discretionary bonuses into the regular rate of pay used to calculate and pay
7 overtime compensation, sick pay, and meal and rest period premiums. Additionally, the wage
8 statements given to Class Members failed to list the number of hours worked, in violation of Labor
9 Code § 226(a)(2). Moreover, the wage statements given to Class Members failed to list the dates
10 of the pay period associated with the wage statement, in violation of Labor Code § 226(a)(6).
11 Further, the wage statements given to Class Members failed to include the employee's name and
12 social security number, in violation of Labor Code § 226(a)(7). Additionally, the wage statements
13 given to Class Members failed to include the name and address of the legal entity that is the
14 employer, in violation of Labor Code § 226(a)(8). Moreover, the wage statements given to Class
15 Members failed to list the wage rates corresponding to the hours worked, in violation of Labor
16 Code § (a)(9). Further, the wage statements given to Class Members failed to accurately account
17 for unpaid wages and overtime because their actual hours worked were under-reported due to off
18 the clock work. Additionally, the wage statements given to Class Members failed to accurately
19 account for premium pay for deficiently provided meal periods and rest breaks, all in violation of
20 Labor Code § 226(a)(9).

21 29. From at least four (4) years prior to filing this lawsuit and continuing to the present,
22 Defendants have thus also had a consistent policy of failing to pay all wages owed to Class
23 Members at the time of their termination of within seventy-two (72) hours of their resignation, as
24 required by California wage-and-hour laws. Specifically, Plaintiffs and Class Members were not
25 paid all regular and overtime wages because Defendants failed to pay for all hours worked by
26 requiring off the clock work, and failed to incorporate non-discretionary bonuses into the regular
27 rate of pay used to calculate and pay overtime compensation, sick pay, and meal and rest period
28 premiums. Additionally, Defendants failed to pay premium wages owed for unprovided meal

1 periods and rest periods, as further detailed in this Complaint. Defendants' failure to pay said
2 wages within the required time was willful within the meaning of Labor Code § 203.

3 30. Moreover, Defendant required Plaintiffs and the Class Members to, on occasion,
4 report for a scheduled work day to be told whether work was available for them or not, and when
5 there was no work, Plaintiffs and the Class members would be sent home after waiting for hours.
6 On such days when Defendant required Plaintiffs and the Class Members to report to work only to
7 be sent home because work was not available, they were not paid required reporting time wages
8 for the hours they waited without receiving their regular hourly rate of pay for them.

9 31. Additionally, from at least four (4) years prior to the filing of this lawsuit and
10 continuing to the present, Defendants have regularly required Plaintiffs to incur business expenses
11 in the course of performing his required job duties for Defendants. Specifically, Plaintiffs were
12 required to use their personal cellphones for work-related purposes, such as calls with supervisors
13 and co-workers, and to use work-related applications like ADP. Plaintiff Blanchard was also
14 required to purchase certain materials in the course of his employment, such as pens, highlighters,
15 paper, and notebooks, which were not provided by Defendant, and was not reimbursed for these
16 expenses. Class Members were also not reimbursed for home internet usage when working from
17 home. Upon information and belief, Class Members incurred similar costs. These expenses incurred
18 by Plaintiffs and Class Members were necessary and required of them in performing their assigned
19 job duties, but Defendants failed to reimburse Class Members for all such necessary expenditures,
20 thus entitling them to reimbursement according to proof as required under Labor Code § 2802 and
21 the applicable provisions of the IWC Wage Orders.

22 32. In light of the foregoing, Plaintiffs and Class Members bring this action pursuant
23 to, *inter alia*, Labor Code §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 558.1,
24 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2802, and California Code of
25 Regulations, Title 8, section 11000 *et seq.*

26 33. Furthermore, pursuant to Business and Professions Code §§ 17200-17208,
27 Plaintiffs and the Class Members seek injunctive relief, restitution, and disgorgement of all
28 benefits Defendants have enjoyed from their violations of Labor Code and the other unfair,

unlawful, or fraudulent practices alleged in this Complaint.

CLASS ALLEGATIONS

34. Plaintiffs seek to represent the Subclasses composed of and defined as follows:

a. Subclass 1. Minimum Wages Subclass. All Class Members who were not compensated for all hours worked for Defendants at the applicable minimum wage.

b. Subclass 2. Wages and Overtime Subclass. All Class Members who were not compensated for all hours worked for Defendants at the required rates of pay, including for all hours worked in excess of eight in a day and/or forty in a week.

c. Subclass 3. Meal Period Subclass. All Class Members who were subject to Defendants' policy and/or practice of failing to provide unpaid 30-minute uninterrupted and duty-free meal periods or one hour of pay at the Class Member's regular rate of pay in lieu thereof.

d. Subclass 4. Rest Break Subclass. All Class Members who were subject to Defendants' policy and/or practice of failing to authorize and permit Class Members to take uninterrupted, duty-free, 10-minute rest periods for every four hours worked, or major fraction thereof, and failing to pay one hour of pay at the Class Member's regular rate of pay in lieu thereof.

e. Subclass 5. Wage Statement Subclass. All Class Members who, within the applicable limitations period, were not provided with accurate itemized wage statements.

f. Subclass 6. Termination Pay Subclass. All Class Members who, within the applicable limitations period, either voluntarily or involuntarily separated from their employment and were subject to Defendants' policy and/or practice of failing to timely pay wages upon termination.

g. Subclass 7. Failure to Timely Pay Wages Twice Monthly Subclass. All Class Members who were subject to Defendants' policy and practice of not timely paying all wages earned when they were due and payable at least twice monthly.

h. Subclass 8. Payroll Records Subclass. All Class members who were subject to Defendants' policy and/or practice of failing to keep accurate time and wage records as required by California wage-and-hour laws.

i. Subclass 9. Reporting Time Pay Subclass. All Class Members who, within the applicable limitations period, were not paid reporting time pay.

j. Subclass 10. Expense Reimbursement Subclass. All Class Members who incurred necessary and reasonable expenses in connection with performing their job duties for Defendant and who were subject to a policy and/or practice under which such expenses were not reimbursed.

k. Subclass 11. UCL Subclass. All Class Members who are owed restitution as a result of Defendants' business acts and practices, to the extent such acts and practices are found to be unlawful, deceptive, and/or unfair.

35. Plaintiffs reserve the right under California Rule of Court 3.765 to amend or modify the class description with greater particularity or further division into subclasses or limitation to particular issues. To the extent equitable tolling operates to toll claims by the Class against Defendants, the Class Period should be adjusted accordingly.

36. Defendants, as a matter of company policy, practice and procedure, and in violation of the applicable Labor Code, Industrial Welfare Commission ("IWC") Wage Order requirements, and the applicable provisions of California law, intentionally, knowingly, and willfully, engaged in a practice whereby Defendants failed to correctly calculate compensation for the time worked by Class Members, even though Defendants enjoyed the benefit of this work, required Class Members to perform this work and permitted or suffered to permit this work. Defendants have uniformly denied these Class Members wages to which these employees are entitled and failed to provide meal periods or authorize and permit rest periods, in order to unfairly cheat the competition and unlawfully profit.

37. This action has been brought and may properly be maintained as a class action under the provisions of Code of Civil Procedure § 382 because there is a well-defined community of interest in litigation and proposed class is easily ascertainable.

A. Numerosity

38. The potential members of the class as defined are so numerous that joinder of all the member of the class is impracticable. While the precise number of class member has not been determined at this time, Plaintiffs are informed and believe that Defendants employ or, during the

1 time period relevant to this lawsuit, hundreds of employees who satisfy the Class definition within
2 the State of California.

3 39. Accounting for employee turnover during the relevant time period increases this
4 number substantially. Plaintiffs allege that Defendants' employment records will provide
5 information as to the number and location of all Class Members.

6 **B. Commonality**

7 40. There are questions of law and fact common to the Class that predominates over
8 any questions affecting only individual Class Members. These common questions of law and fact
9 include:

- 10 a. Whether Defendants failed to pay Class Members minimum wages;
- 11 b. Whether Defendants failed to pay Class Members wages for all hours worked;
- 12 c. Whether Defendants failed to pay Class Members overtime as required under Labor
13 Code § 510;
- 14 d. Whether Defendants violated Labor Code §§ 226.7 and 512, and the applicable
15 IWC Wage Orders, by failing to provide Class Members with requisite meal
16 periods or premium pay in lieu thereof;
- 17 e. Whether Defendants violated Labor Code §§ 226.7, and the applicable IWC Wage
18 Orders, by failing to authorize and permit Class Members to take requisite rest
19 breaks or provide premium pay in lieu thereof;
- 20 f. Whether Defendants violated Labor Code § 226(a) by providing Class Members
21 with inaccurate wage statements;
- 22 g. Whether Defendants violated Labor Code §§ 201, 202, and 203 by failing to pay
23 wages and compensation due and owing at the time of termination of employment;
- 24 h. Whether Defendants' conduct was willful;
- 25 i. Whether Defendants violated Labor Code § 226 and § 1174 and the IWC Wage
26 Orders by failing to maintain accurate records of Class Members' earned wages and
27 work periods;
- 28 j. Whether Defendants violated Labor Code § 1194 by failing to compensate all Class

Members during the relevant time period for all hours worked, whether regular or overtime;

k. Whether Defendants violated Labor Code § 204 by failing to timely pay wages;

l. Whether Defendants failed to pay Class Members reporting time pay;

m. Whether Defendants violated Labor Code § 2802 by failing to reimburse all necessary business expenses Defendants required them to incur in performing their job duties;

n. Whether Defendants violated Business and Professions Code § 17200 *et seq.*; and

o. Whether Class Members are entitled to equitable relief pursuant to Business and Professions Code § 17200 *et seq.*

C. Typicality

41. The claims of the named Plaintiffs are typical of those of Class Members. The Class Members all sustained injuries and damages arising out of and caused by Defendants' common course of conduct in violation of statutes, as well as regulations that have the force and effect of law, as alleged herein.

D. Adequacy of Representation

42. Plaintiffs will fairly and adequately represent and protect the interest of the Class Members. Counsel who represents Class Members are experienced and competent in litigating employment class actions.

E. Superiority of Class Action

43. A class action is superior to other available means for the fair and efficient adjudication of this controversy. Individual joinder of all Class Members is not practicable, and questions of law and fact common to all Class Members predominate over any questions affecting only individual Class Members. Each Class Member has been damaged and is entitled to recovery by reason of Defendants' illegal policies or practices of failing to compensate Class Members properly.

44. As to the issues raised in this case, a class action is superior to all other methods for the fair and efficient adjudication of this controversy, as joinder of all Class Members is

1 impracticable and many legal and factual questions to be adjudicated apply uniformly to all Class
2 Members. Further, as the economic or other loss suffered by vast numbers of Class Members may
3 be relatively small, the expense and burden of individual actions makes it difficult for the Class
4 Members to individually redress the wrongs they have suffered. Moreover, in the event
5 disgorgement is ordered, a class action is the only mechanism that will permit the employment of
6 a fluid fund recovery to ensure that equity is achieved. There will be relatively little difficulty in
7 managing this case as a class action, and proceeding on a class-wide basis will permit Class
8 Members to vindicate their rights for violations they endured which they would otherwise be
9 foreclosed from receiving in a multiplicity of individual lawsuits that would be cost prohibitive to
10 them.

11 45. Class action treatment will allow those persons similarly situated to litigate their
12 claims in the manner that is most efficient and economical for the parties and the judicial system.
13 Plaintiffs are unaware of any difficulties in managing this case that should preclude class
14 treatment. Plaintiffs contemplate the eventual issuance of notice to the proposed Class Members
15 that would set forth the subject and nature of the instant action. The Defendants' own business
16 records can be utilized for assistance in the preparation and issuance of the contemplated notices.
17 To the extent that any further notice is required additional media and/or mailings can be used.

18 46. Defendants, as prospective and actual employers of the Class Members, had a
19 special fiduciary duty to disclose to prospective Class Members the true facts surrounding
20 Defendants' pay practices, policies and working conditions imposed upon Class Members as well
21 as the effect of any alleged arbitration agreements that may have been forced upon them. In
22 addition, Defendants knew they possessed special knowledge about pay practices and policies,
23 most notably intentionally refusing to pay for all hours actually worked which should have been
24 recorded in Defendants' pay records and the consequence of the alleged arbitration agreements
25 and policies and practices on Class Members.

26 47. Class Members did not discover the fact that they were entitled to all pay under the
27 Labor Code until shortly before the filing of this lawsuit nor was there ever any discussion about
28 Plaintiffs' and the Class' waiver of their Constitutional rights of trial by jury, right to collectively

1 organize and oppose unlawful pay practices under California law as well as obtain injunctive relief
2 preventing such practices from continuing. As a result, the applicable statutes of limitation were
3 tolled until such time as Plaintiffs and the Class Members discovered their claims.

4 **FIRST CAUSE OF ACTION**
5 **FAILURE TO PAY MINIMUM WAGES**
6 **(Against All Defendants)**

7 48. Plaintiffs re-allege and incorporate all preceding paragraphs, as though set forth in
8 full herein.

9 49. Defendants failed to pay Class Members minimum wages for all hours worked.
10 Defendants had a consistent policy of misstating Class Members' time records and failing to pay
11 Class Members for all hours worked. Class Members would work hours and not receive wages,
12 including as alleged above in connection with off the clock work. Defendants, and each of them,
13 have intentionally and improperly changed, adjusted and/or modified the hours of Class Members,
14 which resulted in off the clock work and underpayment of all wages owed to Class Members over
15 a period of time, while benefiting Defendants. During the relevant time period, Defendants thus
16 regularly failed to pay minimum wages to Class Members, to their detriment. Additionally,
17 Defendants had a consistent policy of failing to pay Class Members for hours worked during
18 alleged meal and rest periods for which Class Members were consistently denied, as also
19 addressed herein. Defendants' uniform pattern of unlawful wage and hour practices manifested,
20 without limitation, applicable to the Class as a whole, as a result of implementing a uniform policy
21 and practice that denied accurate compensation to Class Members as to minimum wage pay.

22 50. In California, employees must be paid at least the then applicable state minimum
23 wage for all hours worked. (IWC Wage Order MW-2014). Additionally, pursuant to California
24 Labor Code § 204, other applicable laws and regulations, and public policy, an employer must
25 timely pay its employees for all hours worked. Defendants failed to do so.

26 51. California Labor Code § 1197, entitled "Pay of Less Than Minimum Wage" states:
27 "The minimum wage for employees fixed by the commission is the minimum wage to be paid to
28 employees, and the payment of a less wage than the minimum so fixed is unlawful."

1 52. The applicable minimum wages fixed by the commission for work during the
2 relevant period is found in Paragraph 4(A)-4(D) of the IWC Wage Orders.

3 53. The minimum wage provisions of California Labor Code are enforceable by private
4 civil action pursuant to Labor Code § 1194(a) which states: “Notwithstanding any agreement to
5 work for a lesser wage, any employee receiving less than the legal minimum wage or the legal
6 overtime compensation applicable to the employee is entitled to recover in a civil action the
7 unpaid balance of the full amount of this minimum wage or overtime compensation, including
8 interest thereon, reasonable attorney’s fees and costs of suit.”

9 54. As described in California Labor Code §§ 1185 and 1194.2, any action for wages
10 incorporates the applicable Wage Order of the California Industrial Welfare Commission. Also,
11 California Labor Code §§ 1194, 1197, 1197.1 and those Industrial Welfare Commission Wage
12 Orders entitle non-exempt employees to an amount equal to or greater than the minimum wage for
13 all hours worked. All hours must be paid at the statutory or agreed rate and no part of this rate may
14 be used as a credit against a minimum wage obligation.

15 55. In committing these violations of the California Labor Code, Defendants
16 inaccurately recorded, or required Class Members to input times that did not reflect their actual
17 hours worked, or calculated the correct time worked and consequently underpaid the actual time
18 worked by Class Members. Defendants acted in an illegal attempt to avoid the payment of all
19 earned wages, and other benefits in violation of the California Labor Code, the Industrial Welfare
20 Commission requirements and other applicable laws and regulations. As a result of these
21 violations, Defendant also failed to timely pay all wages earned in accordance with California
22 Labor Code § 1194.

23 56. California Labor Code § 1194.2 also provides for the following remedies: “In any
24 action under Section 1194 . . . to recover wages because of the payment of a wage less than the
25 minimum wages fixed by an order of the commission, an employee shall be entitled to recover
26 liquidated damages in an amount equal to the wages unlawfully unpaid and interest thereon.”

27 57. In addition to restitution for all unpaid wages, pursuant to California Labor Code §
28 1197.1, Class Members are entitled to recover a penalty of \$100.00 for the initial failure to timely

1 pay each employee minimum wages, and \$250.00 for each subsequent failure to pay each
2 employee minimum wages.

3 58. Pursuant to California Labor Code § 1194.2, Class Members are further entitled to
4 recover liquidated damages in an amount equal to wages unlawfully unpaid and interest thereon.

5 59. Defendants have the ability to pay minimum wages for all time worked and have
6 willfully refused to pay such wages with the intent to secure for Defendants a discount upon this
7 indebtedness with the intent to annoy, harass, oppress, hinder, delay, or defraud Class Members.

8 60. Wherefore, Class Members are entitled to recover the unpaid minimum wages
9 (including double minimum wages), liquidated damages in an amount equal to the minimum
10 wages unlawfully unpaid, interest thereon and reasonable attorney's fees and costs of suit pursuant
11 to California Labor Code § 1194(a). Plaintiffs and the other members of the Class further request
12 recovery of all unpaid wages, according to proof, interest, statutory costs, as well as the
13 assessment of any statutory penalties against Defendants, in a sum as provided by the California
14 Labor Code, including § 558, and/or other applicable statutes.

15 **SECOND CAUSE OF ACTION**

16 **FAILURE TO PAY WAGES AND OVERTIME UNDER LABOR CODE § 510**

17 **(Against All Defendants)**

18 61. Plaintiffs re-allege and incorporate all preceding paragraphs, as though set forth in
19 full herein.

20 62. California Labor Code § 1194 provides that "any employee receiving less than the
21 legal minimum wage or the legal overtime compensation applicable to the employee is entitled to
22 recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime
23 compensation, including interest thereon, reasonable attorney's fees, and costs of suit." The action
24 may be maintained directly against the employer in an employee's name without first filing a
25 claim with the Division of Labor Standards and Enforcement.

26 63. By their conduct, as set forth herein, Defendants violated California Labor Code §
27 510 (and the relevant orders of the Industrial Welfare Commission) by failing to pay Class
28 Members: (a) time and one-half their regular hourly rates for hours worked in excess of eight (8)

1 hours in a workday or in excess of forty (40) hours in any workweek or for the first eight (8) hours
2 worked on the seventh day of work in any one workweek; or (b) twice their regular rate of pay for
3 hours worked in excess of twelve (12) hours in any one (1) day or for hours worked in excess of
4 eight (8) hours on any seventh day of work in a workweek.

5 64. Defendants had a consistent policy of not paying Class Members wages for all
6 hours worked, including by requiring off the clock work, as addressed above. Defendants, and
7 each of them, have intentionally and improperly changed, adjusted and/or modified certain
8 employees' hours, including Plaintiffs', in order to avoid paying Class Members all earned and
9 owed straight time and overtime wages and other benefits, in violation of the California Labor
10 Code, the California Code of Regulations and the IWC Wage Orders and guidelines set forth by
11 the Division of Labor Standards and Enforcement. Defendants have also violated these provisions
12 by requiring Class Members to work through portions of their meal period. Therefore, Class
13 Members were not properly compensated, nor were they paid overtime rates for hours worked in
14 excess of eight hours in a given day, and/or forty hours in a given week. Based on information and
15 belief, Defendants did not make available to Class Members a reasonable protocol for correcting
16 time records when Class Members worked overtime hours or to fix incorrect time entries.
17 Defendants also consistently failed to pay Class Members various additional forms of non-
18 discretionary remuneration, including, but not limited to, commissions; and yet failed to pay the
19 Plaintiffs and the members of the Overtime Class at the legal rate reflecting all applicable forms of
20 remuneration for all overtime hours worked as required by law.

21 65. Defendants' failure to pay Class Members the unpaid balance of regular wages
22 owed and overtime compensation, as required by California law, violates the provisions of Labor
23 Code §§ 510 and 1198, and is therefore unlawful.

24 66. Additionally, Labor Code § 558(a) provides "any employer or other person acting
25 on behalf of an employer who violates, or causes to be violated, a section of this chapter or any
26 provisions regulating hours and days of work in any order of the IWC shall be subject to a civil
27 penalty as follows: (1) For any violation, fifty dollars (\$50) for each underpaid employee for each
28 pay period for which the employee was underpaid in addition to an amount sufficient to recover

1 underpaid wages. (2) For each subsequent violation, one hundred dollars (\$100) for each
2 underpaid employee for each pay period for which the employee was underpaid in addition to an
3 amount sufficient to recover underpaid wages. (3) Wages recovered pursuant to this section shall
4 be paid to the affected employee.” Labor Code § 558(c) states, “the civil penalties provided for in
5 this section are in addition to any other civil or criminal penalty provided by law.” Defendants
6 have violated provisions of the Labor Code regulating hours and days of work as well as the IWC
7 Wage Orders. Accordingly, Plaintiffs and the Class Members seek the remedies set forth in Labor
8 Code § 558.

9 67. Defendants’ failure to pay compensation in a timely fashion also constituted a
10 violation of California Labor Code § 204, which requires that all wages shall be paid
11 semimonthly. From four (4) years prior to the filing of this lawsuit to the present, in direct
12 violation of that provision of the California Labor Code, Defendants have failed to pay all wages
13 and overtime compensation earned by Class Members. Each such failure to make a timely
14 payment of compensation to Class Members constitutes a separate violation of California Labor
15 Code § 204.

16 68. Class Members have been damaged by these violations of California Labor Code
17 §§ 204 and 510 (and the relevant orders of the Industrial Welfare Commission).

18 69. Consequently, pursuant to the California Labor Code, including Labor Code §§
19 204, 510, 558, and 1194, and the applicable IWC Wage Order, paragraph 3(A) and 4(B),
20 Defendants are liable to Class Members for the full amount of all their unpaid wages and overtime
21 compensation, with interest, plus their reasonable attorneys’ fees and costs, as well as the
22 assessment of any statutory penalties against Defendants, and each of them, and any additional
23 sums as provided by the Labor Code and/or other statutes.

24 **THIRD CAUSE OF ACTION**

25 **MEAL-PERIOD LIABILITY UNDER LABOR CODE § 226.7**

26 **(Against All Defendants)**

27 70. Plaintiffs re-allege and incorporate all preceding paragraphs, as though set forth in
28 full herein.

1 71. Class Members regularly worked shifts greater than five (5) hours and in some
2 instances, greater than ten (10) hours. Pursuant to Labor Code § 512 an employer may not employ
3 someone for a shift of more than five (5) hours without providing him or her with a meal period of
4 not less than thirty (30) minutes or for a shift of more than ten (10) hours without providing him or
5 her with a second meal period of not less than thirty (30) minutes.

6 72. Defendants failed to provide Class Members with meal periods as required under
7 the Labor Code. Defendants placed their needs over Class Members lawful meal breaks and this
8 resulted in Class Members consistently having to work through their scheduled meal breaks
9 because the demands of the job would not avail them the opportunity to take a lawfully
10 uninterrupted and off-duty meal break. Furthermore, upon information and belief, on the occasions
11 when Class Members worked more than ten (10) hours in a given shift, they did so without
12 receiving a second uninterrupted thirty (30) minute meal period as required by law.

13 73. Defendants thus failed to provide Class Members with meal periods as required by
14 the Labor Code, including by not providing them with the opportunity to take meal breaks, by
15 providing them late or for less than thirty (30) minutes, or by requiring them to perform work
16 during breaks.

17 74. Moreover, Defendants failed to compensate Class Members for each meal period
18 not provided or inadequately provided, as required under Labor Code § 226.7 and paragraph 11 of
19 the applicable IWC Wage Orders, which provide that, if an employer fails to provide an employee
20 a meal period in accordance with this section, the employer shall pay the employee one (1) hour of
21 pay at the employee's regular rate of compensation for each workday that the meal period is not
22 provided. Defendants failed to compensate Class Members for each meal period not provided or
23 inadequately provided, as required under Labor Code § 226.7.

24 75. Therefore, pursuant to Labor Code § 226.7 and the applicable IWC Wage Order,
25 paragraph 11, Class Members are entitled to damages in an amount equal to one (1) hour of wages
26 at their effective hourly rates of pay for each meal period not provided or deficiently provided, a
27 sum to be proven at trial, as well as the assessment of any statutory penalties against the
28 Defendants, and each of them, in a sum as provided by the Labor Code and other statutes.

1 **FOURTH CAUSE OF ACTION**

2 **REST-BREAK LIABILITY UNDER LABOR CODE § 226.7**

3 **(Against All Defendants)**

4 76. Plaintiffs re-allege and incorporate all preceding paragraphs, as though set forth in
5 full herein.

6 77. Labor Code §§ 226.7 and paragraph 12 of the applicable IWC Wage Orders
7 provide that employers must authorize and permit all employees to take rest periods at the rate of
8 ten (10) minutes net rest time per four (4) work hours.

9 78. Class Members consistently worked consecutive four (4) hour shifts and were
10 generally scheduled for shifts of greater than 3.5 hours total, thus requiring Defendants to
11 authorize and permit them to take rest periods. Pursuant to the Labor Code and the applicable IWC
12 Wage Order, Class Members were entitled to paid rest breaks of not less than ten (10) minutes for
13 each consecutive four (4) hour shift, and Defendants failed to provide Class Members with timely
14 rest breaks of not less than ten (10) minutes for each consecutive four (4) hour shift. Defendants
15 placed their needs over Class Members lawful rest breaks and this resulted in Class Members
16 consistently having to work through their scheduled rest breaks because the demands of the job
17 would not avail them the opportunity to take a lawfully uninterrupted and off-duty rest break.
18 Thus, Class Members were consistently denied of their rest breaks.

19 79. Labor Code §§ 226.7 and paragraph 12 of the applicable IWC Wage Orders
20 provide that if an employer fails to provide an employee rest period in accordance with this
21 section, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of
22 compensation for each workday that the rest period is not provided.

23 80. Defendants, and each of them, have therefore intentionally and improperly denied
24 rest periods to Class Members in violation of Labor Code §§ 226.7 and 512 and paragraph 12 of
25 the applicable IWC Wage Orders.

26 81. Defendants failed to authorize and permit Class Members to take rest periods, as
27 required by the Labor Code. Moreover, Defendants did not compensate Class Members with an
28 additional hour of pay at each Class Member's effective hourly rate for each day that Defendants

1 failed to provide them with adequate rest breaks, as required under Labor Code § 226.7.

2 82. Therefore, pursuant to Labor Code § 226.7 and paragraph 12 of the applicable IWC
3 Wage Orders, Class Members are entitled to damages in an amount equal to one (1) hour of wages
4 at their effective hourly rates of pay for each day worked without the required rest breaks, a sum to
5 be proven at trial, as well as the assessment of any statutory penalties against Defendants, and each
6 of them, in a sum as provided by the Labor Code and/or other statutes.

7 **FIFTH CAUSE OF ACTION**
8 **VIOLATION OF LABOR CODE § 226(a)**
9 **(Against All Defendants)**

10 83. Plaintiffs re-allege and incorporate all preceding paragraphs, as though set forth in
11 full herein.

12 84. California Labor Code § 226(a) requires an employer to furnish each of his or her
13 employees with an accurate, itemized statement in writing showing the gross and net earnings,
14 total hours worked, and the corresponding number of hours worked at each hourly rate; these
15 statements must be appended to the detachable part of the check, draft, voucher, or whatever else
16 serves to pay the employee's wages; or, if wages are paid by cash or personal check, these
17 statements may be given to the employee separately from the payment of wages; in either case the
18 employer must give the employee these statements twice a month or each time wages are paid.

19 85. Defendants failed to provide Class Members with accurate itemized wage
20 statements in writing, as required by the Labor Code. Specifically, the wage statements given to
21 Class Members failed to incorporate non-discretionary bonuses into the regular rate of pay used to
22 calculate and pay overtime compensation, sick pay, and meal and rest period premiums.
23 Additionally, the wage statements given to Class Members failed to list the number of hours
24 worked, in violation of Labor Code § 226(a)(2). Moreover, the wage statements given to Class
25 Members failed to list the dates of the pay period associated with the wage statement, in violation
26 of Labor Code § 226(a)(6). Further, the wage statements given to Class Members failed to include
27 the employee name and social security number, in violation of Labor Code § 226(a)(7).
28 Additionally, the wage statements given to Class Members failed to include the name and address

1 of the legal entity that is the employer, in violation of Labor Code § 226(a)(8). Moreover, the
2 wage statements given to Class Members failed to list the wage rates corresponding to the hours
3 worked, in violation of Labor Code § (a)(9). Further, the wage statements given to Class Members
4 failed to accurately account for unpaid wages and overtime because their actual hours worked
5 were under-reported due to off the clock work. Moreover, the wage statements given to Class
6 Members failed to accurately account for premium pay for deficiently provided meal periods and
7 rest breaks, all in violation of Labor Code § 226(a)(9).

8 86. Throughout the liability period, Defendants intentionally failed to furnish to Class
9 Members, upon each payment of wages, itemized statements accurately showing: (1) gross wages
10 earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any
11 applicable piece rate paid on a piece-rate basis, (4) all deductions, (5) net wages earned, (6) the
12 inclusive dates of the period for which the employee is paid, (7) the name of the employee and
13 only the last four digits of his or her social security number or an employee identification number
14 other than a social security number, (8) the name and address of the legal entity that is the
15 employer and (9) all applicable hourly rates in effect during the pay period and the corresponding
16 number of hours worked at each hourly rate by the employee pursuant to Labor Code § 226,
17 amongst other statutory requirements. Defendants knowingly and intentionally failed to provide
18 Class Members with such timely and accurate wage and hour statements.

19 87. Class Members suffered injury as a result of Defendants' knowing and intentional
20 failure to provide them with the accurate wage and hour statements as required by law and are
21 presumed to have suffered injury and be entitled to penalties under Labor Code § 226(e), as the
22 Defendants have failed to provide wage statements with accurate and complete information as
23 required by any one or more of items Labor Code § 226 (a)(1) to (9), inclusive, and Class
24 Members cannot promptly and easily determine from the wage statement alone one or more of the
25 following: (i) The amount of the gross wages or net wages paid to the employee during the pay
26 period or any of the other information required to be provided on the itemized wage statement
27 pursuant to items (2) to (4), inclusive, (6), and (9) of subdivision (a), (ii) Which deductions the
28 employer made from gross wages to determine the net wages paid to the employee during the pay

1 period, (iii) The name and address of the employer and, (iv) The name of the employee and only
2 the last four digits of his or her social security number or an employee identification number other
3 than a social security number. For purposes of Labor Code § 226(e) “promptly and easily
4 determine” means a reasonable person [i.e. an objective standard] would be able to readily
5 ascertain the information without reference to other documents or information.

6 88. Therefore, as a direct and proximate cause of Defendants’ violation of Labor Code
7 § 226(a), Class Members suffered injuries, including among other things confusion over whether
8 they received all wages owed them, the difficulty and expense involved in reconstructing pay
9 records, and forcing them to make mathematical computations to analyze whether the wages paid
10 in fact compensated them correctly for all hours worked.

11 89. Pursuant to Labor Code §§ 226(a) and 226(e) and 1174, and the applicable IWC
12 Wage Order, paragraph 7(B), Class Members are entitled to recover the greater of all actual
13 damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one
14 hundred dollars (\$100) for each violation in a subsequent pay period, not exceeding an aggregate
15 penalty of four thousand dollars (\$4,000). They are also entitled to an award of costs and
16 reasonable attorneys’ fees.

17 **SIXTH CAUSE OF ACTION**
18 **VIOLATION OF LABOR CODE § 203**
19 **(Against All Defendants)**

20 90. Plaintiffs re-allege and incorporate all preceding paragraphs, as though set forth in
21 full herein.

22 91. Numerous Class Members are no longer employed by Defendants; they either quit
23 Defendants’ employ or were fired therefrom.

24 92. Defendants failed to pay these Class Members all wages due and certain at the time
25 of termination or within seventy-two (72) hours of resignation.

26 93. The wages withheld from these Class Members by Defendants remained due and
27 owing for more than thirty (30) days from the date of separation from employment.

28 94. Defendants failed to pay Class Members without abatement, all wages as defined

1 by applicable California law. Specifically, Plaintiffs and Class Members were not paid all regular
2 and overtime wages because Defendants failed to pay for all hours worked by requiring off the
3 clock work. Additionally, Defendants failed to pay premium wages owed for unprovided meal
4 periods and rest periods, as further detailed in this Complaint. Defendants' failure to pay said
5 wages within the required time was willful within the meaning of Labor Code § 203.

6 95. Defendants' failure to pay wages, as alleged entitles these Class Members to
7 penalties under Labor Code § 203, which provides that an employee's wages shall continue until
8 paid for up to thirty (30) days from the date they were due.

9 **SEVENTH CAUSE OF ACTION**
10 **VIOLATION OF LABOR CODE § 204**
11 **(Against All Defendants)**

12 96. Plaintiffs re-allege and incorporate all preceding paragraphs, as though set forth in
13 full herein.

14 97. Labor Code § 204 instructs that: "All wages, ...earned by any person in any
15 employment are due and payable twice during each calendar month, on days designated in
16 advance by the employer as the regular paydays. Labor performed between the 1st and 15th days,
17 inclusive, of any calendar month shall be paid for between the 16th and the 26th day of the month
18 during which the labor was performed, and labor performed between the 16th and the last day,
19 inclusive, of any calendar month, shall be paid for between the 1st and 10th day of the following
20 month." Additionally, the requirements of this section shall be deemed satisfied by the payment of
21 wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more than seven
22 calendar days following the close of the payroll period." As detailed above, Defendants
23 maintained a consistently applied policy and practice of not paying all wages earned between the
24 1st and 15th days of a month between the 16th and 26th day and failed to pay all wages earned
25 between the 16th and the last day of the month between the 1st and 10th day of the following month.
26 Defendants similarly failed to pay all wages earned by not more than seven calendar days
27 following the close of the payroll period. These failures arose from Defendants' failure to pay for
28 all hours worked.

98. All wages due and owing to Plaintiffs and the Class Members, including as required under Labor Code § 510, were therefore not timely paid by Defendants, as addressed in detail above. Additionally, wages required by Labor Code § 1194 and other sections became due and payable to each Class Member in each pay period that he or she was not provided with a meal period or rest period or paid straight or overtime wages or commissions to which he or she was entitled.

99. Defendants thus violated Labor Code § 204 by systematically refusing to pay wages due under the Labor Code, as addressed above. Additionally, under paragraph 4(B) of the applicable IWC Wage Orders, employers are required “to pay 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, ...” Under Labor Code § 1198, “[t]he employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful.” Plaintiffs and the Class Members may therefore pursue damages and penalties for violations of Labor Code § 204 and paragraph 4(B) of the applicable IWC Wage Orders, including penalties under paragraph 20 of the applicable IWC Wage Orders.

100. As a result of the unlawful acts of Defendants, Plaintiffs and Class Members seek to represent they have been deprived of wages in amounts to be determined at trial, and they are entitled to recovery of such amounts, plus interest and penalties thereon, attorneys' fees, and costs, pursuant to Labor Code § 210, 218.5, 1194 and 1198, and paragraphs 4(B) and 20 of the applicable IWC Wage Orders.

EIGHTH CAUSE OF ACTION

FAILURE TO KEEP REQUIRED PAYROLL RECORDS UNDER LABOR CODE § 1174

AND 1174.5

(Against All Defendants)

101. Plaintiffs re-allege and incorporate all preceding paragraphs, as though set forth in full herein.

102. California Labor Code § 1174 requires that all employers shall keep accurate time and wage records for all employees. California Labor Code § 1174.5 further requires that any

1 employee suffering injury due to a willful violation of the aforementioned obligations may seek
2 damages, including civil penalties, from the employer.

3 103. During the course of Plaintiffs' and Class Members' employment, Defendants
4 consistently failed to maintain accurate time and wage records for Plaintiffs and Class Members as
5 required by California Labor Code § 1174 by failing to pay Plaintiffs and Class Members proper
6 wages, overtime, and premium pay as discussed above.

7 104. Accordingly, Defendants are liable for civil penalties pursuant to the California
8 Labor Code § 1174.5 for the three (3) years prior to the filing of this Complaint.

9 **NINTH CAUSE OF ACTION**

10 **FAILURE TO PAY REPORTING TIME PAY**

11 **(Against All Defendants)**

12 105. Plaintiffs incorporate by reference and reallege each and every one of the
13 allegations contained in the preceding and foregoing paragraphs of this Complaint as if fully set
14 forth herein.

15 106. Under the IWC Wage Order(s), Defendants are required to pay the members of the
16 Reporting Time Class for all hours worked, meaning the time during which an employee is subject
17 to the control of an employer.

18 107. The IWC Wage Order(s) § 5(A) states, "Each workday an employee is required to
19 report for work and does report, but is not put to work or is furnished less than half said employee's
20 usual or scheduled day's work, the employee shall be paid for half the usual or scheduled day's
21 work, but in no event for less than two (2) hours nor more than four (4) hours, at the employee's
22 regular rate of pay, which shall not be less than the minimum wage."

23 108. The IWC Wage Order(s) § 5(B) states, "If an employee is required to report for work
24 a second time in any one workday and is furnished less than two (2) hours of work on the second
25 reporting, said employee shall be paid for two (2) hours at the employee's regular rate of pay, which
26 shall not be less than the minimum wage."

27 109. Defendants, as a matter of established company policy and procedure, at each and
28 every one of the individual facilities owned and/or operated by Defendants, regularly and

consistently required the members of the Reporting Time Class to report for work at their scheduled reporting time and then did not put them to work and/or furnished less than half of their usual or scheduled day's work without paying for half the usual or scheduled day's work (at least two hours) at each respective Reporting Time Class Member's regular rate of pay **OR** on the same day to see if they were working, but, if not summoned to work, were paid for less than half the usual or schedule day's work at each respective Reporting Time Class Member's regular rate of pay.

110. At no time when Defendants did not pay the legally requisite reporting time pay were the provisions of the IWC Wage Orders § 5(C) or (D) applicable, in that Defendants' acts were not because of threats to employees or property, public utility failures, Acts of God or other causes not within Defendants' control or employees on paid standby status.

111. The pattern and practice in uniform administration of corporate policy regarding Defendants' failure to pay the legal reporting time pay to the members of the Reporting Time Class as described herein is unlawful and creates entitlement to recovery by the members of the Reporting Time Class, in a civil action, for the unpaid balance of the full amount of the unpaid wages owed, including interest thereon.

112. Under Labor Code § 218.6 and Civil Code § 3287, the members of the Reporting Time Class seek recovery of pre-judgment interest on all amounts recovered herein.

113. Under Labor Code § 218.5, the members of the Reporting Time Class request that the Court award reasonable attorneys' fees and costs incurred by them in this action.

TENTH CAUSE OF ACTION

REIMBURSEMENT OF NECESSARY EXPENDITURES UNDER LABOR CODE § 2802

(Against All Defendants)

114. Plaintiffs re-allege and incorporate all preceding paragraphs as though set forth in full herein.

115. Under Labor Code § 2802(a) an employer must indemnify its employees 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.

116. Defendants have regularly required Class Members to incur business expenses in the

1 course of performing their required job duties for Defendants. Specifically, Class Members were
2 required to use their cellphones for work-related purposes, such as calls with supervisors and co-
3 workers, and to use work-related applications like ADP. Class Members were also required to
4 purchase certain materials in the course of employment, such as pens, highlighters, paper, and
5 notebooks, which were not provided by Defendant, and were not reimbursed for these expenses.
6 Class Members were also not reimbursed for home internet usage when working from home. These
7 expenses incurred by Class Members were necessary and required of them in performing their
8 assigned job duties. However, Class Members were not reimbursed for those lawful and necessary
9 work-related expenses or losses incurred in direct discharge of their job duties during employment
10 with Defendants and at the direction of the Defendants pursuant to Labor Code § 2802(a) and the
11 applicable IWC Wage Orders, paragraph 9.

12 117. As a result of the unlawful acts of Defendants, Class Members have been deprived
13 of reimbursement in amounts to be determined at trial; they are entitled to recovery of such amounts,
14 plus interest and penalties thereon, attorneys' fees, and costs.

15 **ELEVENTH CAUSE OF ACTION**

16 **VIOLATION OF BUSINESS & PROFESSIONS CODE § 17200 *ET SEQ.***

17 **(Against All Defendants)**

18 118. Plaintiffs re-allege and incorporate all preceding paragraphs, as though set forth in
19 full herein.

20 119. Plaintiffs, on behalf of themselves, Class Members, and the general public, brings
21 this claim pursuant to Business & Professions Code § 17200 *et seq.* The conduct of Defendants as
22 alleged in this Complaint has been and continues to be unfair, unlawful, and harmful to Class
23 Members and the general public. Plaintiffs seek to enforce important rights affecting the public
24 interest within the meaning of Code of Civil Procedure § 1021.5.

25 120. Plaintiffs are "person[s]" within the meaning of Business & Professions Code
26 § 17204, has suffered injury, and therefore has standing to bring this cause of action for injunctive
27 relief, restitution, and other appropriate equitable relief.

28 121. Business & Professions Code § 17200 *et seq.* prohibits unlawful and unfair

1 business practices. By the conduct alleged herein, Defendants' practices were deceptive and
2 fraudulent in that Defendants' policy and practice failed to provide the required amount of
3 compensation for missed meal and rest breaks, and failed to adequately compensate Class
4 Members for all hours worked, due to systematic business practices as alleged herein that cannot
5 be justified, pursuant to the applicable California Labor Code and Industrial Welfare Commission
6 requirements in violation of California Business and Professions Code §§ 17200, *et seq.*, and for
7 which this Court should issue injunctive and equitable relief, pursuant to California Business &
8 Professions Code § 17203, including restitution of wages wrongfully withheld.

9 122. Wage-and-hour laws express fundamental public policies. Paying employees their
10 wages and overtime, providing them with meal periods and rest breaks, etc., are fundamental
11 public policies of California. Labor Code § 90.5(a) articulates the public policies of this State
12 vigorously to enforce minimum labor standards, to ensure that employees are not required or
13 permitted to work under substandard and unlawful conditions, and to protect law-abiding
14 employers and their employees from competitors who lower costs to themselves by failing to
15 comply with minimum labor standards.

16 123. Defendants have violated statutes and public policies. Through the conduct alleged
17 in this Complaint Defendants have acted contrary to these public policies, have violated specific
18 provisions of the Labor Code, and have engaged in other unlawful and unfair business practices in
19 violation of Business & Professions Code § 17200 *et seq.*; which conduct has deprived Plaintiffs,
20 and all persons similarly situated, and all interested persons, of the rights, benefits, and privileges
21 guaranteed to all employees under the law.

22 124. Defendants' conduct, as alleged above, constitutes unfair competition in violation
23 of the Business & Professions Code § 17200 *et seq.*

24 125. Defendants, by engaging in the conduct herein alleged, by failing to pay wages and
25 overtime, failing to provide meal periods and rest breaks, etc., either knew or in the exercise of
26 reasonable care should have known that their conduct was unlawful; therefore their conduct
27 violates the Business & Professions Code § 17200 *et seq.*

28 126. By the conduct alleged herein, Defendants have engaged and continue to engage in

1 a business practice which violates California and federal law, including but not limited to, the
2 applicable Industrial Wage Order(s), the California Code of Regulations, and the California Labor
3 Code including Sections 203, 204, 226, 226.7, 512, 1194, 1197, and 1198, for which this Court
4 should issue declaratory and other equitable relief pursuant to California Business & Professions
5 Code § 17203 as may be necessary to prevent and remedy the conduct held to constitute unfair
6 competition, including restitution of wages wrongfully withheld.

7 127. As a proximate result of the above-mentioned acts of Defendants, Class Members
8 have been damaged, in a sum to be proven at trial.

9 128. Unless restrained by this Court Defendants will continue to engage in such
10 unlawful conduct as alleged above. Pursuant to the Business & Professions Code, this Court
11 should make such orders or judgments, including the appointment of a receiver, as may be
12 necessary to prevent the use by Defendants or their agents or employees of any unlawful or
13 deceptive practice prohibited by the Business & Professions Code, including but not limited to the
14 disgorgement of such profits as may be necessary to restore Class Members to the money
15 Defendants have unlawfully failed to pay.

16 **RELIEF REQUESTED**

17 WHEREFORE, Plaintiffs pray for the following relief:

- 18 1. For an order certifying this action as a class action;
- 19 2. For compensatory damages in the amount of the unpaid minimum wages for work
20 performed by Class Members and unpaid overtime compensation from at least four (4) years prior
21 to the filing of this action, as may be proven;
- 22 3. For liquidated damages in the amount equal to the unpaid minimum wage and
23 interest thereon, from at least four (4) years prior to the filing of this action, according to proof;
- 24 4. For compensatory damages in the amount of all unpaid wages, including overtime
25 and double-time pay, as may be proven;
- 26 5. For compensatory damages in the amount of the hourly wage made by Class
27 Members for each missed or deficient meal period where no premium pay was paid therefor from
28 four (4) years prior to the filing of this action, as may be proven;

6. For compensatory damages in the amount of the hourly wage made by Class Members for each day requisite rest breaks were not provided or were deficiently provided where no premium pay was paid therefor from at least four (4) years prior to the filing of this action, as may be proven;

7. For penalties pursuant to Labor Code § 203 for all Class Members who quit or were fired in an amount equal to their daily wage times thirty (30) days, as may be proven;

8. For restitution and/or damages for all amounts unlawfully withheld from the wages for all class members in violation of Labor Code § 204, as may be proven;

9. For recovery of the unpaid balance of the full amount of the unpaid reporting time pay due and owing, according to proof;

10. For restitution and/or damages for all amounts unlawfully withheld from the wages for all Class Members in violation of Labor Code § 2802, as may be proven;

11. For restitution for unfair competition pursuant to Business & Professions Code § 17200 *et seq.*, including disgorgement or profits, as may be proven;

12. For an order enjoining Defendants and their agents, servants, and employees, and all persons acting under, in concert with, or for them, from acting in derogation of any rights or duties adumbrated in this Complaint;

13. For other wages and penalties under the Labor Code as may be proven;

14. For all general, special, and incidental damages as may be proven;

15. For an award of pre-judgment and post-judgment interest;

16. For an award providing for the payment of the costs of this suit;

17. For an award of attorneys' fees; and

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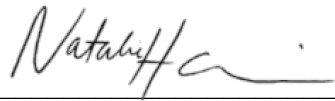
///

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1 18. For such other and further relief as this Court may deem proper and just.

2
3 DATED: July 14, 2026

D.LAW, INC.

4
5 By: 

6 Natalie Haritonian

7 Jonas Agle

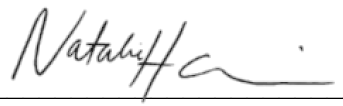
8 Attorneys for Plaintiffs EDDIE HOWARD
9 JEFFERSON, JOSHUA BLANCHARD, and
10 FREDERICK DE GUZMAN, and all others
11 similarly situated

DEMAND FOR JURY TRIAL

Plaintiffs hereby demands trial of his claims by jury to the extent authorized by law.

DATED: July 14, 2026

D.LAW, INC.

By: 

Natalie Haritonian

Jonas Agle

Attorneys for Plaintiffs EDDIE HOWARD
JEFFERSON, JOSHUA BLANCHARD, and
FREDERICK DE GUZMAN, and all others
similarly situated