

FILED
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BY Carol L. McGuirk
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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN LUIS OBISPO**

TAM FARIAS, NICHOLAS CALVI, and
JORDYN WILLIAMS, individually, and on
behalf of other members of the general public
similarly situated;

Plaintiffs,

vs.

COMPASS HOLDINGS, INC.; a California
corporation; COMPASS HEALTH, INC., a
California corporation, DBA ALTO LUCERO
TRANSITIONAL CENTER, ARROYO
GRANDE CARE CENTER, BAYSIDE
CARE CENTER, CASA DE FLORES,
DANISH CARE CENTER, MISSION VIEW
HEALTH CENTER, SAN LUIS POST
ACUTE CENTER, SAN LUIS
TRANSITIONAL CARE, VINEYARD
HILLS HEALTH CENTER, WYNDHAM
RESIDENCE; OLD CUSTOM HOUSE, INC.,
a California corporation, DBA PISMO
BEACH FLAGSHIP, OLD CUSTOM
HOUSE, MISSION PIZZA, MR. RICKS,
VENTANA GRILL, OYSTER LOFT,
WOOLY'S, & MESTIZA

a California corporation; and DOES 1
through 100, inclusive;

Defendants.

Case No.: 20CV-0427

Consolidated with Lead Case: 20CV-0516

**SECOND AMENDED CLASS ACTION
COMPLAINT FOR DAMAGES &
ENFORCEMENT UNDER THE PRIVATE
ATTORNEYS GENERAL ACT,
CALIFORNIA LABOR CODE § 2698 ET SEQ.**

- (1) Violation of California Labor Code §§ 510 and 1198 (Unpaid Overtime)
- (2) Violation of California Labor Code §§ 226.7 and 512(a) (Unpaid Meal Period Premiums)
- (3) Violation of California Labor Code § 226.7 (Unpaid Rest Period Premiums);
- (4) Violation of California Labor Code §§ 1194 and 1197 (Unpaid Minimum Wages);
- (5) Violation of California Labor Code §§ 201 and 202 (Final Wages Not Timely Paid);
- (6) Violation of California Labor Code § 226(a) (Non-Compliant Wage Statements);
- (7) Violation of California Labor Code §§ 2800 and 2802 (Unreimbursed Business Expenses);
- (8) Violation of California Labor Code §§ 246, *et seq.*
- (9) Violation of California Labor Code §§ 227.3
- (10) Violation of California Labor Code §§ 2698, *et seq.* (Private Attorneys General Act of 2004);
- (11) Violation of California Labor Code § 227.3
- (12) Violation of the Fair Labor Standards Act;
- (13) Violation of California Business & Professions Code §§ 17200, *et seq.*

Complaint Filed: October 6, 2020

Trial Date: None Set

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[Attorneys for Plaintiffs Nicholas Calvi and Jordyn Williams and on behalf of other members of the general public similarly situated]

COMES NOW, Plaintiffs TAM FARIAS, NICHOLAS CALVI and JORDYN WILLIAMS (collectively, “Plaintiffs”), individually, and on behalf of members of the general public similarly situated, and on behalf of aggrieved employees pursuant to the Private Attorneys General Act (“PAGA”) and alleges as follows:

JURISDICTION AND VENUE

1. This class action is brought pursuant to the California Code of Civil Procedure section 382. The restitution sought by Plaintiffs exceed the minimal jurisdiction limits of the Superior Court and will be established according to proof at trial.

2. This Court has jurisdiction over this action pursuant to the California Constitution, Article VI, Section 10, which grants the superior court “original jurisdiction in all other causes” except those given by statute to other courts. The statutes under which this action is brought do not specify any other basis for jurisdiction.

3. This Court has jurisdiction over all Defendants because, upon information and belief, each party is either a citizen of California, has sufficient minimum contacts in California, or otherwise intentionally avails itself of the California market so as to render the exercise of jurisdiction over it by the California courts consistent with traditional notions of fair play and substantial justice.

4. Venue is proper in this Court because, upon information and belief, Defendants maintain offices, have agents, and transact business in the County of San Luis Obispo.

PARTIES

5. Plaintiffs TAM FARIAS, NICHOLAS CALVI and JORDYN WILLIAMS (Collectively “Plaintiffs”) are individuals residing in the State of California.

6. Defendants COMPASS HOLDINGS, INC., COMPASS HEALTH, INC., and OLD CUSTOM HOUSE, INC., at all times herein mentioned, were and are, upon information and belief, corporations organized and existing under the laws of the State of California, and transacting business throughout the State of California, including the County of San Luis Obispo.

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1 7. At all relevant times, COMPASS HOLDINGS, INC., COMPASS HEALTH, INC.,
2 and OLD CUSTOM HOUSE, INC. were the “employers” of Plaintiffs within the meaning of all
3 applicable state laws and statutes.

4 8. At all times herein relevant, COMPASS HOLDINGS, INC., COMPASS HEALTH,
5 INC., and OLD CUSTOM HOUSE, INC. and DOES 1 through 100, and each of them, were the
6 agents, partners, joint venturers, representatives, servants, employees, successors-in-interest, co-
7 conspirators and assigns, each of the other, and at all times relevant hereto were acting within the
8 course and scope of their authority as such agents, partners, joint venturers, representatives,
9 servants, employees, successors, co-conspirators and assigns, and all acts or omissions alleged
10 herein were duly committed with the ratification, knowledge, permission, encouragement,
11 authorization and consent of each defendant designated herein.

12 9. The true names and capacities, whether corporate, associate, individual or otherwise,
13 of defendants DOES 1 through 100, inclusive, are unknown to Plaintiffs, who sue said defendants by
14 such fictitious names. Plaintiffs are informed and believes, and based on that information and belief
15 alleges, that each of the defendants designated as a DOE is legally responsible for the events and
16 happenings referred to in this Complaint, and unlawfully caused the injuries and damages to
17 Plaintiffs and the other class members as alleged in this Complaint. Plaintiffs will seek leave of
18 court to amend this Complaint to show the true names and capacities when the same have been
19 ascertained.

20 10. COMPASS HOLDINGS, INC., COMPASS HEALTH, INC., and OLD CUSTOM
21 HOUSE, INC. and DOES 1 through 100 will hereinafter collectively be referred to as “Defendants.”

22 11. Plaintiffs further allege that Defendants including the unknown defendants identified
23 as DOES, directly or indirectly, controlled or affected the working conditions, wages, working
24 hours, and conditions of employment of Plaintiffs and the other class members so as to make each of
25 said Defendants’ employers and employers liable under the statutory provisions set forth herein.

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1 **CLASS ACTION ALLEGATIONS**

2 12. Plaintiffs bring this action on their own behalves and on behalf of all other members
3 of the general public similarly situated, and, thus, seeks class certification under Code of Civil
4 Procedure section 382.

5 13. The proposed class is defined as follows:

6 All current and former hourly-paid or non-exempt employees of Defendants within
7 the State of California at any time during the period from April 6, 2016, to final
8 judgment.

9 14. Plaintiffs reserve the right to establish subclasses as appropriate.

10 15. The class is ascertainable and there is a well-defined community of interest in the
11 litigation:

12 a. Numerosity: The class members are so numerous that joinder of all class
13 members is impracticable. The membership of the entire class is unknown to
14 Plaintiffs at this time; however, the class is estimated to be approximately fifty
15 (50) individuals and the identity of such membership is readily ascertainable
16 by inspection of Defendants' records.

17 b. Typicality: Plaintiffs' claims are typical of all other class members as
18 demonstrated herein. Plaintiffs will fairly and adequately protect the interests
19 of the other class members with whom they have a well-defined

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- 1 c. Adequacy: Plaintiffs will fairly and adequately protect the interests of each
2 class member, with whom they have a well-defined community of interest and
3 typicality of claims, as demonstrated herein. Plaintiffs have no interest that is
4 antagonistic to the other class members. Plaintiffs' attorneys, the proposed
5 class counsel, are versed in the rules governing class action discovery,
6 certification, and settlement. Plaintiffs have incurred, and during the
7 pendency of this action will continue to incur, costs and attorneys' fees, that
8 have been, are, and will be necessarily expended for the prosecution of this
9 action for the substantial benefit of each class member.
- 10 d. Superiority: A class action is superior to other available methods for the fair
11 and efficient adjudication of this litigation because individual joinder of all
12 class members is impractical.
- 13 e. Public Policy Considerations: Certification of this lawsuit as a class action
14 will advance public policy objectives. Employers of this great state violate
15 employment and labor laws every day. Current employees are often afraid to
16 assert their rights out of fear of direct or indirect retaliation. However, class
17 actions provide the class members who are not named in the complaint
18 anonymity that allows for the vindication of their rights.

19 16. There are common questions of law and fact as to the class members that predominate
20 over questions affecting only individual members. The following common questions of law or fact,
21 among others, exist as to the members of the class:

- 22 a. Whether Defendants' failure to pay wages, without abatement or reduction, in
23 accordance with the California Labor Code, was willful;

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- 1 h. Whether Defendants failed to authorize class members to take second, third,
2 and fourth meal periods;
- 3 i. Whether Defendants failed to pay minimum wages to Plaintiffs and the other
4 class members, including for off-the-clock work that was worked before and
5 after their shifts and during meal periods and for time that was not paid due to
6 unlawful time-shaving or rounding practices;
- 7 j. Whether Defendants failed to pay overtime wages because it failed to
8 implement a compliant alternative workweek;
- 9 k. Whether Defendants failed to reimburse Plaintiffs and the other class members
10 for necessary business-related expenses and costs, including but not limited to
11 Personal Protective Equipment (“PPE”);
- 12 l. Whether Defendants failed to pay class members for sick pay, including at the
13 correct regular rate of pay;
- 14 m. Whether Defendants failed to provide accurate notices of class members’
15 accrued sick pay and rates paid for same;
- 16 n. Whether Defendants paid all accrued and unused vacation/PTO or their
17 equivalents at separation of employment and at the correct rate of pay;
- 18 o. Whether Defendants failed to maintain accurate payroll information as required
19 by the Labor Code and Industrial Welfare Commission Order No. 5-2001;
- 20 p. Whether Defendants’ failure to pay minimum and overtime wages violated the
21 Fair Labor Standards Act;
- 22 q. Whether Defendants engaged in unfair business practices in violation of
23 California Business & Professions Code section 17200, *et seq.*

24 **GENERAL ALLEGATIONS**

25 17. At all relevant times set forth herein, Defendants employed Plaintiffs and other
26 persons as hourly-paid or non-exempt employees within the State of California.

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1 18. Defendants employed Plaintiff Tam Farias as an hourly-paid or non-exempt employee
2 from approximately March 2020 in the State of California, County of San Luis Obispo. Defendants
3 employed Plaintiff Calvi as an hourly-paid or non-exempt employee from approximately April of
4 2016 to December of 2016 in the State of California, County of San Luis Obispo. Defendants
5 employed Plaintiff Williams as an hourly-paid or non-exempt employee until in or around August of
6 2020 in the State of California, County of San Luis Obispo.

7 19. Defendants hired Plaintiffs and the other class members and classified them as
8 hourly-paid or non-exempt employees and failed to properly calculate and compensate them for all
9 hours worked, missed meal and rest periods.

10 20. Defendants had the authority to hire and terminate Plaintiffs and the other class
11 members, to set work rules and conditions governing Plaintiffs' and the other class members'
12 employment, and to supervise their daily employment activities.

13 21. Defendants exercised sufficient authority over the terms and conditions of Plaintiffs'
14 and the other class members' employment for them to be joint employers of Plaintiffs and the other
15 class members.

16 22. Defendants directly hired and paid wages and benefits to Plaintiffs and the other class
17 members.

18 23. Defendants continue to employ hourly-paid or non-exempt employees within the
19 State of California, including the County of San Luis Obispo.

20 24. Plaintiffs are informed and believe, and based thereon allege, that at all times herein
21 relevant, Defendants were advised by skilled lawyers and other professionals, employees, advisors,
22 and consultants highly knowledgeable about California wage laws, employment and personnel
23 practices.

24 25. Plaintiffs are informed and believe, and based thereon allege, that at all times herein
25 relevant, without any justification, Defendants ignored the employment and personnel policy
26 changes proposed by skilled lawyers and other professionals, employees, advisors, and consultants
27 highly knowledgeable about California wage laws, employment and personnel practices.

1 26. Plaintiffs and the other class members worked over eight (8) hours in a day, and/or
2 forty (40) hours in a week during their employment with Defendants.

3 27. Plaintiffs are informed and believe, and based thereon allege, that Defendants
4 engaged in a uniform policy and systematic scheme of wage abuse against their hourly-paid or non-
5 exempt employees within the State of California. This scheme involved, *inter alia*, failing to
6 properly calculate their overtime pay and pay them for all hours worked (including for off-the-clock
7 work worked before and after shifts and during meal periods, time that was shaved or rounded down
8 due an unlawful rounding practice, time spent on on-duty and on-call meal periods, and time that
9 was not paid at the correct regular rate of pay); implementing policies and practices that deprived
10 class members of their rights to take compliant off-duty and timely meal and rest breaks of the
11 requisite length, payment of business reimbursements, sick pay (including at the regular rate of pay),
12 accrued and unused vacation/PTO wages, among other compensation.

13 28. Plaintiffs are informed and believe, and based thereon allege, that Defendants knew
14 or should have known that Plaintiffs and the other class members were entitled to receive certain
15 wages, reimbursements, meal and rest breaks as alleged herein, but nonetheless failed to pay or
16 provide them as required by the Labor Code and Industrial Welfare Commission Order 5-2001.

17 29. Plaintiffs are informed and believe, and based thereon allege, that Defendants knew
18 or should have known that Plaintiffs and the other class members were entitled to receive overtime,
19 meal and rest break premiums and sick pay at the regular rate of pay that includes all forms of
20 compensation instead of at just hourly rate of pay.

21 30. Plaintiffs are informed and believe, and based thereon allege, that Defendants failed
22 to provide Plaintiffs and the other class members the required meal periods and rest breaks during
23 the relevant time period as required under the Industrial Welfare Commission Wage Orders and thus
24 they are entitled to any and all applicable premiums for any non-compliant breaks.

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31. Plaintiffs are informed and believe, and based thereon allege, that Defendants knew or should have known that Plaintiffs and the other class members were entitled to receive all meal and rest breaks or payment of one additional hour of pay at Plaintiffs' and the other class member's regular rate of pay when a noncompliant meal or rest break could not be provided. Plaintiffs are informed and believe, and based thereon allege, that Defendants knew or should have known that Plaintiffs and the other class members were entitled to receive at least minimum wages for compensation and that they were not receiving at least minimum wages for all hours worked.

32. Plaintiffs are informed and believe, and based thereon allege, that Defendants knew or should have known that Plaintiffs and the other class members were entitled to receive at least overtime (and doubletime) wages for hours worked in excess of 8 hours in a day or 40 hours in a workweek or in excess of their alternative workweeks, and that they were not receiving at least overtime wages for all hours worked, including because overtime was not being paid at the correct regular rate of pay.

33. Plaintiffs are informed and believe, and based thereon allege, that Defendants knew or should have known that Plaintiffs and the other class members were entitled to receive reimbursements for all business expenses incurred in discharge of their duties.

34. Plaintiffs are informed and believe, and based thereon allege, that Defendants knew or should have known that Plaintiffs and the other class members were entitled to receive at least payment for sick days, including sick days at the correct regular rate of pay; furthermore, Plaintiffs are informed and believe, and based thereon allege, that Defendants failed to provide accurate notices advising class members of their accrued and unused sick days and payment of sick days to class members.

35. Plaintiffs are informed and believe, and based thereon allege, that Defendants knew or should have known that Plaintiffs and the other class members were entitled to receive their final wages at the correct rate of pay in accordance with Labor Code section 201-203.

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1 36. Plaintiffs are informed and believe, and based thereon allege, that Defendants knew
2 or should have known that Plaintiffs and the other class members were entitled to receive complete
3 and accurate wage statements in accordance with Labor Code sections 226, 1174 and Industrial
4 Welfare Commission Order 5-2001.

5 37. Plaintiffs are informed and believe, and based thereon allege, that Defendants knew
6 or should have known that they had a duty to compensate Plaintiffs and the other class members
7 pursuant to California law, and that Defendants had the financial ability to pay such compensation,
8 but willfully, knowingly, and intentionally failed to do so, and falsely represented to Plaintiffs and
9 the other class members that they were properly denied wages, all in order to increase Defendants'
10 profits.

11 38. At all material times set forth herein, Defendants failed to properly compensate
12 Plaintiffs and the other class members pursuant to California law in order to increase Defendants'
13 profits.

14 39. California Labor Code § 218 states that noting in Article 1 of the Labor Code shall
15 limit the right of any wage claimant to "sue directly . . . for any wages or penalty due to him under
16 this article."

17 **FIRST CAUSE OF ACTION**

18 **Violation of California Labor Code §§ 510 and 1198**

19 **(Against DEFENDANTS and DOES 1 through 100)**

20 40. Plaintiffs incorporate by reference the allegations contained in paragraphs
21 1 through 39, and each and every part thereof with the same force and effect as though fully set forth
22 herein.

23 41. California Labor Code § 1198 and the applicable Industrial Welfare
24 Commission ("IWC") Wage Order provide that it is unlawful to employ persons without
25 compensating them at a rate of pay either time-and-one-half or two-times that person's regular rate
26 of pay, depending on the number of hours worked by the person on a daily or weekly basis.

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1 42. Specifically, the applicable IWC Wage Order provides that Defendants are and were
2 required to pay Plaintiffs and the other class members employed by Defendant, who work(ed) more
3 than eight (8) hours in a day or more than forty (40) hours in a workweek, at the rate of time-and-
4 one-half for all hours worked in excess of eight (8) hours in a day or more than forty (40) hours in a
5 workweek. This standard for payment of overtime wages also applies to any employees who worked
6 an invalid alternative workweek. Furthermore, even if Defendants' alternative workweek was found
7 invalid, Defendants are required to pay overtime (and double time) wages in excess of any valid
8 workweek implemented by Defendants. The applicable IWC Wage Order further provides that
9 Defendants are and were required to pay Plaintiffs and the other class members overtime
10 compensation at a rate of two times their regular rate of pay for all hours worked in excess of twelve
11 (12) hours in a day.

12 43. California Labor Code § 510 codifies the right to overtime compensation at one-and-
13 one-half times the regular hourly rate for hours worked in excess of eight (8) hours in a day or forty
14 (40) hours in a week or for the first eight (8) hours worked on the seventh day of work, and no
15 overtime compensation at twice the regular hourly rate for hours worked in excess of twelve (12)
16 hours in a day or in excess of eight (8) hours in a day on the seventh day of work.

17 44. During the relevant time period, Plaintiffs and the other class members worked in
18 excess of eight (8) hours in a day, in excess of twelve (12) hours in a day, and/or in excess of forty
19 (40) hours in a week.

20 45. During the relevant time period, Defendants intentionally and willfully failed to
21 properly calculate and pay overtime wages owed to Plaintiffs and the other class members.

22 46. Defendants' failure to pay Plaintiffs and the other class members the unpaid balance
23 of overtime compensation, as required by California laws, violates the provisions of California
24 Labor Code §§ 510 and 1198, and is therefore unlawful.

25 47. Pursuant to California Labor Code § 1194, Plaintiffs and the other class members are
26 entitled to recover unpaid overtime compensation, as well as interest, costs, and attorneys' fees.

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1 **SECOND CAUSE OF ACTION**

2 **Violation of California Labor Code §§ 226.7 and 512(a)**

3 **(Against DEFENDANTS and DOES 1 through 100)**

4 48. Plaintiffs incorporate by reference the allegations contained in paragraphs 1 through
5 47, and each and every part thereof with the same force and effect as though fully set forth herein.

6 49. At all relevant times, the IWC Order and California Labor Code §§ 226.7 and 512(a)
7 were applicable to Plaintiffs' and the other class members' employment by Defendants.

8 50. At all relevant times, California Labor Code § 226.7 provides that no employer shall
9 require an employee to work during any meal or rest period mandated by an applicable order of the
10 California IWC.

11 51. At all relevant times, the applicable IWC Wage Order and California Labor Code §
12 512(a) provide that an employer may not require, cause or permit an employee to work for a work
13 period of more than five (5) hours per day without providing the employee with a meal period of not
14 less than thirty (30) minutes, except that if the total work period per day of the employee is no more
15 than six (6) hours, the meal period may be waived by mutual consent of both the employer and
16 employee. Employees in the healthcare industry, however, may waive a meal periods in accordance
17 with Section 11(D) of the Industrial Welfare Commission Order 5-2001.

18 52. At all relevant times, the applicable IWC Wage Order and California Labor Code §
19 512(a) further provide that an employer may not require, cause or permit an employee to work for a
20 work period of more than ten (10) hours per day without providing the employee with a second
21 uninterrupted meal period of not less than thirty (30) minutes, except that if the total hours worked is
22 no more than twelve (12) hours, the second meal period may be waived by mutual consent of the
23 employer and the employee only if the first meal period was not waived. Employees in the
24 healthcare industry, however, may waive a meal periods in accordance with Section 11(D) of the
25 Industrial Welfare Commission Order 5-2001.
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1 53. During the relevant time period, Plaintiffs and the other class members who were
2 scheduled to work for a period of time no longer than six (6) hours, and who did not waive their
3 legally-mandated meal periods by mutual consent, were required to work for periods longer than
4 five (5) hours without an uninterrupted meal period of not less than thirty (30) minutes.

5 54. During the relevant time period, Plaintiffs and the other class members who were
6 scheduled to work for a period of time in excess of six (6) hours were required to work for periods
7 longer than five (5) hours without an uninterrupted meal period of not less than thirty (30) minutes.

8 55. During the relevant time period, Plaintiffs and the other class members who were
9 scheduled to work for a period of time in excess of ten (10) hours but no longer than twelve (12)
10 hours, and who did not waive their legally-mandated meal periods by mutual consent were required
11 to work in excess of ten (10) hours without receiving a second uninterrupted meal period of not less
12 than thirty (30) minutes.

13 56. During the relevant time period, Plaintiffs and other class members who were
14 scheduled to work for a period of time in excess of twelve (12) hours were required to work for
15 periods longer than ten (10) hours without a second uninterrupted meal period of not less than thirty
16 (30) minutes.

17 57. During the relevant time period, Defendants intentionally and willfully required
18 Plaintiffs and the other class members to work during meal periods and failed to compensate
19 Plaintiffs and the other class members the full meal period premium at the correct regular rate of pay
20 and for work performed during meal periods.

21 58. During the relevant time period, Defendants failed to pay Plaintiffs and the other class
22 members the full meal period premium at the correct regular rate of pay due to them pursuant to
23 California Labor Code § 226.7.

24 59. Defendants' conduct violates applicable IWC Wage Order and California Labor Code
25 §§ 226.7 and 512(a).

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60. Pursuant to applicable IWC Wage Order and California Labor Code § 226.7(b), Plaintiffs and the other class members are entitled to recover from Defendants one additional hour of pay at the employee's regular rate of compensation for each work day that the meal or rest period is not provided.

THIRD CAUSE OF ACTION

Violation of California Labor Code § 226.7

(Against DEFENDANTS and DOES 1 through 100)

61. Plaintiffs incorporate by reference the allegations contained in paragraphs 1 through 60, and each and every part thereof with the same force and effect as though fully set forth herein.

62. At all times herein set forth, the applicable IWC Wage Order and California Labor Code § 226.7 were applicable to Plaintiffs' and the other class members' employment by Defendants.

63. At all relevant time, California Labor Code § 226.7 provides that no employer shall require an employee to work during any rest period mandated by an applicable order of the California IWC.

64. At all relevant times, the applicable IWC Wage Order provides that “[e]very employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period” and that the “rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof” unless the total daily work time is less than three and one-half (3 ½) hours.

65. During the relevant time period, Defendants required Plaintiffs and other class members to work four (4) or more hours without authorizing or permitting a ten (10) minute rest period per each four (4) hour period worked. Even when rest periods were authorized, they were on-duty or on-call and unlawful rest periods.

66. During the relevant time period, Defendants willfully required Plaintiffs and the other class members to work during rest periods and failed to pay Plaintiffs and the other class members the full rest period premium for work performed during rest periods.

67. During the relevant time period, Defendants failed to pay Plaintiffs and the other class members the full rest period premium due pursuant to California Labor Code § 226.7.

68. Defendants' conduct violates applicable IWC Wage Orders and California Labor Code § 226.7.

69. Pursuant to the applicable IWC Wage Orders and California Labor Code § 226.7(b), Plaintiffs and the other class members are entitled to recover from Defendants one additional hour of pay at the employees' regular hourly rate of compensation for each work day that the rest period was not provided.

FOURTH CAUSE OF ACTION

Violation of California Labor Code §§ 1194 and 1197

(Against DEFENDANTS and DOES 1 through 100)

70. Plaintiffs incorporate by reference the allegations contained in paragraphs 1 through 69, and each and every part thereof with the same force and effect as though fully set forth herein.

71. At all relevant times, California Labor Code §§ 1194 and 1197 provide that the minimum wage to be paid to employees, and the payment of a lesser wage than the minimum so fixed is unlawful.

72. During the relevant time period, Defendants failed to pay minimum wage to Plaintiffs and the other class members as required, pursuant to California Labor Code §§ 1194 and 1197.

73. Defendants' failure to pay Plaintiffs and the other class members the minimum wage as required violates California Labor Code §§ 1194 and 1197. Pursuant to those sections, Plaintiffs and the other class members are entitled to recover the unpaid balance of their minimum wage compensation as well as interest, costs, and attorney's fees, and liquidated damages in an amount equal to the wages unlawfully unpaid and interest thereon.

74. Pursuant to California Labor Code § 1194.2, Plaintiffs and the other class members are entitled to recover liquidated damages in an amount equal to the wages unlawfully unpaid and interest thereon.

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1 **FIFTH CAUSE OF ACTION**

2 **Violation of California Labor Code §§ 201, 202, and 203**

3 **(Against DEFENDANTS and DOES 1 through 100)**

4 75. Plaintiffs incorporate by reference the allegations contained in paragraphs 1 through
5 74, and each and every part thereof with the same force and effect as though fully set forth herein.

6 76. At all relevant times herein set forth, California Labor Code §§ 201 and 202 provide
7 that if an employer discharges an employee, the wages earned and unpaid at the time of discharge
8 are due and payable immediately, and if an employee quits his or her employment, his or her wages
9 shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee
10 has given seventy-two (72) hours' notice of his or her intention to quit, in which case the employee
11 is entitled to his or her wages at the time of quitting.

12 77. As a pattern and practice during the relevant time period set forth herein, Defendants
13 intentionally and willfully failed to pay the other class members who are no longer employed by
14 Defendants their wages, earned and unpaid, within seventy-two (72) hours of their leaving
15 Defendants' employ.

16 78. Defendants' failure to pay Plaintiffs and the other class members who are no longer
17 employed by Defendants their wages, earned and unpaid, within seventy-two (72) hours of their
18 leaving Defendants' employ, is in violation of California Labor Code §§ 201 and 202.

19 79. California Labor Code § 203 provides that if an employer willfully fails to pay wages
20 owed, in accordance with §§ 201 and 202, then the wages of the employee shall continue as a
21 penalty from the due date thereof at the same rate until paid or until an action is commenced; but the
22 wages shall not continue for more than thirty (30) days.

23 80. Plaintiffs and the other class members are entitled to recover from Defendants the
24 statutory penalty wages for each day they were not paid, up to the thirty (30) day maximum as
25 provided by Labor Code § 203.

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1 **SIXTH CAUSE OF ACTION**

2 **Violation of California Labor Code §§ 226(a)**

3 **(Against DEFENDANTS and DOES 1 through 100)**

4 81. Plaintiffs incorporate by reference the allegations contained in paragraphs 1 through
5 80, and each and every part thereof with the same force and effect as though fully set forth herein.

6 82. At all relevant times, California Labor Code § 226(a) provides that every employer
7 shall furnish each of his or her employees an accurate itemized statement in writing showing (1)
8 gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units
9 earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions,
10 provided that all deductions made on written orders of the employee may be aggregated and shown
11 as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is
12 paid, (7) the name of the employee and his or her social security number, (8) the name and address
13 of the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay
14 period and the corresponding number of hours worked at each hourly rate by the employee. The
15 deductions made from payments of wages shall be recorded in ink or other indelible form, properly
16 dated, showing the month, day, and year, and a copy of the statement or a record of the deductions
17 shall be kept on file by the employer for at least three years at the place of employment or at a
18 central location within the State of California.

19 83. Defendants have intentionally and willfully failed to provide Plaintiffs and the other
20 class members with complete and accurate wage statements. The deficiencies include but are not
21 limited to: the failure to include the total number of hours worked by Plaintiffs and the other class
22 members.

23 84. As a result of Defendants' violation of California Labor Code § 226(a), Plaintiffs and
24 the other class members have suffered injury and damage to their statutorily protected rights.

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1 85. More specifically, Plaintiffs and the other class members have been injured by
2 Defendants' intentional and willful violation of California Labor Code § 226(a) because they were
3 denied both their legal right to receive, and their protected interest in receiving, accurate and
4 itemized wage statements pursuant to California Labor Code § 226(a).

5 86. Plaintiffs and the other class members are entitled to recover from Defendants the
6 greater of their actual damages caused by Defendants' failure to comply with California Labor Code
7 § 226(a), or an aggregate penalty not exceeding four thousand dollars per employee.

8 87. Plaintiffs and the other class members are also entitled to injunctive relief to ensure
9 compliance with this section, pursuant to California Labor Code § 226(g).

10 **SEVENTH CAUSE OF ACTION**

11 **Violation of California Labor Code §§ 2800 and 2802**

12 **(Against DEFENDANTS and DOES 1 through 100)**

13 88. Plaintiffs incorporate by reference the allegations contained in paragraphs 1 through
14 87, and each and every part thereof with the same force and effect as though fully set forth herein.

15 89. Pursuant to California Labor Code §§ 2800 and 2802, an employer must reimburse its
16 employee for all necessary expenditures incurred by the employee in direct consequence of the
17 discharge of his or her job duties or in direct consequence of his or her job duties or in direct
18 consequence of his or her obedience to the directions of the employer.

19 90. Plaintiffs and the other class members incurred necessary business-related expenses
20 and costs that were not fully reimbursed by Defendants, including but not limited to, personal
21 protective equipment, costs for uniforms, personal cell phone usage, and personal vehicle usage.

22 91. Defendants have intentionally and willfully failed to reimburse Plaintiffs and the
23 other class members for necessary business-related expenses and costs. Plaintiffs and the other class
24 members are entitled to recover from Defendants their business-related expenses and costs incurred
25 during the course and scope of their employment, plus interest accrued from the date on which the
26 employee incurred the necessary expenditures at the same rate as judgments in civil actions in the
27 State of California.

1 **EIGHTH CAUSE OF ACTION**

2 **Violation of California Labor Code §§ 246**

3 **(Against Defendants and DOES 1 THROUGH 100)**

4 92. Plaintiffs incorporate by reference the allegations contained in paragraphs 1 through
5 91, and each and every part thereof with the same force and effect as though fully set forth herein.

6 93. California Labor Code § 246(a)(1) provides: “An employee who, on or after July 1,
7 2015, works in California for the same employer for 30 days or more days within a year from the
8 commencement of employment is entitled to paid sick days as specified in this section.”

9 94. California Labor Code § 246(a)(l) provides: “[A]n employer shall calculate paid
10 sick leave using any of the following calculations: (1) Paid sick time for nonexempt employees shall
11 be calculated in the same manner as the regular rate of pay for the workweek in which the employee
12 uses paid sick time, whether or not the employee actually works overtime in that workweek; (2) Paid
13 sick time for nonexempt employees shall be calculated by dividing the employee’s total wages, not
14 including overtime premium pay, by the employee’s total hours worked in the full pay periods of the
15 prior 90 days of employment; (3) Paid sick time for exempt employees shall be calculated in the same
16 manner as the employer calculates wages for other forms of paid leave time.”

17 95. Here, based on the foregoing, Defendants deprived Plaintiffs and class members of
18 their rightfully earned sick pay compensation as a direct and proximate result of Defendants’ failure to
19 pay said compensation, including at the regular rate of pay.

20 96. Defendant also failed to provide accurate notices of class members’ accrued and unused
21 sick pay, sick pay and rates paid for same.

22 97. Consequently, Plaintiffs will seek recovery of attorneys’ fees and litigation expenses
23 pursuant to Labor Code sections 248.5, 2699(g) and/or Code of Civil Procedure section 1021.5 to the
24 extent enforcement of California labor laws and applicable regulations is determined to be in the
25 public interest and consistent with the Legislative intent stated in Labor Code section 90.5, in an
26 amount according to proof and subject to Court approval.

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1 **NINTH CAUSE OF ACTION**

2 **VIOLATION OF CALIFORNIA LABOR CODE §§ 227.3**

3 **(AGAINST DEFENDANTS AND DOES 1 THROUGH 100)**

4 98. Plaintiffs incorporate by reference the allegations contained in paragraphs 1 through 97,
5 and each and every part thereof with the same force and effect as though fully set forth herein.

6 99. California Labor Code § 227.3 required that all employees be paid all accrued and
7 unused vacation/PTO at separation of employment.

8 100. Here, Defendants were obligated to pay for all accrued and unused vacation/PTO at
9 separation of employment but failed to do so.

10 101. Defendant also failed to provide accurate notices of class members' of the amount of
11 their accrued and unused vacation/PTO, vacation/PTO pay and rates paid for same.

12 Consequently, Plaintiffs will seek recovery of attorneys' fees and litigation expenses pursuant to Labor
13 Code sections 227.3, 2699(g) and/or Code of Civil Procedure section 1021.5 to the extent
14 enforcement of California labor laws and applicable regulations is determined to be in the public
15 interest and consistent with the Legislative intent stated in Labor Code section 90.5, in an amount
16 according to proof and subject to Court approval.

17 **TENTH CAUSE OF ACTION**

18 **Violation of California Labor Code §§ 2698, *et seq.***

19 **(Against DEFENDANTS and DOES 1 through 100)**

20 102. Plaintiffs incorporate by reference the allegations contained in paragraphs 1 through
21 101, and each and every part thereof with the same force and effect as though fully set forth.

22 103. PAGA expressly establishes that any provision of the California Labor Code which
23 provides for a civil penalty to be assessed and collected by the LWDA, or any of its departments,
24 divisions, commissions, boards, agencies or employees for a violation of the California Labor Code,
25 may be recovered through a civil action brought by an aggrieved employee on behalf of himself or
26 herself, and other current or former employees.

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1 104. On June 26, 2020, Plaintiff Tam Farias provided written notice to the LWDA and
2 Defendants of the specific provisions of the Labor Code she contends were violated, including an
3 amended LWDA letter. On March 9, 2021, Plaintiff Jordyn Williams provided written notice to the
4 LWDA and Defendants of the specific provisions of the Labor Code she contends were violated, and
5 the theories supporting her contentions. Thereafter, on March 22, 2024, Plaintiffs Tam Farias,
6 Nicholas Calvi and Jordyn Williams provided written notice to the LWDA and Defendants of the
7 specific provisions of the Labor Code they contend were violated, and the theories supporting their
8 attention. Attached hereto and collectively marked as **Exhibit A** and incorporated by reference are
9 copies of the written notices to the LWDA.

10 105. Plaintiffs and the other hourly-paid or non-exempt employees are “aggrieved
11 employees” as defined by California Labor Code § 2699(c) in that they are all current or former
12 employees of Defendants who worked for Defendants at any time during the period from March 9,
13 2020 to the present, and one or more of the alleged violations was committed against them.

14 **Failure to Pay Minimum and Overtime Wage**

15 106. At all times relevant herein, Defendants were required to compensate their non-exempt
16 employees minimum wages for all hours worked and overtime wages for all hours worked in excess of
17 eight (8) hours in a day or forty (40) hours in a workweek, pursuant to the mandate of Labor Code §§
18 510, 1194, 1194.2, 1197, 1197.1, 1198, and 1198.5.

19 107. As a policy and practice, Defendants failed to compensate Plaintiffs and the other
20 aggrieved current and former employees for all hours worked, including at the correct regular rate of
21 pay, resulting in a failure to pay all minimum wages and overtime wages, where applicable.

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1 **Failure to Provide Meal Periods and Rest Break**

2 92. In accordance with the mandates of Labor Code §§ 226.7 and 512, Defendants were
3 required to authorize and permit their non-exempt employees to take a 10-minute rest break for every
4 four (4) hours worked or major fraction thereof, and were further required to provide their non-exempt
5 employees with a 30-minute meal period for every five (5) hours worked. Consequently, Defendants'
6 failure to pay these wages resulted in a failure to pay all owed wages and violates Labor Code sections
7 1194, 1194.2, 1197, 1197.1, 1198, and 1198.5.

8 93. As a pattern and practice, Defendants failed to provide Plaintiffs and the other
9 aggrieved current and former employees with legally-mandated meal periods and rest breaks and
10 failed to pay proper compensation for this failure.

11 **Failure to Pay Sick Pay**

12 94. At all times relevant herein, Defendants were required to pay for all accrued and unused
13 sick pay (including at the regular rate of pay) and provide notice of such accrual and payment of the
14 same, including by identifying the applicable rate of pay, pursuant to the mandate of Labor Code §§
15 246, 248.5.

16 **Failure to Pay Vacation/PTO Wages**

17 95. At all times relevant herein, Defendants were required to pay for all accrued and unused
18 vacation/PTO and provide notice of such accrual and payment of the same, including by identifying
19 the applicable rate of pay, pursuant to the mandate of Labor Code §§ 246, 248.5.

20 **Failure to Timely Pay Wages During Employment**

21 96. At all times relevant herein, Defendants were required to pay their employees within a
22 specified time period pursuant to the mandate of Labor Code §§ 204 and 210

23 97. As a policy and practice, Defendants failed to pay Plaintiffs and the other aggrieved
24 current and former employees all wages due and owing them within the required time period.

25 **Failure to Timely Pay Wages Upon Termination**

26 98. At all times relevant herein, Defendants were required to pay their employees all wages
27 owed in a timely fashion at the end of employment pursuant to California Labor Code §§ 201 to 204.

1 99. As a result of Defendants' Labor Code violations alleged above, Defendants failed to
2 pay Plaintiffs and the other aggrieved former employees their final wages pursuant to Labor Code §§
3 201 to 204 and accordingly owe waiting time penalties pursuant to Labor Code § 203.

4 **Failure to Provide Complete and Accurate Wage Statement**

5 100. At all times relevant herein, Defendants were required to keep accurate records
6 regarding their California employees pursuant to the mandate of Labor Code §§ 221, 226, 226.3, 1174,
7 and 1174.5.

8 101. As a result of Defendants' various Labor Code violations, Defendants failed to keep
9 accurate records regarding Plaintiff Williams and the other aggrieved current and former employees.
10 For example, Defendants failed in their affirmative obligation to keep accurate records regarding
11 Plaintiff Williams and the other aggrieved current and former employees' gross wages earned, total
12 hours worked, all deductions, and net wages earned.

13 **Failure to Reimburse Business Expenses**

14 102. At all times relevant herein, Defendants were required to reimburse its employees for
15 any and all necessary expenditures or losses incurred by the employees in direct consequences of the
16 discharge or his or her duties pursuant to the mandate of Labor Code §§ 2800 and 2802.

17 103. As a policy and practice, Defendants failed to pay Plaintiff Williams and the other
18 aggrieved current and former employees all business expenses incurred and owing them, including
19 within the required time period.

20 **Penalties**

21 104. Pursuant to California Labor Code § 2699, Plaintiff Williams, individually, and on
22 behalf of other current and former aggrieved employees, requests and is entitled to recover from
23 Defendants, and each of them, civil penalties, interest, attorneys' fees and costs pursuant, including but
24 not limited to:

25 105. Penalties under California Labor Code § 2699 in the amount of a hundred dollars
26 (\$100) for each aggrieved employee per pay period for the initial violation, and two hundred dollars
27 (\$200) for each aggrieved employee per pay period for each subsequent violation;

106. Penalties under California Code of Regulations Title 8 § 11040 in the amount of fifty dollars (\$50) for each aggrieved employee per pay period for the initial violation, and one hundred dollars (\$100) for each aggrieved employee per pay period for each subsequent violation;

107. Penalties under California Labor Code § 210 in addition to, and entirely independent and apart from, any other penalty provided in the California Labor Code in the amount of a hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation, and two hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent violation;

108. Penalties under Labor Code § 1197.1 in the amount of a hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation, and two hundred fifty dollars (\$250) for each aggrieved employee per pay period for each subsequent violation;

109. An amount sufficient to recover unpaid wages under Labor Code § 558;

110. An amount sufficient to recover unpaid wages under Labor Code § 1197.1;

111. Any and all additional penalties as provided by the Labor Code and/or other statutes;
and

112. Attorneys' fees and costs pursuant to Labor Code §§ 210, 1194, and 2699, and any other applicable statute.

ELEVENTH CAUSE OF ACTION

Violation of The Fair Labor Standards Act 29 u.s.c. §§ 206, et seq.

(Against Defendants and DOES 1 through 100)

113. Plaintiffs incorporate by reference the allegations contained in paragraphs 1 through 128, and each and every part thereof with the same force and effect as though fully set forth herein.

114. The Fair Labor Standards Act, codified at 29 U.S.C. §§ 206 et seq., requires employers who are governed by the Fair Labor Standards Act to pay the federal minimum wage of \$7.25 per hour and overtime at the rate of 1.5 times employees regular rate pay for all hours worked in excess of 40.

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115. During the relevant time period, Plaintiffs and the other class members were not paid all minimum and overtime wages as required by the Fair Labor Standards Act.

116. During the relevant time period, Defendants intentionally and willfully failed to properly calculate and pay minimum and overtime wages owed to Plaintiffs and the other class members.

117. Defendants failed to pay Plaintiffs and the other class members the unpaid balance of minimum wage and overtime compensation, as required by the Fair Labor Standards Act.

118. Plaintiffs and the other class members are entitled to recover unpaid minimum wage overtime compensation, liquidated damages, as well as interest, costs, and attorneys' fees.

TWELFTH CAUSE OF ACTION

Violation of California Business & Professions Code §§ 17200, *et seq.*

(Against DEFENDANTS and DOES 1 through 100)

119. Plaintiffs incorporate by reference the allegations contained in paragraphs 1 through 134, and each and every part thereof with the same force and effect as though fully set forth herein.

120. Defendants' conduct, as alleged herein, has been, and continues to be unfair, unlawful and harmful to Plaintiffs, other class members, to the general public, and Defendants' competitors. Accordingly, Plaintiffs seek to enforce important rights affecting the public interest within the meaning of Code of Civil Procedure §1021.5.

121. Defendants' activities as alleged herein are violations of California law, and constitute unlawful business acts and practices in violation of California Business & Professions Code §17200, *et seq.*

122. A violation of California Business & Professions Code §17200, *et seq.* may be predicated on the violation of any state or federal law. In this instant case, Defendants' policies and practices of requiring employees, including Plaintiffs and the other class members, to work without being paid all earned wages, sick pay, vacation/PTO pay, reimbursements, and other wages as alleged herein.

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123. As a result of the herein described violations of California law, Defendants unlawfully gained an unfair advantage over other businesses.

124. Plaintiffs and the other class members have been personally injured by Defendants' unlawful business acts and practices as alleged herein, including but not necessarily limited to the loss of money and/or property.

125. Pursuant to California Business & Professions Code § 17200, *et seq.*, Plaintiffs and the other class members are entitled to restitution of the wages withheld and retained by Defendants during a period that commences four years prior to the filing of this Complaint; an award of attorneys' fees pursuant to California Code of Civil procedure § 1021.5 and other applicable laws; and an award of costs.

DEMAND FOR JURY TRIAL

Plaintiffs, individually, and on behalf of other members of the general public similarly situated and on behalf of aggrieved employees pursuant to PAGA, request a trial by jury.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs, individually, and on behalf of members of the general public similarly situated, pray for relief and judgment against Defendants, jointly and severally, as follows:

Class Certification

1. That this action be certified as a class action;
2. That Plaintiffs be appointed as the representative of the Class;
3. That counsel for Plaintiffs be appointed as Class Counsel; and
4. That Defendants provide to Class Counsel, immediately upon its appointment, the names and most current contact information (names, address, telephone numbers and emails) of all class members.

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1 5. That Plaintiffs be awarded all damages (including liquidated damages), statutory and
2 civil penalties, interest, attorneys' fees and costs to the extent permitted by law.

3
4 DATED: April 29, 2024

JUSTICE LAW CORPORATION

5
6 By: 

Douglas Han

Shunt Tatavos-Gharajeh

Attorneys for Plaintiffs Nicholas Calvi and

Jordyn Williams

7
8
9
10 DATED: April 26, 2024

LEBE LAW APLC

11
12 By: 

Jonathan M. Lebe

Brielle D. Edborg

Attorneys for Plaintiff Tam Farias

EXHIBIT A



(213) 358-7046 (310) 820-1258 jon@lebelaw.com 777 S. Alameda Street, 2nd Floor, Los Angeles, CA 90021

June 26, 2020

Notice Via Online Submission and Fee Via Certified Mail

Department of Industrial Relations, Accounting Unit
455 Golden Gate Avenue, 10th Floor
San Francisco, California 94102
<https://dir.tfaforms.net/128>

Re: Amended Notice pursuant to California Labor Code section 2698, et seq., the Private Attorney General Act regarding claims of Tam Farias, individually and on behalf of all aggrieved hourly employees of Compass Health, Inc.

Dear PAGA Administrator:

Please allow this correspondence to serve as written amended notice required by California Labor Code § 2699.3(a)(1) of the specific provisions of the Labor Code allegedly violated by Compass Health, Inc., any related entities, their managers, agents, officers and directors ("Employer"), and the facts and theories in support of said allegations. This firm represents Tam Farias ("Claimant"). We hereby notify you that Claimant intends to seek penalties against Employer under the Private Attorneys General Act of 2004, Cal. Lab. Code §§ 2698 *et seq.*, on behalf of herself and all other aggrieved employees.

Specific Provisions of the California Labor Code Allegedly Violated by Employer

The specific provisions of the Labor Code allegedly violated by Employer include the following: §§ 201-204, 210, 226, 246, 226.3, 226.7, 227.3, 510, 512, 558, 1174, 1174.5, 1194, 1197, 1198, 2800 and 2802. Additionally, Employer violated the Applicable Wage Order.

Facts and Theories Supporting the Allegations Against Employer

Claimant and other aggrieved employees worked for Employer as non-exempt employees at Employer's skilled nursing facilities in California within the past year.

Throughout the course of her employment, Employer failed to pay Claimant for all minimum wages (and overtime wages when applicable) earned due to Employer practices

of requiring its non-exempt employees to undergo off-the-clock health screenings before they could enter the facilities, at the end of their shifts, including but not limited to when both leaving and returning to the facilities for their meal periods and rest breaks. Employer does not compensate these employees for the time spent going through these screenings despite being in control of these employees.

Additionally, Employer has subjected Claimant and other aggrieved employees to a uniform policy and practice of unlawful time rounding and manipulation. That is, Employer rounded her and other aggrieved employees' hours worked to the nearest quarter of an hour, or otherwise manipulated the reported hours, which over time, unlawfully favored Employer and resulted in time loss to the employees, including Claimant. This rounding policy was not neutral on its face or in application and resulted in cumulative loss of time to the employees.

Employer also failed to pay all Reporting Time Pay to aggrieved employees in violation of Section 5 of the applicable Wage Order. Employer required aggrieved employees to report to work on the day of their scheduled shift or be on call, and did not put them to work or furnished less than half of their usual day's work, and did not pay them their required Reporting Time Pay of at least two (2) hours nor more than four (4) hours at the employee's regular rate of pay.

Further, Employer failed to pay the proper overtime rate by failing to include shift premiums, bonuses, and other incentive payments in calculating aggrieved employees' overtime rate (in violation of Labor Code Sections 510, 1194, and 1198). Employer also failed to pay aggrieved employees' overtime wages for all overtime hours worked when they required aggrieved employees to work off-the-clock or failed to provide Reporting Time Pay.

Employer failed to provide meal periods for each five hours of work to aggrieved employees as required by Labor Code Section 512 and section 11 of the applicable Wage Order. Based on the lack of proper coverage, requirements to be responsive to communication devices (e.g., radios, beepers, walkie-talkies, etc.) and scheduling of meal periods during these employees' shifts, Plaintiff and aggrieved employees were not able to take required off-duty meal periods during their shifts. Aggrieved employees were also routinely denied a second meal break for shifts lasting longer than ten hours. Further, Employer does not extend the employees' meal periods or rest breaks to account for the time spent on the health screenings, resulting in meal periods and rest breaks that are shorter than the minimum required by the Labor Code and applicable Wage Order. When aggrieved employees suffered meal period violations, Employer violated Labor Code Sections 226.7 and 512, as well as section 11 of the applicable Wage Order, by failing to pay an additional hour of pay at the regular rate of pay (including all wages, incentive pay, etc.) to aggrieved employees.

Additionally, Employer failed to authorize or permit ten-minute (10) rest periods for every four (4) hours or major fraction thereof worked. Claimant and other aggrieved employees were not authorized to take their rest periods completely relieved of duty at the appropriate time intervals. Based on the lack of proper coverage, requirements to be responsive to communication devices (e.g., radios, beepers, walkie-talkies, etc.) and

scheduling of meal periods during these employees' shifts, Plaintiff and aggrieved employees were not able to take required off-duty rest periods during their shifts. Employer routinely failed to provide Claimant and other aggrieved employees with a third rest break for shifts lasting longer than ten hours. When Claimant and other aggrieved employees did not receive rest breaks, Employer violated Labor Code Section 226.7 and section 12 of the applicable Wage Order by failing to pay an additional hour of pay at the regular rate of pay (including all wages, incentive pay, etc.) to Claimant and other aggrieved employees.

As a result of, and in addition to, these actions, Employer violated Labor Code sections 226 and 226.3 by failing to provide itemized wage statements that accurately reported the following: (1) gross wages earned; (2) total hours worked by the employee; (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis; (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item; (5) net wages earned; (6) the inclusive dates of the period for which the employee is paid; (7) the name of the employee and the last four digits of his or her social security number or an employee identification number other than a social security number; (8) the name and address of the legal entity that is the employer; and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. Specifically, wage statements failed to list the actual hours worked, wages earned, the correct overtime rates, and other accurate wage information, resulting from the various wage violations detailed herein.

Employer has violated California Labor Code §§ 2800, 2802 by willfully failing to reimburse Claimant and other aggrieved employees for their reasonable and necessary business expenses. Reasonable and necessary business expenses must be reimbursed to an employee by an employer under Labor Code § 2802 which provides that: "An employer shall indemnify his or her employee 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." Employer failed to fully reimburse, for example, Claimant and other aggrieved employees for the purchasing of Personal Protective Equipment ("PPE"), including but not limited to protective face masks and gloves, as they related to their employment.

Employer has violated California Labor Code § 246 by willfully failing to provide mandatory paid sick leave to aggrieved employees. Employers must provide to employees who work for 30 or more days within a year from the commencement of employment 1 hour of paid sick leave at the regular rate of pay (including all wages, incentive pay, etc.) for every 30 hours worked.

Furthermore, Employer failed to properly pay all wages owed throughout Claimant and other aggrieved employees' employment and following the end of these workers' employment, including all vacation pay (in violation of Labor Code Sections 201-204, 227.3 and 210). Employer further violated Labor Code Sections 1174 and 1174.5 by failing to maintain accurate and complete records, including but not limited to showing the proper wages earned and overtime rate of pay.

Based on these violations, and any predicate violations subsequently discovered, Claimant seeks attorneys' fees, interest, and civil penalties under the Labor Code.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. M. Lebe', with a stylized flourish at the end.

Jonathan M. Lebe, Esq.

Attorney for Tam Farias,

Individually and on behalf of Aggrieved Employees

Copied by Certified Mail:

Compass Heath, Inc.
200 South 13th St, Ste. 208
Grover Beach, CA 93433

March 9, 2021

BY U.S. EMAIL/ELECTRONIC SUBMISSION

PAGAfilings@dir.ca.gov
State of California
Labor & Workforce Development Agency
800 Capitol Mall, MIC-55
Sacramento, California 95814

Re: COMPASS HEALTH, INC.

Dear Representative:

We have been retained to represent Jordyn Williams against Compass Health, Inc. (including any and all affiliates, managers, members, subsidiaries, and parents, and their shareholders, officers, directors, and employees), any individual, owner, officer and managing agent, DOES 1-10 as an "Employer" or person acting on behalf of an "Employer" pursuant to California Labor Code section 558.1, and DOES 11-20¹ for violations of California wage-and-hour laws (hereinafter collectively referred to as "COMPASS HEALTH").

Ms. Williams is pursuing her California Labor Code section 2698, *et seq.*, the Private Attorneys General Act of 2004 ("PAGA") claim on a representative basis. Therefore, Ms. Williams may seek penalties and wages for violations of the Labor Code on behalf of the State of California and aggrieved employees, which are recoverable under PAGA. This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3.

Compass Health, Inc. is a California corporation located at 200 South 13th Street, Suite 208, Grover Beach, California 93433.

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¹ Ms. Williams does not know the true names or capacities, whether individual, partner or corporate, of DOES 1 through 20, inclusive, and for that reason, said DOES are designated under such fictitious names. Ms. Williams will amend this notice when the true names and capacities are known. Ms. Williams is informed and believes that each DOE was responsible in some way for the matters alleged herein and proximately caused Ms. Williams and other current and former aggrieved employees to be subject to the illegal employment practices, wrongs and injuries complained of herein.

COMPASS HEALTH employed Ms. Williams as an hourly-paid non-exempt Medical Technician/Caregiver within one year of the date of this letter (until in or around August of 2020²) in the State of California. COMPASS HEALTH directly controls the wages, hours and working conditions of Ms. Williams and other aggrieved employees' employment, including hiring, direction, scheduling, supervision and termination.

The "aggrieved employees" that Ms. Williams may seek penalties on behalf of are all current and former hourly-paid or non-exempt employees (whether hired directly or through staffing agencies) of COMPASS HEALTH within the State of California.

COMPASS HEALTH failed to properly pay its hourly-paid or non-exempt employees for all hours worked, failed to properly provide or compensate minimum and overtime wages and for meal and rest breaks, failed to issue compliant wage statements and failed to reimburse for all necessary business-related costs and expenses, thus resulting in other Labor Code violations as stated below.

Pursuant to *Huff v. Securitas Security Services*, 23 Cal. App. 5th 745, 751 (2018), an employee who brings a representative action and was affected by at least one of the violations alleged in the complaint has standing to pursue penalties on behalf of the state not only for that violation, but for violations affecting other employees as well. Accordingly, Ms. Williams has standing to pursue penalties on behalf of the state for violations affecting all the aggrieved employees at COMPASS HEALTH, regardless of their classification, job title, locations, or whether they were hired directly or through a staffing agency.

COMPASS HEALTH has violated and/or continues to violate, among other provisions of the California Labor Code and applicable wage law, California Labor Code sections 201, 202, 203, 204, 218.5, 221, 226(a), 226.3, 226.7, 510, 512(a), 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802, and the IWC Wage Orders.

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² Per Emergency Rule 9 (Tolling statute of limitations for civil causes of action) of the Judicial Council's Emergency Rules Related to COVID-19, all statute of limitations for civil causes of action that exceed 180 days are tolled from April 6, 2020 until October 1, 2020. Therefore, the one (1) year statute of limitations for Ms. Williams's PAGA cause of action is tolled.

California Labor Code sections 510, 1194, and 1198 require employers to pay at least minimum wage for all hours worked, pay time-and-a-half, or double time overtime wages, and make it unlawful to work employees for hours longer than eight hours in one day and/or over forty hours in one week without paying the premium overtime rates. During the relevant time period, Ms. Williams and other aggrieved employees routinely worked in excess of 8 hours in a day and 40 hours in a week. COMPASS HEALTH failed to compensate Ms. Williams and other aggrieved employees for all hours worked and performing off-the-clock work, including pre- and post-shift, donning and doffing uniforms, being debriefed regarding patients' conduct during the prior shift, waiting in line for COVID testing and to clock-in and during meal breaks. COMPASS HEALTH also failed to include non-discretionary bonuses and incentives in Ms. Williams and other aggrieved employees' regular rate of pay for purposes of overtime compensation. Therefore, Ms. Williams and other aggrieved employees were entitled to receive certain wages for overtime compensation, but they were not paid for all overtime hours worked.

California Labor Code sections 226.7 and 512 require employers to pay an employee one additional hour of pay at the employee's regular rate for each workday that a meal or rest break is not provided. During the relevant time period, COMPASS HEALTH routinely required Ms. Williams and other aggrieved employees to work through, interrupt, cut short, and/or delay their meal and rest breaks to comply with COMPASS HEALTH policies and expectations. COMPASS HEALTH also failed to adequately staff its facilities and provide coverage to Ms. Williams and other aggrieved employees so they may be relieved of all work duties and take legally compliant meal and rest breaks. Moreover, COMPASS HEALTH failed to authorize and permit Ms. Williams and other aggrieved employees to take the requisite number of meal and rest breaks, including second meal breaks and third rest breaks, when working shifts exceeding 10 hours in length. Despite these facts, COMPASS HEALTH failed to compensate Ms. Williams and other aggrieved employees all the premium wages they were owed.

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California Labor Code section 201 requires that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately. California Labor Code section 202 requires that if an employee not having a written contract for a definite period quits his or her employment, his or her wages shall become due and payable not later than 72 hours thereafter, unless the employee has given 72 hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting. California Labor Code section 203 provides that if an employer willfully fails to pay, without abatement or reduction, in accordance with Labor Code sections 201, 201.3, 201.5, 201.6, 201.8, 201.9, 202, and 205.5, any wages of an employee who is discharged or who quits, the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until an action therefor is commenced; but the wages shall not continue for more than 30 days. During the relevant time period, COMPASS HEALTH failed to pay Ms. Williams and other aggrieved employees all wages, including for uncompensated off-the-clock work, unpaid overtime premiums and premium wages for failing to provide legally mandated meal and rest breaks, due to them within any time period specified by California Labor Code sections 201 and 203 and therefore is liable under California Labor Code section 203.

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. During the relevant time period, COMPASS HEALTH failed to pay Ms. Williams and other aggrieved employees all wages due to them, including for uncompensated off-the-clock work, unpaid overtime premiums and premium wages for failing to provide legally mandated meal and rest breaks within any time period specified by California Labor Code section 204.

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California Labor Code section 226 requires employers to make, keep and provide complete and accurate itemized wage statements to their employees. During the relevant time period, COMPASS HEALTH did not provide Ms. Williams and other aggrieved employees with complete and accurate itemized wage statements. The wage statements they received from COMPASS HEALTH were in violation of California Labor Code section 226(a). The violations include, but are not limited to, the failure to include (1) gross wages earned by Ms. Williams and other aggrieved employees, (2) total hours worked by Ms. Williams and other aggrieved employees, (3) the number of piece-rate units earned and any applicable piece rate by Ms. Williams and other aggrieved employees (4) all deductions for Ms. Williams and other aggrieved employees, (5) net wages earned by Ms. Williams and other aggrieved employees, (6) the inclusive dates of the period for which Ms. Williams and other aggrieved employees are paid, (7) the name of the aggrieved employee and only the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by Ms. Williams and other aggrieved employees.

California Labor Code section 558 allows recovery of penalties. (a) Any employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provision regulating hours and days of work in any order of the Industrial Welfare Commission shall be subject to a civil penalty as follows: (1) For any initial violation, fifty dollars (\$50) for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount sufficient to recover underpaid wages. (2) For each subsequent violation, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount sufficient to recover underpaid wages. (3) Wages recovered pursuant to this section shall be paid to the affected employee. Ms. Williams and other aggrieved employees have been denied their wages and premium wages and, therefore, are entitled to penalties.

California Labor Code sections 1174(d) requires an employer to keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept with rules established for this purpose by the commission, but in any case, shall be kept on file for not less than two years. During the relevant time period, COMPASS HEALTH failed to keep accurate and complete payroll records showing the hours worked daily and the wages paid, to Ms. Williams and other aggrieved employees.

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California Labor Code sections 1194, 1197 and 1197.1 provide the minimum wage to be paid to employees, and the payment of a lesser wage than the minimum so fixed is unlawful. During the relevant time period, COMPASS HEALTH did not provide Ms. Williams and other aggrieved employees with the minimum wages to which they were entitled despite constructive and actual knowledge of off-the-clock work, including pre- and post-shift, donning and doffing uniforms, being debriefed regarding patients' conduct during the prior shift, waiting in line for COVID testing and to clock-in and during meal breaks.

California Labor Code sections 2800 and 2802 require an employer to reimburse its employee for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. During their employment, Ms. Williams and other aggrieved employees incurred necessary business-related expenses and costs that were not fully reimbursed by COMPASS HEALTH, including for purchasing equipment (like scrubs) they were required to wear as part of their uniform while working, using their personal cell phones for communicating with nurses and doctors, and using their personal vehicles for transporting samples.

We believe that Ms. Williams and other current and former California-based hourly-paid or non-exempt employees are entitled to penalties as allowed under California Labor Code section 2698, *et seq.* for violations of Labor Code sections 201, 202, 203, 204, 218.5, 221, 226(a), 226.3, 226.7, 510, 512(a), 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802, and the IWC Wage Orders.

California Labor Code section 2699.3 requires that a claimant send a certified letter to the employer in questions and the California Labor & Workforce Development Agency setting forth the claims, and the basis for the claims, thereby giving the California Labor & Workforce Development Agency an opportunity to investigate the claims and/or take any action it deems appropriate.

The purpose of this letter is to satisfy the requirement created by California Labor code section 2699 prior to seeking penalties allowed by law for the aforementioned statutory violations. We look forward to determining whether California Labor & Workforce Development Agency intends to take any action in reference to these claims. We kindly request that you respond to this notice according to the time frame contemplated by the California Labor Code.

Ms. Williams will seek these penalties on her own behalf and on behalf of other similarly situated California-based hourly-paid or non-exempt employees of COMPASS HEALTH within one year of the date of this letter, as allowed by law.

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LWDA
March 9, 2021
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If you have any questions or require additional information, please do not hesitate to contact us. Thank you for your attention to this matter and the noble cause you advance each and every day.

Very truly yours,

JUSTICE LAW CORPORATION

A handwritten signature in black ink, appearing to read 'D. Han', with a stylized flourish at the end.

Douglas Han, Esq.

CC: (By Certified U.S. Mail Only):

Timothy Hodge
c/o Compass Health, Inc.
200 South 13th Street, Suite 208
Grover Beach, California 93433
Agent for Service of Process for Compass Health, Inc.

CC: (By Electronic Mail Only):

Peter Choi, Esq.
pchoi@grsm.com
GORDON REES SCULLY MANSUKHANI, LLP
Counsel of Record for Compass Health, Inc.

March 22, 2024

BY U.S. EMAIL/ELECTRONIC SUBMISSION

PAGAfilings@dir.ca.gov

State of California

Labor & Workforce Development Agency

800 Capitol Mall, MIC-55

Sacramento, California 95814

**Re: Amended LWDA Letter for Settlement Purposes
COMPASS HEALTH, INC.; COMPASS HOLDINGS, INC.; OLD CUSTOM HOUSE,
INC.
LWDA Case NO. 824934-21**

Dear Representative:

We have been retained to represent Tam Farias, Jordyn Williams and Nicholas Calvi (collectively, "Plaintiffs") against Compass Health, Inc. and its DBAs, including Alto Lucero Transitional Center, Arroyo Grande Care Center, Bayside Care Center, Casa de Flores, Danish Care Center, Mission View Health Center, San Luis Post Acute Center, San Luis Transitional Care, Vineyard Hills Health Center, Wyndham Residence; Compass Holdings, Inc.; Old Custom House, Inc. and its DBAs, including Pismo Beach Flagship, Old Custom House, Mission Pizza, Mr. Ricks, Ventana Grill, Oyster Loft, Wooly's, and Mestiza and any of their affiliates, managers, members, subsidiaries, and parents, and their shareholders, officers, directors, employees and managing agents pursuant to Labor Code section 558.1 (collectively, "Defendants").

Plaintiffs are pursuing their California Labor Code section 2698, et seq., the Private Attorneys General Act of 2004 ("PAGA") claim on a representative basis. Therefore, Plaintiffs seek penalties for violations of the Labor Code on behalf of the State of California and aggrieved employees, which are recoverable under PAGA. This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3.

Plaintiffs allege Defendants are all California corporations and/or businesses operating in the State of California, and therefore, are subject to PAGA.

Plaintiffs allege that they were employed by Defendants and seek to recover PAGA penalties on behalf of all of Defendants current and former hourly-paid or non-exempt employees who worked within the State of California from April 6, 2019 through December 22, 2023.

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Plaintiffs allege Defendants failed to properly pay its hourly-paid or non-exempt employees for all hours worked including minimum, regular, overtime/doubletime wages due to off-the-clock work performed at the beginning and end of shifts, time shaving or unlawful rounding practices, work performed during meal periods, and work performed due to an unlawful alternative workweek arrangement or in excess of an alternative workweek; failed to pay overtime/doubletime wages at the regular rate of pay (including because said overtime/doubletime wages failed to include all nondiscretionary forms of pay such as bonuses, etc.); failed to authorize, permit and provide off-duty and timely meal and rest breaks (including second and third meal periods) for the requisite period of time and pay requisite premium wages at the regular rate of pay (including because said premium wages failed to include all nondiscretionary forms of pay such as bonuses, etc.); failed to pay for all accrued and unused sick pay at the regular rate of pay (including because said sick pay failed to include all nondiscretionary forms of pay such as bonuses) and failed to provide notice of all accrued and unused sick leave and amounts paid for same; failed to pay for all accrued and unused vacation/PTO at separation of employment and failed to provide notice of all accrued and unused vacation/PTO and amounts paid for same; failed to pay reimbursements for all business reimbursements (including reimbursements for personal cell phone use and personal protective equipment); failed to timely paid all earned wages during and at separation of employment due to the aforementioned Labor Code violations; failed to provide timely accurate itemized wages statements including all of the required information required by Labor Code section 226(a)(1-9); and failed to maintain complete and accurate time and payroll records as required by Industrial Welfare Commission Order 5-2001 and Labor Code section 1174. Therefore, Defendants' conduct violated Labor Code violations as stated below.

Pursuant to *Huff v. Securitas Security Services*, 23 Cal. App. 5th 745, 751 (2018), an employee who brings a representative action and was affected by at least one of the violations alleged in the complaint has standing to pursue penalties on behalf of the state not only for that violation, but for violations affecting other employees as well. Accordingly, Plaintiffs have standing to pursue penalties on behalf of the state for violations affecting all of Defendants' aggrieved employees, regardless of their classification, job title, locations, or whether they were hired directly or through a staffing agency.

Defendants' conduct violated and/or continues to violate, among other provisions of the California Labor Code and applicable wage law, California Labor Code sections 201, 202, 203, 204, 210, 218.5, 221, 226(a), 226.3, 226.7, 227.3, 246, 510, 512(a), 558, 1174(d), 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 2800 and 2802, and the IWC Wage Orders.

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California Labor Code sections 510, 1194, and 1198 require employers to pay at least minimum wage for all hours worked, pay time-and-a-half, or double time overtime wages, and make it unlawful to work employees for hours longer than eight hours in one day and/or over forty hours in one week without paying the premium overtime rates, or hours longer than twelve without paying doubletime. During the relevant time period, Plaintiffs and other aggrieved employees routinely worked in excess of 8 hours and 12 hours in a day and 40 hours in a week. Defendants failed to compensate Plaintiffs and other aggrieved employees for all hours worked, and performing off-the-clock work, including pre- and post-shift, donning and doffing uniforms, being debriefed regarding patients' conduct during the prior shift, waiting in line for COVID testing and to clock-in and during meal breaks, and other off-the-clock work. Defendants also failed to pay employees all earned wages including because they were subject to time shaving and unlawful rounding practices. Defendants also failed to pay for all hours worked in excess of a valid alternative workweek and/or all hours worked that constituted overtime or doubletime due to a non-compliant alternative workweek. Moreover, Defendants also failed to pay for reporting time pay to Plaintiffs and aggrieved employees when they had to report to work and were provided less than half of their regular shift.

Defendants also failed to include non-discretionary bonuses and incentives in Plaintiffs and other aggrieved employees' regular rate of pay for purposes of overtime compensation. Therefore, Plaintiffs' and other aggrieved employees were entitled to receive certain wages for overtime compensation, but they were not paid for all overtime hours worked.

California Labor Code sections 226.7 and 512 require employers to pay an employee one additional hour of pay at the employee's regular rate for each workday that a meal or rest break is not provided. During the relevant time period, Defendants routinely required Plaintiffs and other aggrieved employees to work through, interrupt, cut short, and/or delay their meal and rest breaks to comply with Defendants' policies and expectations. Defendants also failed to adequately staff its facilities and provide coverage to Plaintiffs and other aggrieved employees so they may be relieved of all work duties and take legally compliant meal and rest breaks. Moreover, Defendants failed to authorize and permit Plaintiffs and other aggrieved employees to take the requisite number of meal and rest breaks, including second meal breaks and third rest breaks, when working shifts exceeding 10 hours in length. Despite these facts, Defendants failed to compensate Plaintiffs and other aggrieved employees all the premium wages they were owed, including at the regular rate of pay, due to Defendants' failure to include non-discretionary bonuses and incentives in Plaintiffs' and other aggrieved employees' regular rate of pay for purposes of meal or rest period premiums.

California Labor Code section 201 requires that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately. California Labor Code section 202 requires that if an employee not having a written contract for a definite period quits his or her employment, his or her wages shall become due and payable not later than 72 hours thereafter, unless the employee has given 72 hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting. California Labor Code section 203 provides that if an employer willfully fails to pay, without abatement or reduction, in accordance with Labor Code sections 201, 201.3, 201.5, 201.6, 201.8, 201.9, 202, and 205.5, any wages of an employee who is discharged or who quits, the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until an action therefor is commenced; but the wages shall not continue for more than 30 days. During the relevant time period, Defendants failed to pay Plaintiffs and other aggrieved employees all wages (including for the reasons specified above), unpaid overtime and doubletime premiums, premium wages for failing to provide legally mandated meal and rest breaks, and accrued and unused vacation/PTO, due to them within any time period specified by California Labor Code sections 201 and 203 and therefore are liable under California Labor Code section 203.

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. During the relevant time period, Defendants failed to pay Plaintiffs and other aggrieved employees all wages due to them (including for the reasons specified above), unpaid overtime and doubletime premiums, premium wages for failing to provide legally mandated meal and rest breaks, and accrued and unused sick pay, due to them within any time period specified by California Labor Code section 204.

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California Labor Code section 226 requires employers to make, keep and provide complete and accurate itemized wage statements to their employees. During the relevant time period, Defendants did not provide Plaintiffs and other aggrieved employees with complete and accurate itemized wage statements. The wage statements they received from Defendants were in violation of California Labor Code section 226(a). The violations include, but are not limited to, the failure to include (1) gross wages earned by Plaintiffs and other aggrieved employees, (2) total hours worked by Plaintiffs and other aggrieved employees, (3) the number of piece-rate units earned and any applicable piece rate by Plaintiffs and other aggrieved employees (4) all deductions for Plaintiffs and other aggrieved employees, (5) net wages earned by Plaintiffs and other aggrieved employees, (6) the inclusive dates of the period for which Plaintiffs and other aggrieved employees are paid, (7) the name of the aggrieved employee and only the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by Plaintiffs and other aggrieved employees.

California Labor Code section 558 allows recovery of penalties: (a) Any employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provision regulating hours and days of work in any order of the Industrial Welfare Commission shall be subject to a civil penalty. Plaintiffs and other aggrieved employees have been denied their wages and premium wages and, therefore, are entitled to penalties.

California Labor Code sections 1174(d) requires an employer to keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept with rules established for this purpose by the commission, but in any case, shall be kept on file for not less than three years. During the relevant time period, Defendants failed to keep accurate and complete payroll records showing the hours worked daily and the wages paid, to Plaintiffs and other aggrieved employees.

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California Labor Code sections 1194, 1197 and 1197.1 provide the minimum wage to be paid to employees, and the payment of a lesser wage than the minimum so fixed is unlawful. During the relevant time period, Defendants did not provide Plaintiffs and other aggrieved employees with the minimum wages to which they were entitled despite constructive and actual knowledge of off-the-clock work, including pre- and post-shift, donning and doffing uniforms, being debriefed regarding patients' conduct during the prior shift, waiting in line for COVID testing and to clock-in and during meal breaks, time that was not paid due to Defendants' time shaving and unlawful rounding practice, and time for work performed in excess of a valid alternative workweek and/or all hours worked that constituted overtime or doubletime due to a non-compliant alternative workweek.

Defendants violated Section 5 of the applicable Wage Order by requiring aggrieved employees to report to work on the day of their scheduled shift or be on call, did not put them to work or furnished less than half of their usual day's work, and did not pay them their required Reporting Time Pay of at least two (2) hours nor more than four (4) hours at the employee's regular rate of pay.

California Labor Code sections 2800 and 2802 require an employer to reimburse its employee for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. During their employment, Plaintiffs and other aggrieved employees incurred necessary business-related expenses and costs that were not fully reimbursed by Defendants, including for purchasing equipment (like scrubs) they were required to wear as part of their uniform while working, using their personal cell phones for communicating with nurses and doctors, using their personal vehicles for transporting samples, personal protective equipment like masks, gloves, face masks, etc., and other business reimbursements.

We believe that Plaintiffs and other current and former California-based hourly-paid or non-exempt employees are entitled to penalties as allowed under California Labor Code section 2698, *et seq.* for violations of Labor Code sections 201, 202, 203, 204, 210, 218.5, 221, 226(a), 226.3, 226.7, 227.3, 246, 510, 512(a), 558, 1174(d), 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 2800 and 2802, and the IWC Wage Orders.

California Labor Code section 2699.3 requires that a claimant send a certified letter to the employer in questions and the California Labor & Workforce Development Agency setting forth the claims, and the basis for the claims, thereby giving the California Labor & Workforce Development Agency an opportunity to investigate the claims and/or take any action it deems appropriate.

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LWDA
March 22, 2024
Page 7 of 7

The purpose of this letter is to satisfy the requirement created by California Labor code section 2699 prior to seeking penalties allowed by law for the aforementioned statutory violations. We look forward to determining whether California Labor & Workforce Development Agency intends to take any action in reference to these claims. We kindly request that you respond to this notice according to the time frame contemplated by the California Labor Code.

If you have any questions or require additional information, please do not hesitate to contact us. Thank you for your attention to this matter and the noble cause you advance each and every day.

Very truly yours,

JUSTICE LAW CORPORATION

A handwritten signature in black ink, appearing to read 'D. Han', with a stylized flourish at the end.

Douglas Han, Esq.

CC: (By Certified U.S. Mail Only):

Timothy Hodge
c/o Compass Health, Inc.
200 South 13th Street, Suite 208
Grover Beach, California 93433
Agent for Service of Process for Compass Health, Inc.

CC: (By Electronic Mail Only):

Peter Choi, Esq.
pchoi@grsm.com
GORDON REES SCULLY MANSUKHANI, LLP
Counsel of Record for Compass Health, Inc.

**PROOF OF SERVICE
1013A(3) CCP**

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is 751 N. Fair Oaks Ave., Ste. 101 Pasadena, California 91103.

On April 29, 2024, I served the foregoing document(s) described as

**SECOND AMENDED CLASS ACTION COMPLAINT FOR
DAMAGES & ENFORCEMENT UNDER THE PRIVATE ATTORNEYS
GENERAL ACT, CALIFORNIA LABOR CODE § 2698 ET SEQ.**

on interested parties in this action by emailing a true and correct copy thereof to the email addresses as follows:

Debra Ellwod Meppen (dmeppen@grsm.com)
Dina S. Glucksman (dglucksman@grsm.com)
Justin L. Wilson (jlwilson@grsm.com)
Matthew T. Theriault (mtheriault@grsm.com)

Legal Staff:

Susana M. Tello (stello@grsm.com)
Marlo Salinas (msalinas@grsm.com)

GORDON REES SCULLY

MANSUKHANI, LLP

633 West Fifth Street, 52nd Floor
Los Angeles, California 90071
Attorney(s) for Defendant Compass Health, Inc.

Sara A. Moore (smoore@grsm.com)
Rachel Winterle (rwinterle@grsm.com)

Legal Staff:

Julie Vernon (jvernon@grsm.com)

GORDON REES SCULLY

MANSUKHANI, LLP

275 Battery Street, Suite 2000
San Francisco, California 94111
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Jonathan M. Lebe (jon@lebelaw.com)
Brielle Edborg (brielle@lebelaw.com)

Legal Staff:

Diana Lopez (diana@lebelaw.com)

LEBE LAW, APLC

777 S. Alameda Street, Second Floor
Los Angeles, California 90021
Attorney(s) for Plaintiff Tam Farias

[X] BY E-MAIL

The above-referenced document was transmitted to the addressee(s) at the e-mail addresses listed herein, which are their most recently known e-mail addresses or e-mail addresses of record in this action. I did not receive, within reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

[X] STATE

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on April 29, 2024, at Pasadena, California.



Sophia Hanneyan

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I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is 751 N. Fair Oaks Avenue, Suite 101, Pasadena, CA 91103 and my electronic service address is shanneyan@justicelawcorp.com

**SECOND AMENDED CLASS ACTION COMPLAINT FOR
DAMAGES & ENFORCEMENT UNDER THE PRIVATE ATTORNEYS
GENERAL ACT, CALIFORNIA LABOR CODE § 2698 *ET SEQ.***

for the following case: **Farias, et al. vs. Compass Holdings, Inc., et al.**
 LWDA/Court Case No.: **LWDA Case No.: CM-794771-20**
LWDA Case No.: CM-824934-21
Lead Case No. 20CV-0427 – Consolidated with Case No. 20CV-0516
San Luis Obispo County Superior Court

on interested parties in this action by electronically submitting as follows:

State of California
Labor & Workforce Development Agency
800 Capitol Mall, MIC-55
Sacramento, California 95814

[X] BY ELECTRONIC SUBMISSION
Pursuant to California Senate Bill No. 836, I caused the documents described above to be electronically submitted by and through the procedure stated on the website of the State of California Labor and Workforce Development Agency.

[X] STATE
I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on April 30, 2024, at Pasadena, California.

Shushi
Sophia Hanneyan