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**SUPERIOR COURT OF THE STATE OF CALIFORNIA**

**COUNTY OF LOS ANGELES**

SYLVESTER LEWIS, on behalf of himself  
and other aggrieved employees,

Plaintiff,

v.

SIMPLIFIED LABOR STAFFING  
SOLUTIONS, INC.; SIMPLIFIED STAFFING  
LABOR SOLUTIONS, LLC; MAERSK INC.;  
DAMCO USA INC.; DAMCO  
DISTRIBUTION SERVICES INC.; and DOES  
1 through 50, inclusive,

Defendants.

Case No.: **20STCV26893**

**PRIVATE ATTORNEYS GENERAL  
ACT COMPLAINT**

1. Violation of PAGA for Failure to Pay All Wages Including Minimum, Regular, and Overtime Wages (Lab. Code, §§ 204, 510, 558, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198);
2. Violation of PAGA for Failure to Provide Meal Periods (Lab. Code, §§ 226.7, 512);
3. Violation of PAGA for Failure to Provide Rest Periods (Lab. Code, § 226.7);
4. Violation of PAGA for Failure to Timely Pay Wages Upon Separation of Employment (Lab. Code, §§ 201, 202, 203);
5. Violation of PAGA for Failure to Maintain Accurate Payroll Records (Lab. Code, §§ 226, subd. (A), (E), 226.3, 1174, 1174.5); and
6. Violation of PAGA for Failure to Reimburse Business Expenses (Lab. Code, § 2802).

1 Plaintiff SYLVESTER LEWIS (“Plaintiff”), individually and on behalf of other aggrieved  
2 employees, hereby complains and alleges as follows:

3 **PRELIMINARY STATEMENT**

4 1. Plaintiff brings this representative action pursuant to the Private Attorneys General  
5 Act of 2004 (“PAGA”) against Defendants SIMPLIFIED LABOR STAFFING SOLUTIONS,  
6 INC.; SIMPLIFIED STAFFING LABOR SOLUTIONS, LLC; MAERSK INC.; DAMCO USA  
7 INC.; DAMCO DISTRIBUTION SERVICES INC.; and DOES 1 through 50, inclusive,  
8 (collectively “Defendants”), on behalf of himself individually and all other current and former  
9 aggrieved employees employed by Defendants throughout California during the PAGA period.  
10 The PAGA period is defined as one year prior to Plaintiff’s notice of labor code violations to the  
11 Labor and Workforce Development Agency (“LWDA”) and certified mailing of said notice to  
12 Defendants until resolution.

13 2. Defendants SIMPLIFIED LABOR STAFFING SOLUTIONS, INC. and  
14 SIMPLIFIED STAFFING LABOR SOLUTIONS, LLC own and operate staffing companies in  
15 California that staffed Plaintiff and other aggrieved employees to work at Defendants MAERSK  
16 INC.’s, DAMCO USA INC.’s, and DAMCO DISTRIBUTION SERVICES INC.’s worksites  
17 throughout California during the PAGA period.

18 3. Defendants MAERSK INC., DAMCO USA INC., and DAMCO DISTRIBUTION  
19 SERVICES INC. own and operate logistics and/or freight and container forwarding services  
20 throughout California during the PAGA period.

21 4. Defendants employed and/or continue to employ Plaintiff and other aggrieved  
22 employees throughout California.

23 5. Defendants have engaged in a systematic pattern of wage and hour violations  
24 under the Labor Code, including, but not limited to, failure to pay all wages (including minimum,  
25 regular, and overtime compensation); failure to provide meal periods or compensation in lieu  
26 thereof; failure to authorize or permit rest breaks or provide compensation in lieu thereof; failure  
27 to provide accurate itemized wage statements; failure to maintain accurate records of hours  
28 worked, failure to pay all wages due upon separation of employment; and failure to reimburse

1 business expenses. These violations concern current and past non-exempt employees of  
2 Defendants.

3 6. At all relevant times herein, Defendants have consistently maintained and enforced  
4 against Plaintiff and the aggrieved employees the unlawful practices and policies set forth herein.

### 5 **JURISDICTION AND VENUE**

6 7. Venue is proper in Los Angeles County, because Defendants maintain its locations  
7 and transact business in this county, the obligations and liability primarily arise in this county,  
8 and work was primarily performed by Plaintiff in this county.

9 8. The California Superior Court has jurisdiction over this matter. The individual  
10 claims are under the seventy-five thousand dollar (\$75,000.00) jurisdictional threshold for federal  
11 court and PAGA penalties cannot be aggregated to meet the minimum jurisdictional amount  
12 required for diversity removal. Further, there is no federal question at issue as the issues herein  
13 are based solely on California statutes and law, including, but not limited to, the California Labor  
14 Code, Industrial Welfare Commission Wage Orders, California Code of Civil Procedure, and  
15 California Rules of Court.

### 16 **THE PARTIES**

#### 17 **Plaintiff**

18 9. Plaintiff is, and at all times herein mentioned was, a resident of the County of Los  
19 Angeles. In or around September 2019, Defendants hired Plaintiff as a non-exempt hourly  
20 Material Handler and continue to employ him to this day. Recently, Plaintiff changed his name  
21 from Sylvester Lewis to Sylvia Lewis, and continues to be employed by Defendants as Sylvia  
22 Lewis. Throughout the PAGA period, Plaintiff's duties primarily included, *inter alia*, loading and  
23 unloading freight.

#### 24 **Defendants**

25 10. Plaintiff is informed and believes, and based thereon alleges, that Defendant  
26 SIMPLIFIED LABOR STAFFING SOLUTIONS, INC. is a California corporation that is a  
27 staffing company providing staffing services to employers throughout California. SIMPLIFIED  
28 LABOR STAFFING SOLUTIONS, INC. shares the same business address as SIMPLIFIED

1 STAFFING LABOR SOLUTIONS, LLC located at 60 Pointer Drive, Suite 100, Brea, California  
2 92821 and share at least one corporate officer. Plaintiff is informed and believes, and based  
3 thereon alleges, that during the PAGA period, Defendant SIMPLIFIED LABOR STAFFING  
4 SOLUTIONS, INC. staffed Plaintiff and other aggrieved employees to work at MAERSK INC.'s,  
5 DAMCO USA INC.'s, and DAMCO DISTRIBUTION SERVICES INC.'s worksites throughout  
6 California. On information and belief, and based thereon, Plaintiff alleges that SIMPLIFIED  
7 LABOR STAFFING SOLUTIONS, INC., is conducting business in good standing in California,  
8 and at all times herein mentioned has regularly conducted business throughout the State of  
9 California.

10 11. Plaintiff is informed and believes, and based thereon alleges, that Defendant  
11 SIMPLIFIED STAFFING LABOR SOLUTIONS, LLC is a California limited liability  
12 corporation that is a staffing company providing staffing services to employers throughout  
13 California. Plaintiff is informed and believes, and based thereon alleges, that during the PAGA  
14 period, Defendant SIMPLIFIED STAFFING LABOR SOLUTIONS, LLC staffed Plaintiff and  
15 other aggrieved employees to work at MAERSK INC.'s, DAMCO USA INC.'s, and DAMCO  
16 DISTRIBUTION SERVICES INC.'s worksites throughout California. On information and belief,  
17 and based thereon, Plaintiff alleges that SIMPLIFIED STAFFING LABOR SOLUTIONS, LLC  
18 is conducting business in good standing in California, and at all times herein mentioned has  
19 regularly conducted business throughout the State of California.

20 12. Plaintiff is informed and believes, and based thereon alleges, that Defendant  
21 MAERSK INC. ("MAERSK") is a New York corporation that owns and operates an integrated  
22 logistics company that facilitates global trade and operates numerous locations throughout  
23 California. At all relevant times, MAERSK employed Plaintiff and aggrieved employees to work  
24 at its facilities located in Los Angeles County and/or throughout California. On information and  
25 belief, and based thereon, Plaintiff alleges that MAERSK is conducting business in good standing  
26 in California, and at all times herein mentioned has regularly conducted business throughout the  
27 State of California.

28 / / /

1           13. Plaintiff is informed and believes, and based thereon alleges, that Defendant  
2 DAMCO USA INC. (“DAMCO USA”) is a Delaware corporation that provides logistics services  
3 by offering solutions for supply chain management, warehousing and distribution, information  
4 management, and freight forwarding services, including ocean freight, airfreight, and landside  
5 services to customers throughout California and the world. At all relevant times, DAMCO USA  
6 employed Plaintiff and aggrieved employees to work at its facilities located in Los Angeles  
7 County and/or throughout California. On information and belief, and based thereon, Plaintiff  
8 alleges that DAMCO USA is conducting business in good standing in California, and at all times  
9 herein mentioned has regularly conducted business throughout the State of California.

10           14. Plaintiff is informed and believes, and based thereon alleges, that Defendant  
11 DAMCO DISTRIBUTION SERVICES INC. (“DAMCO DISTRIBUTION”) is a Delaware  
12 corporation that provides warehousing and distribution services to customers throughout  
13 California. At all relevant times, DAMCO DISTRIBUTION employed Plaintiff and aggrieved  
14 employees to work at its facilities located in Los Angeles County and/or throughout California.  
15 On information and belief, and based thereon, Plaintiff alleges that DAMCO DISTRIBUTION is  
16 conducting business in good standing in California, and at all times herein mentioned has  
17 regularly conducted business throughout the State of California.

18           15. Plaintiff is ignorant of the true names, capacities, relationships, and extent of  
19 participation in the conduct herein alleged of the Defendants sued herein as DOES 1 through 50,  
20 inclusive, but on information and belief allege that said Defendants are legally responsible for the  
21 occurrences alleged herein, and that the damages of Plaintiff and the aggrieved employees were  
22 proximately caused by such Defendants. Plaintiff will amend this complaint to allege the true  
23 names and capacities of the DOE Defendants when ascertained.

24           16. Plaintiff is informed and believes, and based thereon alleges, that each Defendant  
25 herein was, at all times relevant to this action, the agent, employee, representing partner, and/or  
26 joint venture of the remaining Defendants and was acting within the course and scope of the  
27 relationship. Plaintiff is further informed and believes, based thereon alleges, that each of the  
28 Defendants herein gave consent to, ratified and authorized the acts alleged herein to the remaining

1 Defendants.

2 17. Plaintiff is further informed and believes, and based thereon alleges, that  
3 Defendants herein acted as a joint employer at all relevant times. Defendants acted in all respects  
4 pertinent to this action as the agent of the other Defendants, carried out a joint scheme, business  
5 plan or policy in all respects pertinent hereto, and the acts of each Defendant are legally  
6 attributable to the other Defendants.

7 **ADMINISTRATIVE PREREQUISITES**

8 18. By this complaint, Plaintiff brings this case as a representative action seeking  
9 penalties for himself, the aggrieved employees, and the State of California in a representative  
10 capacity, as provided by the PAGA, Labor Code sections 2698 et seq. Plaintiff is an aggrieved  
11 employee who was employed by Defendants and subject to at least one of the Labor Code  
12 violations set forth in Labor Code section 2699.5. Plaintiff specifically alleged the following in  
13 his notice to the LWDA and Defendants: violation of Labor Code sections 201, 202, 203, 204,  
14 210, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198,  
15 and 2802.

16 19. Under Labor Code section 2699.3, subdivision (a), a plaintiff may bring a cause  
17 of action under PAGA only after giving the LWDA and the employer notice of the Labor Code  
18 sections alleged to have been violated, and after receiving notice from the LWDA of its intention  
19 not to investigate, or after 65 days have passed without notice from the LWDA.

20 20. Prior to filing this complaint, on April 22, 2020, Plaintiff gave written notice of  
21 the specific provisions alleged to have been violated, including the facts and theories to support  
22 the alleged violations, as required by Labor Code section 2699.3. The written notice was given  
23 via certified mail to Defendants, and the LWDA by electronically filing the notice via the  
24 Department of Industrial Relations website. Plaintiff was given an LWDA case number of  
25 LWDA-CM-784133-20. A true and correct copy of Plaintiff's notice to the LWDA and  
26 Defendant(s), dated April 22, 2020, is attached hereto as Exhibit A.

27 21. The LWDA has not provided Plaintiff with any notice that it intends to investigate  
28 the violations as alleged in Plaintiff's April 22, 2020 notice, and more than 65 calendar days have

1 elapsed since the postmark date on the notice.

2 **GENERAL ALLEGATIONS**

3 22. Pursuant to Labor Code section 2699(a), any provision of the Labor Code that  
4 provides for a civil penalty to be assessed and collected by the LWDA or any of its departments,  
5 divisions, commissions, boards, agencies or employees for violation of the code may, as an  
6 alternative, be recovered through a civil action brought by an aggrieved employee on behalf of  
7 himself or herself and other current or former employees pursuant to the procedures specified in  
8 Labor Code section 2699.3.

9 23. For all provisions of the Labor Code except those for which a civil penalty is  
10 specifically provided, Labor Code section 2699(f) imposes upon Defendants a penalty of one  
11 hundred dollars (\$100.00) for each aggrieved employee per pay period for the initial violation  
12 and two hundred dollars (\$200.00) for each aggrieved employee per pay period for each  
13 subsequent pay period in which Defendants violated these provisions of the Labor Code.

14 24. Defendants' conduct during the PAGA period with respect to Plaintiff and the  
15 aggrieved employees violates numerous Labor Code sections as detailed herein.

16 25. Plaintiff alleges that Defendants have engaged in a systematic pattern of wage and  
17 hour violations under the California Labor Code and IWC Wage Orders.

18 26. At all relevant times herein, Defendants employed Plaintiff and other aggrieved  
19 employees as non-exempt employees.

20 27. Plaintiff is informed and believes, and based thereon alleges, that Defendants knew  
21 or should have known that Plaintiff and aggrieved employees were entitled to receive wages for  
22 all hours worked, including the applicable minimum, regular, and overtime wages, and that they  
23 were not receiving all wages earned for work that was required to be performed. In violation of  
24 the Labor Code and IWC Wage Orders, Defendants rounded Plaintiff's and aggrieved employees'  
25 start times to reflect the scheduled start time instead of the actual start time, which should have  
26 included time spent waiting in long security lines to be clocked in by a security guard at the start  
27 of their shifts. Plaintiff and aggrieved employees were required to arrive early to work and wait  
28 in line in order to clock in and receive their work assignments for the following reasons. First,

1 due to Defendants' policy and practice of overscheduling, there were and are a limited and  
2 insufficient number of work assignments for every aggrieved employee that is scheduled to work.  
3 Often, only employees that arrived early received work or work assignments despite being  
4 scheduled to work that day – the remaining employees were turned away without compensation.  
5 Second, Defendants would turn away Plaintiff and aggrieved employees if they were late to work.  
6 Accordingly, Plaintiff and aggrieved employees were required to arrive to work early and wait in  
7 line without compensation due to Defendants' unlawful rounding policy. In addition, in violation  
8 of section five (5) of the IWC Wage Orders, Defendants failed to pay reporting time pay due to  
9 its policy and practice of overscheduling aggrieved employees despite a lack of work or work  
10 assignments. Defendants failed to pay reporting time pay when they scheduled Plaintiff and  
11 aggrieved employees to work and then turned them away, without pay, due to insufficient work  
12 assignments and overscheduling.

13 28. Plaintiff is informed and believes, and based thereon alleges, that Defendants knew  
14 or should have known that Plaintiff and aggrieved employees were entitled to receive all required  
15 meal periods or payment of one (1) additional hour of pay at Plaintiff and aggrieved employees'  
16 regular rate of pay when they did not receive a timely, uninterrupted off-duty meal period. In  
17 violation of the Labor Code and IWC Wage Orders, Defendants had a pattern, practice, and policy  
18 of providing only one (1) meal period per workday to Plaintiff and aggrieved employees. As such,  
19 Defendants failed to provide timely, off-duty second meal periods when Plaintiff and aggrieved  
20 employees worked more than 10 hours per workday. As a result of Defendants' unlawful policy  
21 and practice, Plaintiff and aggrieved employees did not receive all meal periods or payment of  
22 one (1) additional hour of pay at Plaintiff's and aggrieved employees' regular rate of pay when  
23 they did not receive a timely, uninterrupted 30 minute off-duty meal period.

24 29. Plaintiff is informed and believes, and based thereon alleges, that Defendants knew  
25 or should have known that Plaintiff and aggrieved employees were entitled to receive all paid 10-  
26 minute, uninterrupted and off-duty rest periods or payment of one (1) additional hour of pay at  
27 Plaintiff's and aggrieved employees' regular rate of pay when a rest period was missed,  
28 interrupted, or shortened. In violation of the Labor Code and IWC Wage Orders, Defendants had

1 a pattern, practice, and policy of providing only two 15-minute rest periods per workday. As such,  
2 Defendants failed to provide off-duty third rest breaks when Plaintiff and aggrieved employees  
3 worked more than 10 hours per workday. Plaintiff and aggrieved employees did not receive all  
4 paid rest periods or payment of one (1) additional hour of pay at Plaintiff and aggrieved  
5 employees' regular rate of pay when a paid rest period was on-duty, missed, shortened or  
6 interrupted.

7 30. Plaintiff is informed and believes, and based thereon alleges, that Defendants knew  
8 or should have known that Plaintiff and aggrieved employees were entitled to receive business  
9 reimbursements for necessary expenditures incurred in connection with the performance and  
10 execution of their job duties. Specifically, Defendants provided Plaintiff and other aggrieved  
11 employees with vests to wear during work. Plaintiff and other aggrieved employees were required  
12 to maintain their work vests even though the vests became heavily soiled due to Plaintiff's and  
13 aggrieved employees' labor-intensive job duties, such as lifting, carrying, and opening extremely  
14 dirty and dusty boxes. As such, Plaintiff and aggrieved employees were required to separately  
15 maintain these heavily soiled vests by separately washing, drying, dry cleaning, altering, and  
16 otherwise maintaining these vests without reimbursement. Plaintiff and other aggrieved  
17 employees were also required to supply all of their own tools necessary to carry out their job  
18 duties without reimbursement. For example, Plaintiff and aggrieved employees were required to  
19 purchase their own box cutters, gloves, steel toe boots, and other protective gear and tools without  
20 reimbursement. In violation of the Labor Code, Defendants failed to reimburse Plaintiff and  
21 aggrieved employees for these business-related expenditures.

22 31. Plaintiff is informed and believes, and based thereon alleges, that Defendants knew  
23 or should have known that Plaintiff and certain aggrieved employees were entitled to timely  
24 payment of wages due upon separation of employment. In violation of the Labor Code, Plaintiff  
25 and certain aggrieved employees did not receive payment of all wages due, within permissible  
26 time periods, upon separation of employment.

27 32. Plaintiff is informed and believes, and based thereon alleges, that Defendants knew  
28 or should have known that Plaintiff and aggrieved employees were entitled to receive itemized

1 wage statements that accurately showed their actual hours worked, total hours worked, number  
2 of hours worked at each hourly rate, and gross and net wages earned in accordance with California  
3 law. In violation of the Labor Code, Plaintiff and aggrieved employees were not provided with  
4 accurate itemized wage statements that accurately reported their gross and net wages earned, total  
5 hours worked, and each applicable rate of pay in effect during the pay period with the  
6 corresponding number of hours worked, among other things, due to the above mentioned  
7 violations.

8 33. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or  
9 should have known that Defendants were required to maintain accurate records of the hours  
10 worked by Plaintiff and aggrieved employees. In violation of the California Labor Code,  
11 Defendants failed to maintain accurate records of hours worked by Plaintiff and aggrieved  
12 employees by unfairly rounding hours worked and failing to record and pay reporting time pay,  
13 among other things.

14 **FIRST CAUSE OF ACTION**

15 **VIOLATION OF THE PRIVATE ATTORNEYS GENERAL ACT FOR FAILURE TO**  
16 **PAY ALL WAGES INCLUDING MINIMUM, REGULAR, AND OVERTIME WAGES**

17 **(Lab. Code, §§ 204, 510, 558, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198)**

18 **(Against all Defendants)**

19 34. Plaintiff realleges and incorporates by reference the allegations in the preceding  
20 paragraphs.

21 35. Labor Code section 204 provides that all wages earned during employment are due  
22 and payable twice during each calendar month on dates designated in advance by the employer.

23 36. Labor Code 1182.12 provides the applicable minimum wage rate in California.

24 37. Labor Code section 510, subdivision (a), provides that any work in excess of eight  
25 (8) hours in any workday and any work in excess of forty (40) hours in a workweek, shall be  
26 compensated at a rate of no less than one and one-half times the regular rate of pay for an  
27 employee. Any work in excess of twelve (12) hours in a workday shall be compensated at the rate  
28 of twice the regular rate of pay for an employee.

1           38. Labor Code sections 1194 and 1194.2 provide the remedies available for an action  
2 to recover minimum and overtime wages, 1197 mandates that payment of less than the applicable  
3 minimum wage is unlawful, and 1198 provides that an employer's failure to follow the standard  
4 conditions of labor fixed by the commissions is unlawful.

5           39. Labor Code section 558, subdivision (a) further provides "[a]ny employer or other  
6 person acting on behalf of an employer who violates, or causes to be violated, a section of this  
7 chapter or any provision regulating hours and days of work in any order of the Industrial Welfare  
8 Commission shall be subject to a civil penalty as follows: (1) For any initial violation, fifty dollars  
9 (\$50.00) for each underpaid employee for each pay period for which the employee was underpaid  
10 . . . (2) For each subsequent violation, one hundred dollars (\$100.00) for each underpaid employee  
11 for each pay period for which the employee was underpaid."

12           40. Labor Code section 1197.1 also provides "[a]ny employer or other person acting  
13 either individually or as an officer, agent, or employee of another person, who pays or causes to  
14 be paid to any employee a wage less than the minimum fixed by an applicable state or local law,  
15 or by an order of the commission shall be subject to a civil penalty . . . as follows: (1) For any  
16 initial violation that is intentionally committed, one hundred dollars (\$100.00) for each underpaid  
17 employee for each pay period for which the employee is underpaid . . . (2) For each subsequent  
18 violation for the same specific offense, two hundred fifty dollars (\$250.00) for each underpaid  
19 employee for each pay period for which the employee is underpaid regardless of whether the  
20 initial violation is intentionally committed.

21           41. Section five (5) of the applicable IWC Wage Orders provide: "Each workday an  
22 employee is required to report for work and does report, but is not put to work or is furnished less  
23 than half said employee's usual or scheduled day's work, the employee shall be paid for half the  
24 usual or scheduled day's work, but in no event for less than two (2) hours nor more than four (4)  
25 hours, at the employee's regular rate of pay, which shall not be less than the minimum wage."

26           42. At all relevant times, Defendants were employers of Plaintiff and the aggrieved  
27 employees, and subject to the Labor Code, IWC Wage Orders, and other applicable statutes, rules,  
28 and regulations.

1           43.     At all relevant times herein, Plaintiff and aggrieved employees were and are paid  
2 as non-exempt employees.

3           44.     At all relevant times, Plaintiff and the aggrieved employees regularly worked in  
4 excess of eight (8) hours per day and forty (40) hours per week.

5           45.     Defendants failed to pay Plaintiff and aggrieved employees for all hours worked,  
6 including the applicable minimum, regular, and overtime compensation, and failed to record  
7 actual hours worked by, *inter alia*, rounding hours worked to its advantage and failing to pay  
8 reporting time, among other things.

9           46.     By virtue of Defendants' unlawful actions, Plaintiff and the aggrieved employees  
10 have suffered, and will continue to suffer, damages in amounts which are presently unknown, but  
11 will be ascertained according to proof at trial.

12           47.     Plaintiff seeks recovery of civil penalties individually, on behalf of the aggrieved  
13 employees and the State of California for violations of Labor Code sections 204, 510, 1194, 1197,  
14 1198 and pursuant to Labor Code sections 558 and 1197.1 during the PAGA period, in a sum as  
15 provided by the Labor Code and/or other statutes.

16           48.     Plaintiff, individually and on behalf of the aggrieved employees and the State of  
17 California also seeks attorneys' fees and costs pursuant to Labor Code section 2699, subdivision  
18 (g) and California Code of Civil Procedure section 1021.5.

19                           **SECOND CAUSE OF ACTION**

20                   **VIOLATION OF THE PRIVATE ATTORNEYS GENERAL ACT FOR**

21                           **FAILURE TO PROVIDE MEAL PERIODS**

22                                   **(Lab. Code, §§ 226.7 and 512)**

23                                           **(Against all Defendants)**

24           49.     Plaintiff realleges and incorporates by reference the allegations in the preceding  
25 paragraphs.

26           50.     Labor Code sections 226.7 and 512 provide that no employer shall employ any  
27 person for a work period of more than five (5) hours without providing a meal period of not less  
28 than thirty (30) minutes or employ any person for a work period of more than ten (10) hours

1 without a second meal period of not less than thirty (30) minutes.

2 51. Labor Code section 226.7 provides that if an employer fails to provide an  
3 employee a meal period in accordance with this section, the employer shall pay the employee one  
4 (1) hour of pay at the employee's regular rate of compensation for each workday that the meal  
5 period is not provided in accordance with this section.

6 52. At all times relevant hereto, Plaintiff and aggrieved employees have regularly  
7 worked shifts of more than five (5) hours and/or 10 hours in a workday. Plaintiff alleges  
8 Defendants failed to provide legally compliant second meal periods when Plaintiff and aggrieved  
9 employees worked in excess of 10 hours per workday. Despite failing to provide compliant  
10 second meal periods, Defendants failed to pay one additional hour of pay at Plaintiff and  
11 aggrieved employees' regular rate of pay for each workday that a meal period violation occurred.

12 53. By and through their actions, Defendants have intentionally and improperly denied  
13 compliant meal periods or compensation in lieu thereof to Plaintiff and the aggrieved employees  
14 in violation of Labor Code sections 226.7 and 512 and/or other statutes.

15 54. Defendants' Labor Code violations have caused Plaintiff and the aggrieved  
16 employees to suffer, and continue to suffer, damages in amounts which are presently unknown,  
17 but will be ascertained according to proof at trial.

18 55. Plaintiff, individually and on behalf of the aggrieved employees and the state of  
19 California request recovery of civil penalties for violations of Labor Code sections 226.7 and 512  
20 during the PAGA period, in a sum as provided by the Labor Code and/or other statutes.

21 56. Plaintiff also seeks attorneys' fees and costs pursuant to Labor Code section  
22 2699(g) and California Code of Civil Procedure section 1021.5.

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63. Plaintiff, individually and on behalf of the aggrieved employees and the State of California request recovery of civil penalties for violations of Labor Code section 226.7 during the PAGA period, in a sum as provided by the Labor Code and/or other statutes.

64. Plaintiff also seeks attorneys' fees and costs pursuant to Labor Code section 2699(g) and California Code of Civil Procedure section 1021.5.

**FOURTH CAUSE OF ACTION**

**VIOLATION OF THE PRIVATE ATTORNEYS GENERAL ACT FOR FAILURE TO  
TIMELY PAY WAGES DUE UPON SEPARATION OF EMPLOYMENT**

**(Lab. Code, §§ 201, 202, 203)**

**(Against all Defendants)**

65. Plaintiff realleges and incorporates by reference the allegations in the preceding paragraphs.

66. Labor Code section 201 provides that an employer is required to pay an employee whose employment is terminated by the employer all wages earned and unpaid immediately upon termination.

67. Labor Code section 202 requires an employer pay to an employee who quits his or her employment, all wages earned and unpaid no later than 72 hours thereafter.

68. Labor Code section 203 provides that an employer who fails to pay all wages earned and due an employee who is discharged or who quits within the timeframe set forth in sections 201 and 202, the wages of the employee shall continue as a penalty from the due date at the same rate of pay until paid, but not more than 30 days. In other words, the employer owes the employee his or her daily rate of pay at their regular rate of pay for each day the full amount of unpaid wages is not paid, for a penalty of up to 30 days' wages.

69. In violation of the Labor Code and IWC Wage Orders, Defendants failed to timely pay all wages due to Plaintiff and the aggrieved employees upon separation of employment. Specifically, Defendants failed to pay Plaintiff and the aggrieved employees all reimbursements, meal and rest period premiums, and minimum, regular, and overtime wages owed immediately upon termination or within 72 hours of resignation.



1 employee for each subsequent violation, for which the employer fails to provide the employee a  
2 wage deduction statement or fails to keep the records required in subdivision (a) of Labor Code  
3 section 226. The civil penalties provided for in this section are in addition to any other penalty  
4 provided by law.

5 76. An employee is deemed to suffer injury if the employer fails to provide an accurate  
6 wage statement containing all of the required information set forth in Labor Code section 226,  
7 subdivision (a). (Lab. Code, § 226, subd. (e)(2).)

8 77. Labor Code section 1174, subdivision (d), requires an employer to keep at a central  
9 location in California or at the plant or establishment at which the employees are employed,  
10 payroll records showing the hours worked daily and the wages paid to each employee.

11 78. Labor Code section 1174.5 imposes a civil penalty of \$500 for an employer's  
12 failure to maintain accurate and complete records. This civil penalty is in addition to the civil  
13 penalty of \$100 per initial violation and \$200 per subsequent violation per pay period, per  
14 aggrieved employee that would be imposed pursuant to Labor Code section 2699 for a violation  
15 of section 1174, subdivision (d).

16 79. The IWC Wage Orders require that every employer shall keep accurate  
17 information with respect to each employee, including, but not limited to, time records showing  
18 the total daily hours worked by each employee, the total hours worked in each payroll period, and  
19 applicable rates of pay.

20 80. Plaintiff is informed and believes that Defendants willfully and intentionally failed  
21 to make and/or keep records which accurately reflect the hours worked by Plaintiff and aggrieved  
22 employees. Specifically, Plaintiff believes that Defendants' records fail to include, *inter alia*,  
23 gross and net wages earned, total hours worked, and each applicable rate of pay in effect during  
24 the pay period with the corresponding number of hours worked, among other things.

25 81. In addition, the omission of time worked make it difficult for employees to  
26 determine whether they were paid all wages due without complicated calculations and/or  
27 reconstruction of records required to be maintained by the employer.

28 / / /

1           82. Plaintiff is informed and believes, and based thereon alleges, that Defendants  
2 willfully failed to maintain accurate payroll records for Plaintiff and the aggrieved employees by  
3 failing to accurately reflect the hours worked by and wages paid to Plaintiff and the aggrieved  
4 employees. Specifically, Defendants' records do not accurately reflect Plaintiff's and the  
5 aggrieved employees' hours worked when their time was unfairly rounded by Defendants and  
6 when Defendants failed to record and compensate reporting time pay, among other things.

7           83. By virtue of Defendants' unlawful actions, Plaintiff and the aggrieved employees  
8 have suffered, and will continue to suffer, damages in amounts which are presently unknown, but  
9 will be ascertained according to proof at trial.

10          84. Plaintiff seeks recovery of civil penalties individually, on behalf of the aggrieved  
11 employees and the State of California for violations of Labor Code sections 226, 1174, and  
12 pursuant to Labor Code sections 226.3 and 1174.5 during the PAGA period, in a sum as provided  
13 by the Labor Code and/or other statutes.

14          85. Plaintiff, individually and on behalf of the aggrieved employees and the State of  
15 California also seeks attorneys' fees and costs pursuant to Labor Code section 2699(g) and  
16 California Code of Civil Procedure section 1021.5.

17                                   **SIXTH CAUSE OF ACTION**

18           **VIOLATION OF THE PRIVATE ATTORNEYS GENERAL ACT FOR FAILURE TO**  
19           **REIMBURSE BUSINESS EXPENSES**

20                                   **(Labor Code § 2802)**

21                                   **(Against all Defendants)**

22          86. Plaintiff realleges and incorporates by reference the allegations in the preceding  
23 paragraphs.

24          87. Labor Code section 2802 provides that an employer shall indemnify his or her  
25 employee for all necessary expenditures or losses incurred by the employee in direct consequence  
26 of the discharge of his or her duties, or of his or her obedience to the directions of the employer.

27          88. Defendants failed to indemnify Plaintiff and aggrieved employees for all necessary  
28 expenditures or losses incurred by Plaintiff and aggrieved employees in direct consequence of the

1 discharge of their duties. Specifically, Defendants failed to indemnify Plaintiff and aggrieved  
2 employees for the costs of maintaining their work vests and costs of purchasing and maintaining  
3 their own tools to perform their job duties. In violation of the Labor Code, Defendants failed to  
4 reimburse Plaintiff and aggrieved employees for these business-related expenditures.

5 89. By virtue of Defendants' unlawful actions, Plaintiff and the aggrieved employees  
6 have suffered, and will continue to suffer, damages in amounts which are presently unknown, but  
7 will be ascertained according to proof at trial.

8 90. Plaintiff seeks recovery of civil penalties individually, on behalf of the aggrieved  
9 employees and the State of California for violations of Labor Code section 2802 during the PAGA  
10 period, in a sum as provided by the Labor Code and/or other statutes.

11 91. Plaintiff, individually and on behalf of the aggrieved employees and the State of  
12 California also seeks attorneys' fees and costs pursuant to Labor Code section 2699(g) and  
13 California Code of Civil Procedure section 1021.5.

14 **PRAYER FOR RELIEF**

15 **WHEREFORE**, Plaintiff prays for judgment as follows:

- 16 1. For civil penalties pursuant to the PAGA in an amount according to proof;  
17 2. For reasonable attorney's fees and costs, pursuant to the PAGA and California  
18 Code of Civil Procedure section 1021.5; and  
19 3. For such other and further relief as this Court may deem just and proper.

20  
21  
22 Dated: July 16, 2020

**MAHONEY LAW GROUP, APC**

23  
24  
25 

26 By:

27 Kevin Mahoney  
28 Daniel Hyun  
Attorneys for Plaintiff SYLVESTER  
LEWIS

# **EXHIBIT A**



Daniel J. Hyun, Esq.  
562.590.5550 phone  
562.590.8400 facsimile  
dhyun@mahoney-law.net

April 22, 2020

**VIA ONLINE SUBMISSION**

LABOR AND WORKFORCE DEVELOPMENT AGENCY

Attn: PAGA Administrator

<https://dir.tfaforms.net/207>

**VIA CERTIFIED MAIL # 7019 0700 0001 7488 6950**

***Return Receipt Requested***

Simplified Labor Staffing Solutions, Inc.  
60 Pointe Drive, Suite 100  
Brea, CA 92821

**VIA CERTIFIED MAIL # 7019 0700 0001 7488 6967**

***Return Receipt Requested***

Simplified Staffing Labor Solutions, LLC  
60 Pointe Drive, Suite 100  
Brea, CA 92821

**VIA CERTIFIED MAIL # 7019 0700 0001 7488 6974**

***Return Receipt Requested***

Maersk Inc.  
180 Park Avenue  
Florham Park, NJ 07932

**VIA CERTIFIED MAIL # 7019 0700 0001 7488 6981**

***Return Receipt Requested***

DAMCO USA Inc.  
180 Park Avenue  
Florham Park, NJ 07932

**VIA CERTIFIED MAIL # 7019 0700 0001 7488 6998**

***Return Receipt Requested***

DAMCO Distribution Services Inc.  
180 Park Avenue  
Florham Park, NJ 07932

Re: *Sylvester Lewis v. Simplified Labor Staffing Solutions, Inc.; Simplified Staffing Labor Solutions, LLC; Maersk Inc.; DAMCO USA Inc.; DAMCO Distribution Services Inc.*

**NOTICE OF LABOR CODE VIOLATIONS PURSUANT TO  
LABOR CODE SECTION SECTIONS 2698 *ET SEQ.***

To: California Labor and Workforce Development Agency, Simplified Labor Staffing Solutions, Inc., Simplified Staffing Labor Solutions, LLC, Maersk Inc., DAMCO USA Inc., and DAMCO Distribution Services Inc.

From: Sylvester Lewis on behalf of himself and aggrieved employees who were subject to Simplified Labor Staffing Solutions, Inc.'s, Simplified Staffing Labor Solutions, LLC's, Maersk Inc.'s, DAMCO USA Inc.'s, and DAMCO Distribution Services Inc.'s unlawful wage and hour policies as set forth below.

**Factual Statement**

Please note that this firm, Mahoney Law Group, APC, represents the interests of Sylvester Lewis ("Mr. Lewis") as a representative for all other aggrieved employees, who intends to file a complaint alleging various Labor Code violations and seek civil penalties under the Private Attorneys General Act of 2004, Labor Code sections 2698, *et seq.* ("PAGA").

Please be advised that this letter constitutes written notice required by Labor Code sections 2699.3, subdivision (a)(1) and 2699.3, subdivision (c)(1) and may lead to an action against Simplified Labor Staffing Solutions, Inc., Simplified Staffing Labor Solutions, LLC, Maersk Inc., DAMCO USA Inc., and DAMCO Distribution Services Inc. ("Employers") in a court of law and/or administrative proceedings, as well as the imposition of substantial penalties and other remedies against Employers, and any and all related, parent, and/or alter ego companies, corporations, partnerships, subsidiaries, and/or business entities, as well as against any and all officers, owners, directors, managers, managing agents, or entities who are or may be liable under law for any of the violations alleged herein.

**Theories of Labor Code Violations and Remedies**

Simplified Labor Staffing Solutions, Inc. and Simplified Staffing Labor Solutions, LLC are staffing companies operating in California that staffed Mr. Lewis and other aggrieved employees to work at Maersk Inc., DAMCO USA Inc., and DAMCO Distribution Services Inc., companies that own and operate a integrated shipping company and do business in California. Mr. Lewis is employed as a non-exempt employee by Employers. Mr. Lewis's job duties include, but are not limited to, loading and unloading freights onto trucks. Mr. Lewis alleges that Employers violated various sections of the Labor Code, including sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, , and 2802, by failing to provide Mr. Lewis and all other aggrieved employees with wages for all hours worked, including, but not limited to, minimum, regular, and overtime wages, failing to provide meal and rest periods or compensation in lieu thereof, failing to provide accurate wage statements, failing to maintain accurate records of hours worked, failing to pay all compensation due during and upon separation of employment, and failing to reimburse business expenses. Mr. Lewis and the aggrieved employees consist of identifiable, current, and/or former similarly situated persons who

worked for Employers as non-exempt employees during the PAGA Period defined as one year prior to the submission of this letter to the Labor and Workforce Development Agency ("LWDA") and certified mailing to Employers until resolution of these claims.

Employers failed to pay Mr. Lewis and other aggrieved employees for all hours worked at the legally mandated wage rates, including minimum, regular, and overtime compensation. Employers rounded Mr. Lewis and aggrieved employees' start times to reflect the scheduled start time instead of the actual start time which should have included time spent waiting in long security lines to be clocked in by a security guard at the start of their shifts. Mr. Lewis and aggrieved employees were required to arrive early to work and wait in line in order to clock in and receive their work assignments for the following reasons. First, due to Employers' policy and practice of overscheduling, there were and are a limited and insufficient number of work assignments for every aggrieved employee that is scheduled to work. Often, only employees that arrived early received work or work assignments despite being scheduled to work that day – the remaining employees were turned away. Second, Employers would turn away Mr. Lewis and aggrieved employees if they were late to work. Accordingly, Mr. Lewis and aggrieved employees were required to arrive to work early and wait in line without compensation due to Employers' unlawful rounding policy. In addition, Employers failed to pay reporting time pay due to its policy and practice of overscheduling aggrieved employees despite a lack of work or work assignments. Accordingly, Employers failed to pay reporting time pay when they scheduled Mr. Lewis and aggrieved employees to work and then turned them away, without pay, when they showed up to work due to insufficient work assignments and overscheduling. Employers' conduct is in violation of Labor Code sections 510, 558, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, and the applicable IWC Wage Orders.

Employers also regularly failed to provide Mr. Lewis and other aggrieved employees with compliant second meal and third rest periods. Employers regularly scheduled Mr. Lewis and other aggrieved employees to work eight (8) hours per shift/day and provided two 15-minute rest periods and one 30-minute meal period. However, when Mr. Lewis and other aggrieved employees worked in excess of 10 hours per workday, Employers failed to provide a timely second meal period and a third rest break. Even though Mr. Lewis and other aggrieved employees were prevented from taking compliant meal and rest periods, Employers failed to provide them with premium pay for every non-compliant meal or rest period. Employers' conduct is in violation of Labor Code sections 226.7 and 512 and is also actionable under PAGA.

Further, as a result of Employers' failure to pay all wages owed as described herein, Employers violated Labor Code sections 201, 202, 203, 204, and 210 due to their uniform policy, practice, and procedure of failing to timely pay all of the above-mentioned wages earned during and after Mr. Lewis and the aggrieved employees' employment with Employers.

As a result of Employers' failure to pay all wages owed as described herein, Employers further failed to maintain accurate payroll records and failed to provide Mr. Lewis and other aggrieved employees with complete and accurate wage statements showing the actual hours worked, total hours worked, number of hours worked at each hourly rate, and gross and net wages earned, among other things. This conduct is in violation of Labor Code sections 226, 226.3, 1174,

and 1174.5 and is actionable under PAGA.

Employers also failed to reimburse Mr. Lewis and other aggrieved employees for necessary business expenses incurred in the course of performing their job duties. Specifically, Employers provided Mr. Lewis and other aggrieved employees with vests to wear during work. Mr. Lewis and other aggrieved employees were required to maintain their work vests even though the vests became heavily soiled due to Mr. Lewis's and aggrieved employees' labor-intensive job duties, such as lifting, carrying, and opening extremely dirty and dusty boxes. As such, Mr. Lewis and aggrieved employees were required to separately maintain these heavily soiled vests by separately washing, drying, dry cleaning, altering, and otherwise maintaining these vests without reimbursement. Mr. Lewis and other aggrieved employees were also required to supply all of their own tools necessary to carry out their job duties without reimbursement. For example, Mr. Lewis and aggrieved employees were required to purchase their own box cutters, gloves, steel toe boots, and other protective gear and tools without reimbursement. Employers' failure to reimburse Mr. Lewis and other aggrieved employees for these business-related expenditures is in violation of Labor Code section 2802 and actionable under PAGA.

Mr. Lewis will bring his lawsuit on behalf of himself and all other aggrieved employees who were employed by Employers. Please advise if the LWDA has any objection to my client including PAGA claims in his complaint. We look forward to your response, and please feel free to contact our office if you have any questions, comments or concerns.

Sincerely,

A handwritten signature in black ink, appearing to be 'DJH' with a stylized flourish.

Daniel J. Hyun, Esq.  
**MAHONEY LAW GROUP, APC**