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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

JACK PETERSON,

Plaintiff,

vs.

ADVANCED HOUSE SOBER LIVING
LLC; CHRISTOPHER RUDD; and DOES 1
to 25, inclusive,

Defendants.

) CASE NO.: 21STCV05151

)
) COMPLAINT FOR DAMAGES FOR:

-) 1) FAILURE TO COMPENSATE FOR
) ALL HOURS WORKED;
) 2) FAILURE TO PAY MINIMUM
) WAGES
) 3) FAILURE TO PAY OVERTIME;
) 4) FAILURE TO PROVIDE
) ACCURATE ITEMIZED WAGE
) STATEMENTS;
) 5) FAILURE TO PAY WAGES OWED
) EVERY PAY PERIOD;
) 6) FAILURE TO PAY WAGES WHEN
) EMPLOYMENT ENDS;
) 7) VIOLATION OF LABOR CODE
) SECTION 558;
) 8) FAILURE TO MAINTAIN
) ACCURATE RECORDS;
) 9) FAILURE TO GIVE REST BREAKS;
) 10) FAILURE TO GIVE MEAL BREAKS
) 11) FAILURE TO REIMBURSE
) BUSINESS EXPENSES;
) 12) PRIVATE ATTORNEYS GENERAL
) ACT ("PAGA");
) 13) VIOLATION OF CALIFORNIA
) BUSINESS AND PROFESSIONS
) CODE SECTION 17200.

) DEMAND FOR JURY TRIAL
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COMES NOW Plaintiff, JACK PETERSON (hereinafter “Plaintiff”), and alleges as follows:

PARTIES, JURISDICTION, VENUE

1. Jurisdiction and Venue are proper in this Court and this action is properly filed in the County of Los Angeles in this judicial district because Defendants ADVANCED HOUSE SOBER LIVING LLC; CHRISTOPHER RUDD and DOES 1 to 25, inclusive (hereinafter collectively known as “Defendants” or “ADVANCED HOUSE”), do business in the County of Los Angeles and because Defendants’ obligations and liabilities arise therein, and because the work that was performed by Plaintiff in the County of Los Angeles is the subject of this action. Moreover, Plaintiff’s damages sought herein exceed \$25,000.

2. Plaintiff is a male resident of the County of Los Angeles, State of California.

3. Plaintiff is informed and believes that at all times herein mentioned, Defendant ADVANCED HOUSE SOBER LIVING LLC is and was a California corporation, doing business in Los Angeles County, California and which employed Plaintiff.

4. Plaintiff is informed and believes that at all times herein mentioned, Defendant CHRISTOPHER RUDD is male resident of the County of Los Angeles, State of California, and the owner and managing agent of ADVANCED HOUSE SOBER LIVING LLC. Plaintiff is informed and believes and thereon alleges that CHRISTOPHER RUDD managed and was directly involved in the day-to-day operations of ADVANCED HOUSE SOBER LIVING LLC and controlled the wages, hours, and working conditions of Plaintiff and others similarly situated. CHRISTOPHER RUDD is being included in this lawsuit pursuant to Labor Code Section 558.1.

5. Plaintiff is ignorant of the true names and capacities, whether individual, corporate, or

1 associate of those defendants fictitiously sued as DOES 1 to 25, inclusive, and so Plaintiff sues
2 them by these fictitious names. Plaintiff is informed and believes that each of the DOE
3 defendants, numbers 1 to 25, reside in the State of California and are in some manner
4 responsible for the conduct alleged herein. Upon discovering the true names and capacities of
5 these fictitiously named defendants, Plaintiff will amend this complaint to show the true names
6 and capacities of these fictitiously named defendants.

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8 6. Unless otherwise alleged in this complaint, Plaintiff is informed, and on the basis of
9 that information and belief, alleges that at all times herein mentioned, each of the remaining
10 codefendants, in doing the things hereinafter alleged, were acting within the course, scope, and
11 under the authority of their agency, employment, or representative capacity, with the consent
12 of his/her codefendants.

13 14 **GENERAL ALLEGATIONS**

15 7. Plaintiff started working for ADVANCED HOUSE on or around May 2019. His
16 employment with them ended on or around June 2020. Initially, Plaintiff was illegally
17 misclassified as an independent contractor. Later, Plaintiff was classified as an exempt
18 employee and was earning a salary of \$2000/month, which later became \$2500/month or
19 \$30,000 for the year.

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21 8. Plaintiff's job title was "House Manager" and his job duties included coordinating
22 transportation, billing, monitoring the patients, drug testing the patients, among other tasks. If
23 Plaintiff was truly supposed to be an exempt, salaried employee, he does not meet the Salary
24 Test under California law (even with the fact that he was living on the premises) as he was
25 grossly underpaid. Plaintiff was supposed to be classified as an hourly, non-exempt employee and
26 was supposed to be entitled to the minimum wage, overtime, and statutory meal and rest
27 breaks.
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1 9. It is Plaintiff's position that ADVANCED HOUSE has violated numerous Labor Code
2 Sections against Plaintiff and other similarly situated aggrieved employees, who include all
3 exempt, salaried and non-exempt, hourly employees who worked for ADVANCED HOUSE
4 during the relevant PAGA period, including those individuals who were misclassified as 1099
5 independent contractors, but should have been classified as either hourly, non-exempt
6 employees or exempt, salaried employees.

8 10. ADVANCED HOUSE violated Labor Code section 226.8. Pursuant to Labor Code
9 section 226.8(a)(1), it is unlawful for any person or employer to willfully misclassify an
10 individual as an independent contractor. "Willful misclassification means avoiding employee
11 status for an individual by voluntarily and knowingly misclassifying that individual as an
12 independent contractor." Cal. Lab. Code Section 226.8(i)(4). If a person or employer has
13 willfully misclassified an individual as an independent contractor, the person or employer shall
14 be subject to a civil penalty of not less than five thousand dollars (\$5,000) and not more than
15 fifteen thousand dollars (\$15,000) for each violation, in addition to any other penalties or fines
16 permitted by law. Cal. Lab. Code Section 226.8(b). If the person or employer has engaged in or
17 is engaging in a pattern or practice of willfully misclassifying individuals as independent
18 contractors, the person or employer shall be subject to a civil penalty of not less than ten
19 thousand dollars (\$10,000) and not more than twenty-five thousand dollars (\$25,000) for each
20 violation, in addition to any other penalties or fines permitted by law. Cal. Lab. Code Section
21 226.8(c).

22 11. In a very important decision, Dynamex Operations v. Superior Court (2018) 4 Cal. 5th
23 903, the Supreme Court developed the "ABC TEST" to determine whether an independent
24 contractor is an employee. Under the ABC TEST, a worker will be deemed to have been
25 "suffered or permitted to work," and thus, an employee for wage order purposes, unless the
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1 putative employer proves:

2 (A) that the worker is free from the control and direction of the hiring entity in connection
3 with the performance of the work, both under the contract for the performance of the work
and in fact;

4 (B) that the worker performs work that is outside the usual course of the hiring entity's
5 business; and

6 (C) that the worker is customarily engaged in an independently established trade,
7 occupation, or business of the same nature as the work performed.

8 Note that each of these requirements need to be met in order for the presumption that a
9 worker is an employee to be rebutted, and for a court to recognize that a worker has been
10 properly classified as an independent contractor.

11 12. Here, it is unequivocally clear that ADVANCED HOUSE would not be able to get past
12 the second part of the test since Plaintiff and others (as the House Managers and as other
13 employees who monitored and took care of the patients) were unequivocally doing work
14 related to ADVANCED HOUSES's core business of being a sober living facility. As such,
15 ADVANCED HOUSE willfully misclassified Plaintiff and other aggrieved employees as
16 independent contractors. Moreover, there was plenty of control by ADVANCED HOUSE as it
17 related to Plaintiff's and others' job duties, work schedules, and working conditions.
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19 13. ADVANCED HOUSE violated Labor Code § 1194, 1194.2, 1197, and 1197.1 because
20 it failed to pay Plaintiff and other similarly situated aggrieved employees for all hours worked,
21 including the statutory minimum wage for all hours worked and for "off the clock" work.
22 Plaintiff and other similarly situated aggrieved employees would often complete work tasks
23 after work hours since they lived on the premises and would even work on the weekends.
24 Although his typical schedule pre-covid was 5 days per week from 8am to 4pm, he would
25 always work past his scheduled hours, especially since he was living on the premises and had
26 to tend to the needs of patients. ADVANCED HOUSE did not schedule anyone to work at
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1 nights even though there were plenty of incidents that occurred. As such, Plaintiff and others
2 would have to deal with the nightly incidents between the hours of 12am and 7am. There were
3 also instances where Plaintiff would work “off the clock” to assist “John”, the other House
4 Manager. ADVANCED HOUSE and management unequivocally knew of the “off the clock”
5 work but failed to compensate Plaintiff and other similarly situated aggrieved employees for all
6 hours worked, which translates into a minimum wage violation. It is also important to note that
7 during covid-19, Plaintiff and others worked 7 days per week. It is also important to note that
8 there was no timekeeping system at ADVANCED HOUSE whatsoever and so the employer
9 was not even able to keep accurate track of the hours worked by the employees.
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11 14. Due to the above “off the clock” violations, ADVANCED HOUSE also violated Labor
12 Code §510 because it failed to pay Plaintiff and other aggrieved employees overtime
13 compensation, even though they worked more than 8 hours per day, 12 hours per day, and/or
14 40 hours per week throughout their employment. Plaintiff’s and other aggrieved employees’
15 actual work hours entitled them to overtime compensation, however, ADVANCED HOUSE
16 did not compensate its hourly, non-exempt employees with overtime. Due to the fact that the
17 employees were misclassified, overtime was not part of the company policy.
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19 15. ADVANCED HOUSE also violated Labor Code § 226.7 and the appropriate Industrial
20 Welfare Commission Wage Order no. 4 or 5 because it failed to provide Plaintiff and other
21 similarly situated aggrieved employees with 10-minute rest periods for every four hours of
22 work, or majority portion thereof, throughout their employment. ADVANCED HOUSE did
23 not completely relieve Plaintiff and others of all duty during said rest periods. ADVANCED
24 HOUSE did not pay to Plaintiff and others one additional hour of pay at Plaintiff’s regular rate
25 of compensation for each workday that one or more statutory rest periods was not provided. It
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1 was not part of the company policy for employees such as Plaintiff to take rest breaks. The
2 concept of rest breaks was never discussed with employees nor was it ever implemented as it
3 was not company policy. Moreover, it would not have been possible for employees such as
4 Plaintiff to take such rest breaks due to a major understaffing problem at ADVANCED
5 HOUSE. As such, the culture at ADVANCED HOUSE did not lend itself to the employees
6 receiving statutory rest breaks wherein they were relieved of all work duties. The environment
7 at ADVANCED HOUSE was not conducive to receiving statutory rest breaks under California
8 law and timely, statutory rest breaks were not authorized or enforced, especially because
9 Plaintiff and others were misclassified.

11 16. ADVANCED HOUSE violated Labor Code §§ 512 and 226.7 along with Industrial
12 Welfare Commission Wage Order no. 4 or 5 because it failed to provide hourly, non-exempt
13 employees, including Plaintiff and others, the requisite 30-minute, uninterrupted meal periods
14 for every five (5) hours of work throughout their employment. ADVANCED HOUSE did not
15 completely relieve Plaintiff and other employees of all duty during said meal periods.

17 ADVANCED HOUSE did not pay to Plaintiff and its hourly, non-exempt employees one
18 additional hour of pay at their regular rate of compensation for each workday that one or more
19 statutory meal periods was not provided. The hourly, non-exempt employees would often not
20 be able to receive their meal breaks at all, certainly not before the 5th hour and certainly not an
21 uninterrupted, 30-minute meal break. Plaintiff and others would be lucky if they can leave the
22 premises for 10-minutes to go grab food and come back, but the owner Christopher Rudd
23 started complaining about this practice, so Plaintiff stopped doing that. As such, he literally
24 would not have the ability or opportunity to take uninterrupted, timely, and complete meal
25 breaks wherein he was relieved of all work duties. Like the rest breaks, receiving a thirty-
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1 minute uninterrupted and timely meal break was not part of the company culture and was not
2 enforced by ADVANCED HOUSE. Consequently, it was the normal practice and custom of
3 ADVANCED HOUSE not to authorize, permit, and enforce timely statutory meal periods.
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5 17. Furthermore, during the relevant time period and based on the above, ADVANCED
6 HOUSE failed to pay Plaintiff and others all wages due to them within any time period
7 specified by California Labor Code section 204.

8 18. ADVANCED HOUSE was also in violation of California Labor Code section 226(a),
9 by failing to include pertinent information on the wage statements, including but not limited to,
10 the full and correct name of the legal employer along with the employer's correct legal address,
11 all hours worked (including "off the clock" hours and overtime), all applicable hourly rates in
12 effect, the correct identifying information for each employee, gross wages earned, net wages
13 earned, premium pay for the missed meal and rest breaks, the correct start and end of the pay
14 period, all deductions, and business expense reimbursement, among others. As such,
15 ADVANCED HOUSE did not provide Plaintiff and other similarly situated aggrieved
16 employees with complete, accurate itemized wage statements. During the relevant time period,
17 ADVANCED HOUSE also failed to keep accurate and complete payroll records showing the
18 actual hours worked per day and the wages paid to Plaintiff and others pursuant to California
19 Labor Code sections 1174(d).
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22 20. ADVANCED HOUSE also violated Labor Code § 203 because it willfully failed to pay
23 Plaintiff and other similarly situated aggrieved employees earned and due wages upon
24 separation of employment, either immediately upon involuntary termination, or within 72
25 hours of resignation. These earned but unpaid wages include compensation for all hours
26 worked, including minimum wages, overtime compensation, premium pay for missed meal and
27 rest breaks, and business expense reimbursement.
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21. Also, during the relevant time period, Plaintiff and other aggrieved employees incurred necessary, business-related expenses and costs that were not reimbursed by ADVANCED HOUSE. These costs include, but are not limited to, the use of personal cell phones for work purposes. In fact, Plaintiff would his personal cell phone for all company communications, including ordering “Lyfts” and “Ubers”, communicating with the owner Mr. Rudd, communicating with clients and with the IOPs (intensive outpatient treatment facilities). Moreover, Plaintiff routinely paid out of pocket for items such as having supplies and groceries delivered to the house via Amazon Prime or paying for Lyft/Uber rides for clients (when the company Uber declined). Although management and ownership knew about the fact that Plaintiff and others would spend money out of his pocket for work-related items, it was a battle for him to get reimbursed and he often would not get reimbursed. Plaintiff would also have to use his personal vehicle for work purposes in driving patients to the airport or getting medication but was not reimbursed his mileage/gas. Accordingly, ADVANCED HOUSE was in violation of California Labor Code sections 2800 and 2802. Moreover, ADVANCED HOUSE failed to provide sick pay pursuant to Labor Code section 246 and also failed to provide Worker’s Compensation coverage for Plaintiff and other aggrieved employees in violation of Labor Code Section 3700.5.

FIRST CAUSE OF ACTION

FAILURE TO COMPENSATE FOR ALL HOURS WORKED

(California Industrial Welfare Commission Order 4/5-2001, California Code of Regulations Title 8 Section 11040/11050, and California Labor Code Section 1198)

(Plaintiff against all named defendants and all DOE defendants)

22. Plaintiff re-alleges and incorporates by reference each and every allegation in paragraphs 1 through 21, inclusive, of this Complaint as though fully set forth herein.

1 23. At all times relevant herein, Defendants were required to compensate its employees
2 for all hours worked upon reporting for work at the appointed time stated by the employer
3 pursuant to Industrial Welfare Commission Order 4/5-2001, California Code of Regulations,
4 Title 8, Section 11040/11050.

5 24. For the three (3) years preceding filing of this action, Defendants failed to compensate
6 Plaintiff for all hours worked.

7 25. Under the aforementioned wage order and regulations, Plaintiff is to recover
8 compensation for all hours worked but not paid by Defendants for the three (3) years
9 preceding the filing of this Complaint.

10 26. As a proximate result of the aforementioned violations, Plaintiff has been damaged in
11 an amount according to proof at time of trial, but in an amount in excess of the jurisdiction of
12 this Court.

13 27. Defendants' conduct described herein violates Labor Code Section 512, 558, 1194,
14 and 1198. Therefore, pursuant to Labor Code Sections 218.5, 512, 558, and 1194, Plaintiff is
15 entitled to recover damages for the nonpayment of wages for all hours worked, penalties, plus
16 reasonable attorney's fees and costs of suit.

17 28. Under this cause of action, Plaintiff prays for penalties due under the statutes alleged
18 along with any allowable interest, penalties, attorney's fees, and costs which will equal an
19 amount known to Plaintiff once he has obtained all of his payroll records from
20 Defendants.

21 **SECOND CAUSE OF ACTION**

22 **FAILURE TO PAY MINIMUM WAGES**

23 **(California Labor Code Sections 1194, 1194.2, 1197)**

24 **(Plaintiff against all named defendants and all DOE defendants)**

25 29. Plaintiff re-alleges and incorporates by reference each and every allegation in
26 paragraphs 1 through 28, inclusive, of this Complaint as though fully set forth herein.

27 30. Pursuant to Labor Code Sections 1194, 1194.2 and 1197, it is unlawful for an
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1 employer to suffer or permit a California employee to work without paying wages at the
2 minimum wage rate for all hours worked as required by the applicable Industrial Welfare
3 Commission Wage Order No. 4/5-2001, codified at California Code of Regulations,
4 Title 8, Section 11040/11050, subdivision 4.

5 31. Pursuant to IWC Wage Order no. 4/5-2001, subdivision 2(K), at all relevant times,
6 “hours worked” included “the time during which an employee is subject to the control of an
7 employer, and includes all the time the employee is suffered or permitted to work, whether or
8 not required to do so...”

9 32. During his employment, Plaintiff was regularly required as a matter of uniform
10 policy and practice to work, and in fact worked, as an employee of Defendants and Plaintiff
11 was paid less than the minimum wage rate by Defendants for hours worked in violation of
12 California Labor Code Section 1197 and the applicable California Industrial Wage
13 Commission wage order(s).

14 33. Plaintiff was, at all relevant times, under the control of Defendants and suffered or
15 permitted to work by Defendants. Defendants’ acts or omissions in failing to adequately
16 compensate Plaintiff were not in good faith nor were there reasonable grounds for Defendants
17 to believe that their acts or omissions were not contrary to California law.

18 34. For all hours worked by Plaintiff for which he was paid less than the minimum wage
19 rate by Defendants, Plaintiff is entitled to not less than the applicable California minimum
20 wage rate and, pursuant to Labor Code Section 1194.2(a), liquidated damages in an amount
21 equal to unpaid minimum wages and interests thereon. Pursuant to Labor Code Section 1194,
22 Plaintiff is also entitled to attorney’s fees, costs and interests according to proof.

23 35. Under this cause of action, Plaintiff prays for penalties due under the statutes alleged
24 along with any allowable interest, penalties, attorney’s fees, and costs according to proof at
25 trial.

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FAILURE TO PAY OVERTIME

(Plaintiff against all named defendants and all DOE defendants)

43. Plaintiff worked at least one pay period in which he was not properly paid overtime within the three (3) years prior to the initiation of this lawsuit.

1 44. Defendants know or should know the actual dates of overtime worked, the amount of
2 overtime worked, and the amount of unpaid overtime due.

3 45. As a proximate result of Defendants' violations, Plaintiff has been damaged in an
4 amount according to proof at time of trial, but in an amount in excess of the jurisdiction of this
5 Court.

6 46. Pursuant to California Labor Code Sections 218.6, 510, 1194, and California Code of
7 Regulations, Title 8, Sections 11050, Plaintiff is entitled to recover damages for the
8 nonpayment of overtime premiums for all overtime hours worked, penalties, interest, plus
9 reasonable attorney's fees and costs of suit.

10 47. Under this cause of action, Plaintiff prays for penalties due under the statutes alleged
11 along with any allowable interest, penalties, attorney's fees, and costs according to proof at
12 trial.

13 **FOURTH CAUSE OF ACTION**

14 **FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS**

15 **(California Labor Code Section 226)**

16 **(Plaintiff against all named defendants and all DOE defendants)**

17 48. Plaintiff re-alleges and incorporates by reference each and every allegation in
18 paragraphs 1 through 47, inclusive, of this Complaint as though fully set forth herein.

19 49. Pursuant to California Labor Code Section 226, every employer must furnish each
20 employee an itemized statement of wages and deductions at the time of payment of wages.

21 50. Defendants knowingly and intentionally did not furnish Plaintiff with any pay stubs that
22 accurately reflected all information required by Labor Code Section 226, including but not
23 limited to, gross wages earned, including overtime, net wages earned, total hours worked by
24 the employee, all deductions, and premium pay for missed meal breaks and rest breaks.
25 Therefore, Defendants failed to maintain and provide accurate itemized wage statements to
26 Plaintiff in accordance with California Labor Code Section 226(a).

27 51. Pursuant to California Labor Code Section 226(e), Plaintiff is entitled to recover the
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greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one hundred dollars (\$100) per employee for each violation in a subsequent pay period, not exceeding an aggregate amount of four thousand dollars (\$4,000), plus costs and reasonable attorney's fees. Plaintiff only claims damages under this cause of action pursuant to the 1-year period immediately preceding the date this lawsuit was filed.

52. As a direct and proximate result of Defendants' unlawful conduct, Plaintiff has sustained damages, including loss of earnings, in an amount to be established at trial. As a further direct and proximate result of Defendants' unlawful conduct, as set forth herein, Plaintiff is entitled to recover penalties, in an amount to be established at trial, as well as costs and attorney's fees pursuant to statute.

53. Under this cause of action, Plaintiff prays for penalties due under the statutes alleged along with any allowable interest, penalties, attorney's fees, and costs according to proof at trial.

FIFTH CAUSE OF ACTION

FAILURE TO PAY WAGES OWED EVERY PAY PERIOD

(California Labor Code Section 204)

(Plaintiff against all named defendants and all DOE defendants)

54. Plaintiff re-alleges and incorporates by reference each and every allegation in paragraphs 1 through 53, inclusive, of this Complaint as though fully set forth herein.

55. California Labor Code Section 204 establishes the fundamental right of all employees in the State of California to be paid wages in a timely fashion for their work.

56. At all times relevant during the liability period, Defendants failed to pay Plaintiff the full amount of all owed wages when due as required by California Labor Code Section 204.

57. Defendants failed to pay Plaintiff all wages earned each pay period. Plaintiff is informed, believes, and thereon alleges, that all times relevant during the liability period, Defendants maintained a policy or practice of not paying Plaintiff wages for all hours worked, including overtime hours and premium pay for missed rest breaks and meal breaks.

58. As a result of Defendants' unlawful conduct, Plaintiff has suffered damages in an amount, subject to proof, to the extent he was not paid all wages each pay period. The precise amount of unpaid wages is not presently known to Plaintiff but can be determined directly from Defendants' records or indirectly based on information from Defendants' records.

59. Under this cause of action, Plaintiff prays for penalties due under the statutes alleged along with any allowable interest, penalties, attorney's fees, and costs according to proof at trial.

SIXTH CAUSE OF ACTION

FAILURE TO PAY WAGES WHEN EMPLOYMENT ENDS

(California Labor Code Sections 201, 202, 203)

(Plaintiff against all named defendants and all DOE defendants)

60. Plaintiff re-alleges and incorporates by reference each and every allegation in paragraphs 1 through 59, inclusive, of this Complaint as though fully set forth herein.

61. Pursuant to California Labor Code Section 201(a), an employer who discharges an employee must immediately pay for all compensation due and owing.

62. Pursuant to California Labor Code Section 202, when an employee resigns, the employer must pay all compensation due and owing within 72 hours of resignation, or on the employee's last day of work, if the employee gives more than 72 hours notice of resignation.

63. Pursuant to California Labor Code Section 203, if an employer willfully fails to pay, without abatement or reduction, any wages of an employee whose employment ends, the wages of the employee shall continue as a penalty from the due date at the same rate until paid or until an action is commenced; however, the wages shall not continue for more than 30 days for failure to pay an employee owed wages.

64. After Plaintiff's employment with Defendants ended, Defendants willfully refused and continue to refuse to pay him unpaid wages as required by Labor Code Section 203.

65. Under this cause of action, Plaintiff prays for penalties due under the statutes alleged

1 along with any allowable interest, penalties, attorney's fees, and costs according to proof at
2 trial. Moreover, Plaintiff prays for the above-mentioned money from 3 years immediately
3 preceding the filing of this lawsuit.

4 66. Under this cause of action, Plaintiff also prays for attorney's fees and costs under
5 California Labor Code Section 218.5 for time spent pursuing the non-payment of wages as set
6 forth herein. Plaintiff also prays for interest under California Labor Code Section 218.6.

7 67. Under this cause of action, Plaintiff prays for penalties due under the statutes alleged
8 along with any allowable interest, penalties, attorney's fees, and costs according to proof at
9 trial.

10 **SEVENTH CAUSE OF ACTION**
11 **VIOLATION OF LABOR CODE SECTION 558**
12 **(California Labor Code Section 558)**

13 **(Plaintiff against all named defendants and all DOE defendants)**

14 68. Plaintiff re-alleges and incorporates by reference each and every allegation in
15 paragraphs 1 through 67, inclusive, of this Complaint as though fully set forth herein.

16 69. California Labor Code Section 558 states that any person acting on behalf of an
17 employer who violates, or causes to be violated, a section of this chapter or any provision
18 regulating hours and days of work in any order of the Industrial Welfare Commission shall be
19 subject to a civil penalty for any initial violation, fifty dollars (\$50) for each underpaid
20 employee for each pay period for which the employee was underpaid in addition to an amount
21 sufficient to recover underpaid wages. The civil penalty for each subsequent violation is one
22 hundred dollars (\$100) for each underpaid employee for each pay period for which the
23 employee was underpaid in addition to an amount sufficient to recover underpaid wages.
24 Plaintiff claims penalties for five (5) years immediately preceding the date this lawsuit was
25 filed.

26 70. Plaintiff hereby alleges that named Defendants violated Labor Code Section 558. Thus,
27 Defendants are subject to civil penalties under the following laws:
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- 1 a. California Labor Code Section 558. Defendants failed to pay Plaintiff regular
2 wages, including minimum wage as well as overtime wages for overtime hours
3 worked and premium pay for missed meal breaks and rest breaks. As such,
4 Defendants violated Section 558 under which penalties are due. Plaintiff therefore
5 prays for penalties of \$50.00 for the first pay period and \$100.00 for each
6 subsequent violation for each pay period for which Plaintiff was underpaid in
7 addition to an amount sufficient to recover underpaid wages.
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9 b. California Labor Code Section 218.5 for recovery of costs and attorney's fees for
10 relief associated with Plaintiff's prosecution of this cause of action under California
11 Labor Code Sections 200, et seq. Defendants knowingly violated labor laws by not
12 paying Plaintiff for all hours worked, his overtime hours worked, and premium pay
13 for missed meal breaks and rest breaks.
14
15 c. California Labor Code Section 211 and 218.5 for recovery of costs and attorney's
16 fees for relief associated with Plaintiff's prosecution of this cause of action under
17 California Labor Code Sections 200, et seq.

18 71. Under this cause of action, Plaintiff prays for all penalties and pay otherwise due under
19 the statutes, regulations, and wage orders alleged in this cause of action along with any
20 allowable interest, penalties, attorney's fees, and costs according to proof at trial.

21 72. Plaintiff also prays for Labor Code Section 211 and 218.5 recovery of costs and
22 attorney's fees for the time Plaintiff's attorney spent prosecuting this cause of action.

23 **EIGHTH CAUSE OF ACTION**

24 **FAILURE TO MAINTAIN ACCURATE RECORDS**

25 **(California Labor Code Section 1174(d))**

26 **(Plaintiff against all named defendants and all DOE defendants)**

27 73. Plaintiff re-alleges and incorporates by reference each and every allegation in
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1 paragraphs 1 through 72, inclusive, of this Complaint as though fully set forth herein.

2 74. Labor Code section 1174(d) requires that employers, including Defendants, maintain
3 accurate records showing the hours worked daily by its employees and to whom wages were
4 paid.

5 75. Additionally, the “Records” section of the applicable IWC Wage Order obligates the
6 employer, including Defendants, to keep accurate information with respect to each one of their
7 employees including, but not limited to, the total wages paid each payroll period, and time
8 records showing when the employee begins and ends each work period, meal periods, split
9 shift intervals; the total daily hours worked; the total hours worked in the payroll period, and
10 the applicable rates of pay.

11 76. Pursuant to Labor Code section 1174.5, any person employing labor who willfully fails
12 to maintain accurate and complete records required by Labor Code section 1174(d) is subject
13 to a penalty. On information and belief, Defendants intentionally failed to maintain accurate
14 records of Plaintiff’s total daily hours, including rest breaks and meal breaks, the total hours
15 worked in the payroll period, the applicable rates of pay, and total wages earned for the payroll
16 period.

17 77. As a direct result of Defendants’ violations alleged herein, Plaintiff has suffered and
18 continues to suffer substantial losses related to Defendants’ failure to record and maintain
19 records of meal and rest periods as well as time records.

20 78. Plaintiff seeks all available remedies for Defendants’ violations including, but not
21 limited penalties, and costs to the extent permitted by law and according to proof at trial.

22 **NINTH CAUSE OF ACTION**

23 **FAILURE TO GIVE REST BREAKS**

24 **(Plaintiff against all named defendants and all DOE defendants)**

25 79. Plaintiff re-alleges and incorporates by reference each and every allegation in
26 paragraphs 1 through 78, inclusive, of this Complaint as though fully set forth herein.

27 80. Plaintiff brings this cause of action under the following laws, for the following reasons:
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- 1 a. Title 8 of the California Code of Regulations Sections 11040/11050(12)(A), which
2 provides that every employer shall authorize and permit all employees to take rest
3 periods, which insofar as practicable shall be in the middle of each work period.
4 The authorized rest period time shall be based on the total hours worked daily at the
5 rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof;
6 b. Title 8 of the California Code of Regulations Sections 11040/11050(12)(B), which
7 provides that if an employer fails to provide an employee a rest period in
8 accordance with the applicable provisions of this order, the employer shall pay the
9 employee one (1) hour of pay at employee's regular rate of compensation for each
10 workday that the rest period is not provided;
11 c. Title 8 of the California Code of Regulations sections 11040/11050(20)(A), which
12 penalizes the employer \$50.00 for each initial violation, per employee, of any
13 provision of the Wage Order, and \$100.00 for each additional violation thereafter
14 per employee; and
15 d. California Labor Code section 226.7, which states that (a) no employer shall require
16 any employee to work during any rest period mandated by an applicable order of
17 the Industrial Welfare Commission, and (b) if an employer fails to provide an
18 employee a rest period in accordance with an applicable order of the Industrial
19 Welfare Commission, the employer shall pay the employee one (1) additional hour
20 of pay at employee's regular rate of compensation for each work day that the rest
21 period is not provided.
22
23
24

25 81. Plaintiff alleges that he was not authorized and permitted to take a ten (10) minute
26 rest break after every four (4) hours of work or major fraction thereof, as required by California
27 law.
28

1 82. Under this cause of action, Plaintiff prays for wages due to him under the statutes,
2 regulations, and wage orders alleged in this cause of action along with any allowable interest,
3 penalties, attorney's fees and costs according to proof at trial. Specifically, Plaintiff prays for
4 the foregoing moneys calculated from 3 years immediately preceding the filing of this lawsuit.

5 83. Plaintiff also prays for Labor Code section 218.5 recovery of costs and attorney's
6 fees as well as interest under Labor Code section 218.6.

7 84. Under this cause of action, Plaintiff prays for penalties due under the statutes alleged
8 along with any allowable interest, penalties, attorney's fees, and costs according to proof at
9 trial.

10 **TENTH CAUSE OF ACTION**

11 **FAILURE TO GIVE MEAL BREAKS**

12 **(Plaintiff against all named defendants and all DOE defendants)**

13 85. Plaintiff re-alleges and incorporates by reference each and every allegation in
14 paragraphs 1 through 84, inclusive, of this Complaint as though fully set forth herein.

15 86. Plaintiff brings this cause of action under the following laws, for the following
16 reasons:

- 17
- 18 a. California Labor Code section 512(a), which requires that employees be given a 30-
19 minute uninterrupted meal break after five (5) hours of work, and a second
20 uninterrupted meal break after ten (10) hours of work;
21
- 22 b. California Labor Code section 226.7, which states that (a) no employer shall require
23 any employee to work during any meal period mandated by an applicable order of
24 the Industrial Welfare Commission, and (b) if any employer fails to provide an
25 employee a meal period in accordance with an applicable order of the Industrial
26 Welfare Commission, the employer shall pay the employee one (1) additional hour
27 of pay at the employee's regular rate of compensation for each workday that the
28

meal period is not provided;

- c. California Industrial Welfare Commission Order No. 4/5 section 11(B), as codified under Title 8 of the California Code of Regulations Section 11040/11050, which states that if an employer fails to provide an employee a meal period in accordance with the applicable provisions of the Wage Order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each workday that the meal period is not provided;
- d. California Industrial Welfare Commission Wage Order No. 4/5 Section 7(A)(3), as codified under Title 8 of the California Code of Regulations Section 11040/11050, which requires an employer to maintain records documenting its employees' meal periods;
- e. California Industrial Welfare Commission wage order No. 4/5 Section 20(A), as codified under California Code of Regulations Section 11040/11050, which penalizes the employer \$50.00 for each initial violation, per employee, of any provision of the Wage Order, and \$100.00 for each additional violation thereafter per employee; and
- f. California Labor Code section 1171 and 1173, which have given the California Labor Commission jurisdiction to enact Wage Orders (such as Wage Order nos. 4 and 5) as enforceable law.

87. Plaintiff alleges that he was not authorized and permitted to take relieved meal breaks after five (5) hours of work. Plaintiff further alleges that he was not authorized and permitted to take a second relieved meal break after ten (10) hours of work, as required by California law. California Labor Code section 512(a) and California Industrial Welfare Commission Order No. 4/5, as codified under California Code of Regulations Sections 11040/11050 et. seq. requires

1 that employees receive uninterrupted meal periods every five (5) hours of consecutive work,
2 and that the meal period be at least 30 minutes in length, wherein employee is relieved of all
3 work duty. California Labor Code section 226.7 provides that employers may not require their
4 employees to work through their meal periods. California Labor Code section 226.7 and
5 California Code of Regulations section 11040/11050 requires that if the employer fails to
6 provide the employee with an uninterrupted meal period, the employer must pay the employee
7 one (1) hour of pay for each work day that the meal period is not given.
8

9 88. Under this cause of action, Plaintiff prays for wages due to him under the statutes,
10 regulations, and wage orders alleged in this cause of action along with any allowable interest,
11 penalties, attorney's fees and costs according to proof at trial. Specifically, Plaintiff prays for
12 the foregoing moneys calculated from 3 years immediately preceding the filing of this lawsuit.

13 89. Plaintiff also prays for Labor Code section 218.5 recovery of costs and attorney's
14 fees as well as interest under Labor Code section 218.6.

15 90. Under this cause of action, Plaintiff prays for penalties due under the statutes alleged
16 along with any allowable interest, penalties, attorney's fees, and costs according to proof at
17 trial.

18 **ELEVENTH CAUSE OF ACTION**

19 **FAILURE TO REIMBURSE FOR BUSINESS EXPENSES**

20 **(Plaintiff against all Defendants and DOE Defendants, and each of them)**

21 91. Plaintiff re-alleges and incorporates by reference each and every allegation in
22 paragraphs 1 through 90, inclusive, of this Complaint as thought fully set forth herein.

23 92. Labor Code section 2802 provides that "[a]n employer shall indemnify his or her
24 employee for all necessary expenditures or losses incurred by the employee in direct
25 consequence of the discharge of his or her duties."

26 93. Beginning at least 3 years prior to the filing of this complaint, in order to discharge
27 their duties for Defendants, Plaintiff incurred reasonable and necessary expenses in the course
28

1 of completing his job duties, which were not reimbursed by Defendants. These expenses
2 include, but are not limited to, the use of personal cell phones for work purposes. In fact,
3 Plaintiff would his personal cell phone for all company communications, including ordering
4 “Lyfts” and “Ubers”, communicating with the owner Mr. Rudd, communicating with clients
5 and with the IOPs (intensive outpatient treatment facilities). Moreover, Plaintiff routinely paid
6 out of pocket for items such as having supplies and groceries delivered to the house via
7 Amazon Prime or paying for Lyft/Uber rides for clients (when the company Uber declined).
8 Although management and ownership knew about the fact that Plaintiff and others would
9 spend money out of his pocket for work-related items, it was a battle for him to get reimbursed
10 and he often would not get reimbursed. Plaintiff would also have to use his personal vehicle for
11 work purposes in driving patients to the airport or getting medication but was not reimbursed
12 his mileage/gas.
13

14
15 94. Plaintiff is entitled to reimbursement for these necessary expenditures, plus interest
16 and attorney’s fees and costs, under Labor Code section 2802.

17 **TWELFTH CAUSE OF ACTION**

18 **PRIVATE ATTORNEYS GENERAL ACT**

19 **Representative Claim for PAGA penalties under California Labor Code sections 201,**
20 **202, 203, 204 and/or 204b, 210, 226, 226.3, 226.7, 226.8, 232, 246, 510, 512, 558, 1102.5,**
1174, 1174.5, 1194, 1197.1, 1198, 2802, 3700.5)

21 **(Against All Named Defendants and all DOE Defendants)**

22 95. Plaintiff re-alleges and incorporates by reference each and every allegation in
23 paragraphs 1 through 94, inclusive, of this Complaint as though fully set forth herein.

24 96. Pursuant to law, Plaintiff provided the required written notice to the LWDA and
25 Defendants of the specific violations of the California Labor Code that Defendants and DOE
26 defendants have violated and continue to violate.

27 97. Pursuant to California Labor code section 2699.3, no response was received from the
28

1 LWDA within 65 days of the postmark date of the above-alleged letter.

2 98. Plaintiff therefore has exhausted all administrative remedies required of him under
3 California Labor Code sections 2698, 2699, and 2699.3, and, as a result, may prosecute this
4 cause of action and pursue penalties in a representative action for Defendants' violations of the
5 Labor Code.

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

12 100. Plaintiff is an "aggrieved employee" because Plaintiff was employed by the alleged
13 violator and had one or more of the alleged violations committed against him, and therefore is
14 properly suited to represent the interests of other current and former employees who were
15 either classified as hourly, non-exempt employees or salaried, exempt employees or who were
16 misclassified as 1099 independent contractors, but should have been classified as either hourly,
17 non-exempt employees or salaried, exempt employees and who worked for ADVANCED
18 HOUSING SOVER LIVING LLC in the State of California during the applicable PAGA
19 Period. Plaintiff also represents the interests of those employees who were also misclassified as
20 salaried, exempt employees, but should have been classified as hourly, non-exempt employees.

21 101. Based on the acts alleged above, Plaintiff, on behalf of himself and others, seeks
22 penalties under California Labor Code sections 2698 and 2699 because of Defendants'
23 violations of numerous provisions of the California Labor Code as alleged in this Complaint.

24 102. Plaintiff therefore has exhausted all administrative remedies required of him under
25 California Labor Code sections 2698, 2699, and 2699.3, and, as a result, may prosecute this
26 cause of action and pursue penalties in a representative action for Defendants' violations of the
27 Labor Code.
28

1 103. California Labor Code section 2699 et seq. imposes penalties upon culpable
2 Defendants for violating the Labor Code.

3 104. Plaintiff seeks penalties for Defendants' misconduct as alleged herein as permitted by
4 law, but only those penalties that are required to be shared with the LWDA as Plaintiff is not
5 seeking individual/victim specific relief or underpaid wages for himself or other employees
6 under this specific PAGA cause of action. Plaintiff has separate causes of action in this
7 Complaint for individual wages but is not seeking wages through the PAGA action.

8 105. Specifically, Plaintiff seeks penalties under California Labor Code section 2699, for
9 the following:

10 Violations of California Labor Code sections 201, 202, 203, 204, and/or 204b, 210,
11 226, 226.3, 226.7, 226.8, 232, 246, 510, 512, 558, 1102.5, 1174, 1174.5, 1194, 1197.1,
12 1198, 2802, 3700.5 via 2698 and 2699 and any other Labor Codes/Industrial Welfare
13 Commission Orders violated based on the facts alleged in this Complaint.

14 106. Pursuant to Labor Code section 2698 et seq., Plaintiff seeks to recover attorney's fees,
15 costs, and civil penalties on behalf of Plaintiff and other current and former aggrieved
16 employees as alleged herein in an amount to be shown according to proof at trial and within the
17 jurisdictional limits of this Court.

18 **THIRTEENTH CAUSE OF ACTION**

19 **VIOLATION OF BUSINESS AND PROFESSIONS CODE SECTION 17200**

20 **(California Business and Professions Code Section 17200)**

21 **(Plaintiff against ADVANCED HOUSE SOBER LIVING LLC and all DOE defendants)**

22 107. Plaintiff re-alleges and incorporates by reference each and every allegation in
23 paragraphs 1 through 106, inclusive, of this Complaint as though fully set forth herein.

24 108. By virtue of the foregoing statutes, regulations, and laws, the acts of Defendant
25 constitutes unfair and unlawful business practices under California Business and
26 Professions Code Section 17200, et seq.
27
28

1 109. Defendant's violations of California labor laws, as alleged above constitutes a
2 business practice because it was done repeatedly over a significant period of time in a
3 systematic manner that was detrimental to Plaintiff and other similarly situated aggrieved
4 employees.

5 110. For the four years preceding the filing of this action, Plaintiff has suffered damages
6 and request damages and/or restitution of all monies and profits to be disgorged from
7 Defendant in an amount according to proof at time of trial, but in excess of the jurisdiction of
8 this Court.

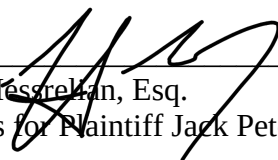
9 WHEREFORE, Plaintiff prays for Judgment against Defendants, and each of them, as
10 follows:

- 11 1. For special damages to Plaintiff in an amount subject to proof at trial;
- 12 2. For damages for wages and overtime not paid to Plaintiff in an amount subject to proof
13 at trial;
- 14 3. For damages and penalties under Labor Code Section 226 for Plaintiff in an amount
15 subject to proof at trial;
- 16 4. For damages and penalties pursuant to Labor Code Section 203 in an amount subject to
17 proof at trial;
- 18 5. For restitution and disgorgement for all unfair business practices by ADVANCED
19 HOUSE SOBER LIVING LLC against Plaintiff in an amount subject to proof at trial;
- 20 6. For an order enjoining Defendant ADVANCED HOUSE SOBER LIVING LLC from
21 further unfair and unlawful business practices in violation of Business and
22 Professions Code Sections 17200, et seq.;
- 23 7. For one hour of wages due to Plaintiff for each work period of more than five (5) hours
24 when Plaintiff did not receive an uninterrupted thirty (30) minute meal period;
- 25 8. For one hour of wages due to Plaintiff for each work period of four (4) hours or major
26 fraction thereof when Plaintiff did not receive a ten (10) minute rest break;
- 27
- 28

- 1 9. For maximum civil penalties available under the Labor Code and applicable Wage
2 Order against Defendant as described more particularly in the Complaint and
3 Representative PAGA claim/action
4
5 10. For all remedies available to Plaintiff under the applicable Wage Order and the
6 Labor Code including an award of attorney's fees, costs, interest, and penalties
7 according to proof to the extent permitted by law via PAGA;
8
9 11. For restitution and/or damages for all amounts unlawfully withheld from the wages of
10 Plaintiff, as may be proven;
11
12 12. For the imposition of civil penalties and/or statutory penalties;
13
14 13. For all interest as allowed by law;
15
16 14. For all costs and disbursements incurred in this suit;
17
18 15. Reasonable attorney's fees where available by law, including but not limited to,
19 pursuant to Labor Code section 2698 et seq., the California Labor Code, and/or
20 other applicable laws; and
21
22 16. For such other and further relief as this Court may deem proper.

23 DATED: February 9, 2021

MESSRELIAN LAW INC.

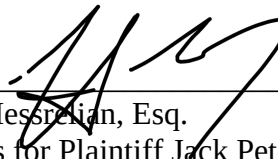
24 By 
25 Harout Messrelian, Esq.
26 Attorneys for Plaintiff Jack Peterson

DEMAND FOR JURY TRIAL

27 Plaintiff hereby demands, as a matter of right, a trial by jury in this case.

28 DATED: February 9, 2021

MESSRELIAN LAW INC.

By 
Harout Messrelian, Esq.
Attorneys for Plaintiff Jack Peterson