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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

SHAUNTAE GRAY and LUIS VACA, as
aggrieved employees pursuant to the Private
Attorneys General Act ("PAGA"), on
behalf of the State of California and other
aggrieved employees,

Plaintiffs,

vs.

CONTEMPORARY SERVICES
CORPORATION, a California corporation;
and DOES 1 through 10, inclusive,

Defendants.

Case No.: **20STCV48679**

**COMPLAINT – PAGA ENFORCEMENT
ACTION**

(1) Claim for Civil Penalties for Violations
of California Labor Code, Pursuant to
PAGA, §§ 2698, *et seq.*

Jury Trial Demanded

1 Plaintiffs Shauntae Gray and Luis Vaca, as aggrieved employees and on behalf of the
2 State of California and all other aggrieved employees, allege as follows:

3 JURISDICTION AND VENUE

4 1. This is an enforcement action under the Labor Code Private Attorneys General
5 Act of 2004, California Labor Code sections 2698 *et seq.* (“PAGA”) to recover civil penalties
6 and any other available relief on behalf of Plaintiffs, the State of California, and other current
7 and former employees who worked for Defendants in California as a non-exempt, hourly paid
8 employee and received at least one wage statement and against whom one or more violations
9 of any provision in Division 2 Part 2 Chapter 1 of the Labor Code or any provision regulating
10 hours and days of work in the applicable Industrial Welfare Commission (“IWC”) Wage
11 Order were committed, as set forth in this complaint, at any time between one year prior to the
12 filing of the pre-filing written notices to the Labor and Workforce Development Agency
13 (“LWDA”) in this case on October 16, 2020, until judgment (“non-party Aggrieved
14 Employees”). Plaintiffs’ share of civil penalties sought in this action does not exceed
15 \$75,000.

16 2. This Court has jurisdiction over this action pursuant to the California
17 Constitution, Article VI, section 10. The statute under which this action is brought does not
18 specify any other basis for jurisdiction.

19 3. This Court has jurisdiction over all Defendants because, on information and
20 belief, Defendants are either citizens of California, have sufficient minimum contacts in
21 California, or otherwise intentionally avail themselves of the California market so as to render
22 the exercise of jurisdiction over them by the California courts consistent with traditional
23 notions of fair play and substantial justice. There is no basis for federal diversity jurisdiction
24 in this action given that the State of California, as the real party in interest in this action, is not
25 a “citizen” for purposes of satisfying diversity jurisdiction. *Urbino v. Orkin Servs. of Cal.*,
26 726 F.3d 1118, 1123 (9th Cir. Cal. 2013). *Urbino* also holds that civil penalties cannot be
27 aggregated to satisfy the amount in controversy requirement for federal diversity jurisdiction
28 in this action, and that diversity jurisdiction cannot be established when Plaintiffs’ share of the

1 civil penalties attributable to violations personally suffered are less than \$75,000. *Id.* at 1122.

2 4. Venue is proper in this Court, because Defendants filed Statement of
3 Information forms with the California Secretary of State designating a principal place of
4 business in Northridge, County of Los Angeles, in accordance with California Corporations
5 Code section 2105(a)(3). Venue is also proper in this Court because Defendants employ
6 persons in this county, and employed Plaintiffs in this county, and thus a substantial portion of
7 the transactions and occurrences related to this action occurred in this county.

8 5. California Labor Code sections 2698, *et seq.*, the “Labor Code Private
9 Attorneys General Act of 2004” (“PAGA”), authorize aggrieved employees to sue as private
10 attorneys general their current or former employers for various civil penalties for violations of
11 various provisions in the California Labor Code.

12 THE PARTIES

13 6. Plaintiff SHAUNTAE GRAY is a resident of Los Angeles, in Los Angeles
14 County, California. Defendants employed Plaintiff Gray as an hourly paid, non-exempt
15 employee from approximately August 2019 to February 2020. Plaintiff Gray worked for
16 Defendants as an Event Staff employee from August 2019 until October 2019, and as VIP
17 Security from October 2019 to February 2020. During his employment, Plaintiff Gray
18 typically worked eight (8) to ten (10) hours or more per day and three (3) days per week.
19 Plaintiff Gray earned between \$12.00 to \$14.25 per hour. His job duties included, without
20 limitation, overseeing his security post, safeguarding and approving entry into secured areas,
21 and maintaining walkways.

22 7. Plaintiff LUIS VACA is a resident of Los Angeles, in Los Angeles County,
23 California. Defendants employed Plaintiff Vaca as an hourly paid, non-exempt Event Staff
24 employee from approximately March 2019 to May 5, 2020. During his employment, Plaintiff
25 Vaca typically worked seven (7) hours or more per day and three (3) days per week. Plaintiff
26 Vaca earned between \$14.00 to \$16.00 per hour. His job duties included, without limitation,
27 overseeing his security post, staying vigilant for suspicious activity, and maintaining order.

28 8. On information and belief, Defendants required some employees, including

1 Plaintiffs, to execute a dispute resolution policy and/or arbitration agreement at the time of
2 their hire or during their employment. On further information and belief, Defendants' dispute
3 resolution policy and/or arbitration agreement was and is both procedurally and substantively
4 unconscionable. Specifically, Defendants presented new hires with an "Mutual Agreement to
5 Arbitrate Claims" ("Arbitration Agreement") during the onboarding process, which had to be
6 reviewed and signed immediately. In fact, upon information and belief, the Arbitration
7 Agreement was one of several documents presented to new employees for signature during the
8 orientation process, including an Acknowledgement of Job Responsibility, Receipt of
9 Employee Handbook and Employment-At-Will Statement, and California Meal and Rest
10 Period Policy, among other documents. Also, employees did not have a meaningful
11 opportunity to negotiate the terms of the Arbitration Agreement. Rather, it was provided to
12 Defendants' employees for them to sign on a take-it or leave-it basis at the time they were
13 hired, along with other on-boarding documents. Further, Defendants did not set forth in the
14 agreement or otherwise provide employees with the rules which will govern the arbitration,
15 instead forcing employees to seek this information out on their own.

16 9. CONTEMPORARY SERVICES CORPORATION was and is, upon
17 information and belief, a California corporation, and at all times hereinafter mentioned, an
18 employer whose employees are engaged throughout this county, the State of California, or the
19 various states of the United States of America.

20 10. Plaintiffs are unaware of the true names or capacities of the Defendants sued
21 herein under the fictitious names DOES 1 through 10, but will seek leave of this Court to
22 amend the complaint and serve such fictitiously named Defendants once their names and
23 capacities become known.

24 11. Plaintiffs are informed and believe, and thereon allege, that DOES 1 through 10
25 were the partners, agents, owners, or managers of CONTEMPORARY SERVICES
26 CORPORATION at all relevant times.

27 12. Plaintiffs are informed and believe, and thereon allege, that each and all of the
28 acts and omissions alleged herein was performed by, or is attributable to, CONTEMPORARY

SERVICES CORPORATION; and/or DOES 1 through 10 (collectively, “Defendants” or “CSC”), each acting as the agent, employee, alter ego, and/or joint venturer of, or working in concert with, each of the other co-Defendants and was acting within the course and scope of such agency, employment, joint venture, or concerted activity with legal authority to act on the others’ behalf. The acts of any and all Defendants were in accordance with, and represent, the official policy of Defendants.

13. At all relevant times, Defendants, and each of them, ratified each and every act or omission complained of herein. At all relevant times, Defendants, and each of them, aided and abetted the acts and omissions of each and all the other Defendants in proximately causing the damages herein alleged.

14. Plaintiffs are informed and believe, and thereon allege, that each of said Defendants is in some manner intentionally, negligently, or otherwise responsible for the acts, omissions, occurrences, and transactions alleged herein.

PAGA REPRESENTATIVE ALLEGATIONS

15. Defendants are the largest event staffing company and one of the largest security companies in North America. Upon information and belief, Defendants maintain a single, centralized Human Resources (“HR”) department at their corporate headquarters in Northridge, California, which is responsible for the recruiting and hiring of new employees, and communicating and implementing Defendants’ company-wide policies, including timekeeping policies and meal and rest period policies, to employees throughout California.

16. In particular, Plaintiffs and other non-party Aggrieved Employees, on information and belief, received the same standardized documents and/or written policies. Upon information and belief, the usage of standardized documents and/or written policies, including new-hire documents, indicate that Defendants dictated policies at the corporate level and implemented them company-wide, regardless of their employees’ assigned locations or positions. Upon information and belief, Defendants set forth uniform policies and procedures in several documents provided at an employee’s time of hire.

17. Upon information and belief, Defendants maintain a centralized Payroll

1 department at their corporate headquarters in Northridge, California, which processes payroll
2 for all non-exempt, hourly paid employees working for Defendants at their various locations
3 and jobsites in California, including Plaintiffs and other non-party Aggrieved Employees.
4 Based upon information and belief, Defendants issue the same formatted wage statements to
5 all non-exempt, hourly paid employees in California, irrespective of their work locations.
6 Upon information and belief, Defendants process payroll for departing employees in the same
7 manner throughout the State of California, regardless of the manner in which each employee's
8 employment ends.

9 18. Defendants continue to employ non-exempt or hourly paid employees in
10 California.

11 19. Plaintiffs are informed and believe, and thereon allege, that at all times herein
12 mentioned, Defendants were advised by skilled lawyers and other professionals, employees
13 and advisors knowledgeable about California labor and wage law, employment and personnel
14 practices, and about the requirements of California law.

15 20. Plaintiffs are informed and believe, and thereon allege, that Plaintiffs and other
16 non-party Aggrieved Employees were not paid for all hours worked because all hours worked
17 were not recorded.

18 21. Plaintiffs are informed and believe, and thereon allege, that Defendants knew or
19 should have known that Plaintiffs and other non-party Aggrieved Employees were entitled to
20 receive certain wages for overtime compensation and that they were not receiving certain
21 wages for overtime compensation.

22 22. Plaintiffs are informed and believe, and thereon allege, that Defendants knew or
23 should have known that Plaintiff Vaca and other non-party Aggrieved Employees were
24 entitled to be paid at a regular rate of pay, and corresponding overtime rates of pay, that
25 included as eligible income all income derived from shift differential pay, incentive pay,
26 nondiscretionary bonuses, and/or other forms of remuneration.

27 23. Plaintiffs are informed and believe, and thereon allege, that Defendants knew or
28 should have known that Plaintiffs and other non-party Aggrieved Employees were entitled to

1 receive at least minimum wages for compensation and that they were not receiving at least
2 minimum wages for work that was required to be done off-the-clock. In violation of the
3 California Labor Code, Plaintiffs and other non-party Aggrieved Employees were not paid at
4 least minimum wages for work done off-the-clock.

5 24. Plaintiffs are informed and believe, and thereon allege, that Defendants knew or
6 should have known that Plaintiffs and other non-party Aggrieved Employees were entitled to
7 meal periods in accordance with the Labor Code or payment of one (1) additional hour of pay
8 at their regular rates of pay when they were not provided with timely, uninterrupted, thirty
9 (30) minute meal periods and that Plaintiffs and other non-party Aggrieved Employees were
10 not provided with all meal periods or payment of one (1) additional hour of pay at their
11 regular rates of pay when they did not receive a timely, uninterrupted, thirty (30) minute meal
12 period.

13 25. Plaintiffs are informed and believe, and thereon allege, that Defendants knew or
14 should have known that Plaintiffs and other non-party Aggrieved Employees were entitled to
15 rest periods in accordance with the Labor Code and applicable IWC Wage Order or payment
16 of one (1) additional hour of pay at their regular rates of pay when they were not authorized
17 and permitted to take a compliant rest period. In violation of the California Labor Code,
18 Plaintiffs and other non-party Aggrieved Employees were not authorized and permitted to take
19 compliant rest periods, nor did Defendants provide Plaintiffs and other non-party Aggrieved
20 Employees with payment of one (1) additional hour of pay at their regular rates of pay when
21 they were not authorized and permitted to take a compliant rest period.

22 26. Plaintiffs are informed and believe, and thereon allege, that Defendants knew or
23 should have known that Plaintiffs and other non-party Aggrieved Employees were entitled to
24 receive complete and accurate wage statements in accordance with California law. In
25 violation of the California Labor Code, Plaintiffs and other non-party Aggrieved Employees
26 were not provided complete and accurate wage statements.

27 27. Plaintiffs are informed and believe, and thereon allege, that Defendants knew or
28 should have known that they had a duty to maintain accurate and complete payroll records in

1 accordance with the Labor Code and applicable IWC Wage Order, but willfully, knowingly,
2 and intentionally failed to do so.

3 28. Plaintiffs are informed and believe, and thereon allege, that Defendants knew or
4 should have known that Plaintiffs and other non-party Aggrieved Employees were entitled to
5 timely payment of all wages earned upon termination of employment. In violation of the
6 California Labor Code, Plaintiffs and other non-party Aggrieved Employees did not receive
7 payment of all wages due, including, but not limited to, overtime wages, minimum wages,
8 meal and rest period premiums, and/or reporting time pay within permissible time periods.

9 29. Plaintiffs are informed and believe, and thereon allege, that Defendants knew or
10 should have known that Plaintiffs and other non-party Aggrieved Employees were entitled to
11 timely payment of wages during their employment. In violation of the California Labor Code,
12 Plaintiffs and other non-party Aggrieved Employees did not receive payment of all wages,
13 including, but not limited to, overtime wages, minimum wages, meal and rest period
14 premiums, and/or reporting time pay within permissible time periods.

15 30. Plaintiffs are informed and believe, and thereon allege, that Defendants knew or
16 should have known that they had a duty to cover the costs and expenses other non-party
17 Aggrieved Employees incurred obtaining mandatory examinations and/or drug tests, but
18 willfully, knowingly, and intentionally failed to do so.

19 31. Plaintiffs are informed and believe, and thereon allege, that Defendants knew or
20 should have known that other non-party Aggrieved Employees were entitled to be paid split
21 shift premiums when they returned to work for an additional shift in the same day, after
22 having been clocked out for more than an hour. In violation of the California Labor Code,
23 Defendants did not pay other non-party Aggrieved Employees all split shift premiums due.

24 32. Plaintiffs are informed and believe, and thereon allege, that Defendants knew or
25 should have known that Plaintiffs and other non-party Aggrieved Employees were entitled to
26 be paid reporting time pay when they reported to work for their scheduled shift but were put to
27 work for less than half of the regular schedule. In violation of the California Labor Code,
28 Defendants did not pay Plaintiffs and other non-party Aggrieved Employees all reporting time

1 pay due.

2 33. Plaintiffs are informed and believe, and thereon allege, that Defendants knew or
3 should have known that Plaintiffs and other non-party Aggrieved Employees were entitled to
4 receive reimbursement for all business-related expenses and costs they incurred during the
5 course and scope of their employment and that they did not receive reimbursement of
6 applicable business-related expenses and costs incurred.

7 34. Plaintiffs are informed and believe, and thereon allege, that at all times herein
8 mentioned, Defendants knew or should have known that they had a duty to compensate
9 Plaintiffs and other non-party Aggrieved Employees for all hours worked, and that Defendants
10 had the financial ability to pay such compensation, but willfully, knowingly, and intentionally
11 failed to do so, and falsely represented to Plaintiffs and other non-party Aggrieved Employees
12 that they were properly denied wages, all in order to increase Defendants' profits.

13 35. At all times herein set forth, PAGA provides that any provision of law under
14 the Labor Code and applicable IWC Wage Order that provides for a civil penalty to be
15 assessed and collected by the LWDA for violations of the California Labor Code and
16 applicable IWC Wage Order may, as an alternative, be recovered by aggrieved employees in a
17 civil action brought on behalf of themselves and other current or former employees pursuant
18 to procedures outlined in California Labor Code section 2699.3.

19 36. PAGA defines an "aggrieved employee" in Labor Code section 2699(c) as "any
20 person who was employed by the alleged violator and against whom one or more of the
21 alleged violations was committed."

22 37. Plaintiffs and other current and former employees of Defendants are "aggrieved
23 employees" as defined by Labor Code section 2699(c) in that they are all Defendants' current
24 or former employees and one or more of the alleged violations were committed against them.

25 38. Pursuant to California Labor Code sections 2699.3 and 2699.5, an aggrieved
26 employee, including Plaintiffs, may pursue a civil action arising under PAGA after the
27 following requirements have been met:

28 (a) The aggrieved employee shall give written notice by online filing

(hereinafter “Employee’s Notice”) to the LWDA and by certified mail to the employer of the specific provisions of the California Labor Code alleged to have been violated, including the facts and theories to support the alleged violations.

(b) An aggrieved employee’s notice filed with the LWDA pursuant to 2699.3(a) and any employer response to that notice shall be accompanied by a filing fee of seventy-five dollars (\$75).

(c) The LWDA shall provide notice (hereinafter “LWDA Notice”) to the employer and the aggrieved employee by certified mail that it does not intend to investigate the alleged violation within sixty (60) calendar days of the postmark date of the Employee’s Notice. Upon receipt of the LWDA Notice, or if the LWDA Notice is not provided within sixty-five (65) calendar days of the postmark date of the Employee’s Notice, the aggrieved employee may commence a civil action pursuant to California Labor Code section 2699 to recover civil penalties in addition to any other penalties to which the employee may be entitled.

39. Pursuant to California Labor Code sections 2699.3(c), aggrieved employees, through Plaintiffs, may pursue a civil action arising under PAGA for violations of any provision other than those listed in Section 2699.5 after the following requirements have been met:

(a) The aggrieved employee or representative shall give written notice by online filing to the LWDA and by certified mail to the employer of the specific provisions of the California Labor Code alleged to have been violated (other than those listed in Section 2699.5), including the facts and theories to support the alleged violation.

(b) An aggrieved employee’s notice filed with the LWDA pursuant to 2699.3(c) and any employer response to that notice shall be accompanied by a filing fee of seventy-five dollars (\$75).

1 (c) The employer may cure the alleged violation within thirty-three (33)
2 calendar days of the postmark date of the notice. The employer shall
3 give written notice by certified mail within that period of time to the
4 aggrieved employee or representative and the agency if the alleged
5 violation is cured, including a description of actions taken, and no civil
6 action pursuant to Section 2699 may commence. If the alleged violation
7 is not cured within the 33-day period, the employee may commence a
8 civil action pursuant to Section 2699.

9 40. On October 16, 2020, Plaintiff Gray provided written notice by online filing to
10 the LWDA and by certified mail to Defendants of the specific provisions of the California
11 Labor Code alleged to have been violated, including facts and theories to support the alleged
12 violations, in accordance with California Labor Code section 2699.3. Plaintiff Gray's written
13 notice was accompanied with the applicable filing fee of seventy-five dollars (\$75). The
14 LWDA PAGA Administrator has confirmed receipt of Plaintiff Gray's written notice and
15 assigned Plaintiff Gray PAGA Case Number LWDA-CM-809876-20. A true and correct copy
16 of Plaintiff Gray's written notice to the LWDA and Defendants dated October 16, 2020, is
17 attached hereto as "Exhibit 1."

18 41. On October 16, 2020, Plaintiff Vaca provided written notice by online filing to
19 the LWDA and by certified mail to Defendants of the specific provisions of the California
20 Labor Code alleged to have been violated, including facts and theories to support the alleged
21 violations, in accordance with California Labor Code section 2699.3. Plaintiff Vaca's written
22 notice was accompanied with the applicable filing fee of seventy-five dollars (\$75). The
23 LWDA PAGA Administrator has confirmed receipt of Plaintiff Vaca's written notice and
24 assigned Plaintiff Vaca PAGA Case Number LWDA-CM-809877-20. A true and correct copy
25 of Plaintiff Vaca's written notice to the LWDA and Defendants dated October 16, 2020, is
26 attached hereto as "Exhibit 2."

27 42. As of the filing date of this complaint, over 65 days have passed since Plaintiffs
28 sent the initial LWDA Notices described above, and the LWDA has not responded that it

1 intends to investigate Plaintiffs' claims, and Defendants have not cured the violations.

2 43. Thus, Plaintiffs have satisfied the administrative prerequisites under California
3 Labor Code sections 2699.3(a) and 2699.3(c) to recover civil penalties against Defendants for
4 violations of California Labor Code sections 201, 202, 203, 204, 222.5, 226(a), 226.7, 510,
5 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1198, 2802.

6 44. Labor Code section 558(a) provides "[a]ny employer or other person acting on
7 behalf of an employer who violates, or causes to be violated, a section of this chapter or any
8 provision regulating hours and days of work in any order of the Industrial Welfare
9 Commission shall be subject to a civil penalty as follows: (1) For any initial violation, fifty
10 dollars (\$50) for each underpaid employee for each pay period for which the employee was
11 underpaid. . . . (2) For each subsequent violation, one hundred dollars (\$100) for each
12 underpaid employee for each pay period for which the employee was underpaid. . . ." Labor
13 Code section 558(c) provides "[t]he civil penalties provided for in this section are in addition
14 to any other civil or criminal penalty provided by law." Plaintiffs, acting in the public interest
15 as private attorneys general, seek assessment and collection of civil penalties under Labor
16 Code section 558 for themselves, all other non-party Aggrieved Employees, and the State of
17 California against Defendants for violations of Labor Code sections 510, 512(a), 516, 1198,
18 and the applicable IWC wage order. Plaintiffs, acting in the public interest as private
19 attorneys general, do not seek the recovery of unpaid wages under Labor Code section 558
20 from Defendants for violations of Labor Code sections 510, 512(a), 516, 1198, and the
21 applicable IWC wage order.

22 45. Defendants, at all times relevant to this complaint, were employers or persons
23 acting on behalf of an employer(s) who violated Plaintiffs' and other non-party Aggrieved
24 Employees' rights by violating various sections of the California Labor Code as set forth
25 above.

26 46. As set forth below, Defendants have violated numerous provisions of both the
27 Labor Code sections regulating hours and days of work as well as the applicable IWC Wage
28 Order.

47. Pursuant to PAGA, and in particular, California Labor Code sections 2699(a), 2699.3(a), 2699.3(c), 2699.5, and section 558, Plaintiffs, acting in the public interest as private attorneys general, seek assessment and collection of civil penalties for themselves, all other non-party Aggrieved Employees, and the State of California against Defendants for violations of California Labor Code sections 201, 202, 203, 204, 222.5, 226(a), 226.7, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1198, and 2802.

FIRST CAUSE OF ACTION

For Civil Penalties, Pursuant to California Labor Code §§ 2698, *et seq.*

(Against all Defendants)

48. Plaintiffs incorporate by reference and re-allege as if fully stated herein each and every allegation set forth above.

49. California Labor Code §§ 2698, *et seq.* (“PAGA”) permits Plaintiffs to recover civil penalties for the violation(s) of the Labor Code sections enumerated in Labor Code section 2699.5. Section 2699.5 enumerates Labor Code sections 201, 202, 203, 204, 222.5, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1198, and 2802. Labor Code section 2699.3(c) permits aggrieved employees, including Plaintiffs, to recover civil penalties for violations of those Labor Code sections not found in section 2699.5, including sections 516 and 1182.12.

50. Defendants' conduct, as alleged herein, violates numerous sections of the California Labor Code, including, but not limited to, the following:

- (a) Violation of Labor Code sections 510, 1198, and the applicable IWC wage order for Defendants' failure to compensate Plaintiffs and other non-party Aggrieved Employees with all required overtime pay and failure to properly calculate the overtime rates paid to Plaintiff Vaca and other non-party Aggrieved Employees, as set forth below;
- (b) Violation of Labor Code sections 1182.12, 1194, 1197, 1198, and the applicable IWC wage order for Defendants' failure to compensate Plaintiffs and other non-party Aggrieved Employees with at least

1 minimum wages for all hours worked as set forth below;

2 (c) Violation of Labor Code sections 226.7, 512, 516, 1198, and the
3 applicable IWC wage order for Defendants' failure to provide Plaintiffs
4 and other non-party Aggrieved Employees with meal periods, as set
5 forth below;

6 (d) Violation of Labor Code sections 226.7, 516, 1198, and the applicable
7 IWC wage order for Defendants' failure to authorize and permit
8 Plaintiffs and other non-party Aggrieved Employees to take rest periods,
9 as set forth below;

10 (e) Violation of Labor Code sections 226(a), 1198, and the applicable IWC
11 wage order for failure to provide accurate and complete wage statements
12 to Plaintiffs and other non-party Aggrieved Employees, as set forth
13 below;

14 (f) Violation of Labor Code sections 1174(d), 1198, and the applicable
15 IWC wage order for failure to maintain payroll records as set forth
16 below;

17 (g) Violation of Labor Code section 204 for failure to pay all earned wages
18 during employment as set forth below;

19 (h) Violation of Labor Code sections 201, 202, and 203 for failure to pay all
20 earned wages upon termination as set forth below;

21 (i) Violation of Labor Code section 222.5 for failure to compensate other
22 non-party Aggrieved Employees for mandatory physical examinations
23 and/or drug testing as set forth below;

24 (j) Violation of Labor Code section 1198 and the applicable IWC wage
25 order for failure to pay split-shift premiums when other non-party
26 Aggrieved Employees returned to work for an additional shift in the
27 same day, after having been clocked out for more than an hour, as set
28 forth below;

- 1 (k) Violation of Labor Code section 1198 and the applicable IWC wage
2 order for failure to pay reporting time pay when Plaintiffs and other
3 non-party Aggrieved Employees were put to work for less than half of
4 their regular scheduled shifts, as set forth below; and
- 5 (l) Violation of Labor Code section 2802 for failure to reimburse Plaintiffs
6 and other non-party Aggrieved Employees for all business expenses
7 necessarily incurred, as set forth below.

8 **FAILURE TO PAY OVERTIME**

9 **VIOLATION OF LABOR CODE SECTIONS 510 AND 1198**

10 51. Labor Code section 1198 makes it illegal to employ an employee under
11 conditions of labor that are prohibited by the applicable wage order. California Labor Code
12 section 1198 requires that “. . . the standard conditions of labor fixed by the commission shall
13 be the . . . standard conditions of labor for employees. The employment of any employee . . .
14 under conditions of labor prohibited by the order is unlawful.”

15 52. California Labor Code section 1198 and the applicable IWC Wage Order
16 provide that it is unlawful to employ persons without compensating them at a rate of pay
17 either time-and-one-half or two-times that person’s regular rate of pay, depending on the
18 number of hours worked by the person on a daily or weekly basis.

19 53. Specifically, the applicable IWC Wage Order provides that Defendants are and
20 were required to pay Plaintiffs and other non-party Aggrieved Employees working more than
21 eight (8) hours in a day or more than forty (40) hours in a workweek, at the rate of time and
22 one-half (1½) for all hours worked in excess of eight (8) hours in a day or more than forty (40)
23 hours in a workweek.

24 54. The applicable IWC Wage Order further provides that Defendants are and were
25 required to pay Plaintiffs and other non-party Aggrieved Employees working more than
26 twelve (12) hours in a day, overtime compensation at a rate of two (2) times their regular rate
27 of pay. An employee’s regular rate of pay includes all remuneration for employment paid to,
28 or on behalf of, the employee, including nondiscretionary bonuses and incentive pay.

1 55. California Labor Code section 510 codifies the right to overtime compensation
2 at one and one-half (1½) times the regular rate of pay for hours worked in excess of eight (8)
3 hours in a day or forty (40) hours in a week or for the first eight (8) hours worked on the
4 seventh (7th) day of work, and to overtime compensation at twice the employee's regular rate
5 of pay for hours worked in excess of twelve (12) hours in a day or in excess of eight (8) hours
6 in a day on the seventh (7th) day of work.

7 56. During the relevant time period, Defendants willfully failed to pay all overtime
8 wages owed to Plaintiffs and other non-party Aggrieved Employees. During the relevant time
9 period, Plaintiffs and other non-party Aggrieved Employees were not paid overtime premiums
10 for all of the hours they worked in excess of eight (8) hours in a day, in excess of twelve (12)
11 hours in a day, and/or in excess of forty (40) hours in a week, because all hours worked were
12 not recorded.

13 57. First, during the relevant time period, Defendants have had a company-wide
14 policy and/or practice of improperly rounding employee clock-in and clock-out duration times
15 to the nearest quarter-hour in their timekeeping system. Defendants' rounding policy has
16 resulted in the failure to compensate Plaintiffs and other non-party Aggrieved Employees fully
17 for all hours worked, causing Plaintiffs and other non-party Aggrieved Employees to not be
18 paid overtime wages for all of the overtime hours they actually worked. Upon information
19 and belief, Defendants' rounding policy is, and continues to be, unfair and has, over time,
20 resulted in the underpayment of wages to Plaintiffs and other non-party Aggrieved
21 Employees. To the extent Defendants' rounding policy has taken away time worked that was
22 eligible for overtime, Plaintiffs and other non-party Aggrieved Employees have been denied
23 overtime pay for all hours worked.

24 58. Moreover, Defendants had, and continue to have, a company-wide policy of
25 circumventing the payment of overtime wages to minimize labor costs. Specifically,
26 Defendants implemented a policy that resets the work day at midnight and therefore treats
27 shifts extending into the following day as two separate shifts. This policy had the effect of
28 reducing the amount of overtime paid to Plaintiff Vaca and other non-party Aggrieved

1 Employees when they worked during overnight shifts. Defendants' policy is particularly
2 onerous for those employees whose shifts started later in the day, so when Plaintiff Vaca and
3 other non-party Aggrieved Employees worked shifts longer than eight (8) hours that extended
4 past midnight, they were not paid overtime premiums for all of the hours they worked in
5 excess of eight (8) hours in a day. For example, according to Defendants' time records,
6 Plaintiff Vaca worked an 8.5-hour shift that began on February 19, 2020, at 9:00 p.m. and
7 ended on February 20, 2020, at 6:00 a.m. For that shift, Plaintiff Vaca should have been paid
8 8 hours of straight-time, and 0.5 hours of time-and-a-half, but instead Defendants only paid
9 him 8.5 hours of straight-time.

10 59. Second, during the relevant time period, Defendants had, and continue to have,
11 a company-wide policy and/or practice of discouraging and impeding Plaintiffs and other non-
12 party Aggrieved Employees from recording hours worked that were outside of their scheduled
13 shifts in order to limit the amount of overtime employees could accrue. On information and
14 belief, this limitation on overtime accrual was based on a company-wide policy of staffing job
15 sites or locations strictly based on the labor hours or labor budget set by corporate. This
16 policy of limiting overtime, coupled with Defendants' understaffing and/or single-staffing
17 policy (*see infra*), led Plaintiffs and other non-party Aggrieved Employees to work off-the-
18 clock before and after their scheduled shift times in order to complete their assigned tasks. As
19 a result of this restriction on overtime accrual, Plaintiffs and other non-party Aggrieved
20 Employees were forced to work off-the-clock performing tasks before and after their
21 scheduled shift times, but were not provided a means by Defendants to account for this time.

22 60. For example, approximately two (2) times per week, at the request of his
23 supervisor, Plaintiff Gray would arrive 30-60 minutes early for his scheduled shift to begin
24 preparing and securing the venue premises for an upcoming event, but was not permitted to
25 clock in before his scheduled shift start-time. Similarly, approximately 2-3 times per week,
26 Plaintiff Vaca would arrive 15 minutes early and clock in immediately for his scheduled shift,
27 but Defendants' supervisors would adjust his clock-in time to reflect his scheduled shift start-
28 time instead. In addition, approximately three (3) times per week, Defendants would require

1 Plaintiff Gray to spend at least 1-2 hours after his scheduled shift end-time continuing to
2 supervise restricted access areas when events would run later than scheduled. Defendants
3 failed to record the time worked by Plaintiff Gray and other non-party Aggrieved Employees
4 on these occasions because Defendants' sign-in sheets were no longer available to employees,
5 and Defendants' supervisors automatically clocked out employees at their scheduled shift end-
6 time. Alternatively, when Plaintiff Gray and other non-party Aggrieved Employees did not
7 clock out at their designated shift end-times, on information and belief, Plaintiff Gray and
8 other non-party Aggrieved Employees were subject to Defendants' supervisors falsifying their
9 time records in order to prevent employees from accruing overtime. Thus, Defendants failed
10 to track this time spent working before and after scheduled shifts, and Plaintiffs and other non-
11 party Aggrieved Employees received no compensation for this time.

12 61. Moreover, Defendants did not have a procedure in place to track the start and
13 stop times of meal periods or to allow employees to report a short, missed, or interrupted meal
14 period. The sign-in sheet that Plaintiffs and other non-party Aggrieved Employees were
15 required to sign did not have a place for them to record meal period start and stop times.
16 Instead, Defendants implemented a company-wide policy and practice of automatically
17 deducting 30-minute meal periods from Plaintiffs' and other non-party Aggrieved Employees'
18 time records. As a result of this policy, Defendants deducted 30-minute meal periods from
19 Plaintiffs' and other non-party Aggrieved Employees' time records even when meal periods
20 were missed, short, and/or interrupted. For example, Defendants deducted 30 minutes from
21 Plaintiffs' and other non-party Aggrieved Employees' time records when they worked six (6)
22 hours or more in one day, and deducted one (1) hour from Plaintiffs' and other non-party
23 Aggrieved Employees' time records when they worked ten (10) or more hours in one day,
24 even when meal periods were missed short, and/or interrupted. Because Defendants failed to
25 implement any sort of timekeeping system for meal periods and automatically deducted 30-
26 minute meal periods from employees' timesheets, Plaintiffs and other non-party Aggrieved
27 Employees were not paid for all hours worked

28 62. Third, during the relevant period, Defendants had a company-wide "call-in"

1 policy, whereby they scheduled Plaintiff Gray and other non-party Aggrieved Employees to
2 work “on-call,” or on standby. These “call-in” shifts worked to Defendants’ benefit and to the
3 detriment of Plaintiff Gray and other non-party Aggrieved Employees. By utilizing “call-in”
4 shifts, Defendants received the benefit of being able to maximize revenue by having a standby
5 workforce they could choose to utilize or not, depending on venue traffic and other metrics,
6 without incurring the cost of compensating employees who show up to work and work a full
7 or partial scheduled day’s work.

8 63. When scheduled for a “call-in” or standby shift, Plaintiff Gray and other non-
9 party Aggrieved Employees were required to call their supervisors 2-4 hours before their
10 scheduled standby shift to see if they were required to come in and work. Plaintiff Gray and
11 other non-party Aggrieved Employees were engaged to wait and could not engage in personal
12 activities as they had to be ready to travel to their designated venues on short notice and work
13 their standby shift. When scheduled to be “on-call” for a standby shift, Plaintiff Gray and
14 other non-party Aggrieved Employees were controlled by Defendants because they were
15 forced to put their lives on hold and could not use that time freely for their own purposes. For
16 example, Plaintiff Gray refrained from making plans altogether while “on-call” for a standby
17 shift because he knew that he had to drop whatever he was doing at a moment’s notice if he
18 was instructed to work his standby shift. Defendants did not pay Plaintiff Gray and other non-
19 party Aggrieved Employees for the time they spent waiting to hear whether they needed to
20 report to their designated venue for work on days they ultimately were not called in.
21 Defendants also did not compensate Plaintiff Gray and other non-party Aggrieved Employees
22 for the time they spent calling in to see if they were needed.

23 64. Fourth, Defendants had, and continue to have, a company-wide policy that
24 required their employees to be subject to their clients’ loss prevention policies, which resulted
25 in Plaintiff Gray and other non-party Aggrieved Employees undergoing mandatory security
26 checks before entering or leaving clients’ premises/venues, while off-the clock. For example,
27 for events that involved promotional giveaways, event staff were forbidden to take home any
28 of those promotional items and were subjected to security searches every time they left the

1 premises. Thus, when Plaintiff Gray left the venue for a meal period, he would be required to
2 cut short his meal period to allow for 10-15 minutes to undergo security checks and wait for
3 other employees to be searched before he could leave and/or reenter the event venue.
4 Similarly, after clocking out at the end of his shifts, when working larger events, Plaintiff
5 Gray was required to wait off-the-clock for his supervisors to perform security checks on each
6 employee before being allowed to leave. Plaintiff Gray could spend up to 30 minutes waiting
7 for other employees to undergo security checks and then undergo the security check himself.
8 Although Defendants required that Plaintiff Gray and other non-party Aggrieved Employees
9 undergo mandatory security checks, Defendants did not compensate them for the time it took
10 them to pass through those screenings.

11 65. Fifth, as stated above, Defendants had, and continue to have, a company-wide
12 policy and/or practice of understaffing their job sites, pursuant to their labor budget practices,
13 resulting in a failure to provide Plaintiffs and other non-party Aggrieved Employees with
14 adequate meal period coverage. Defendants also understaffed their job sites by adopting a
15 single-staffing model for certain posts, which exacerbated the lack of meal period coverage
16 for employees. As a result of Defendants' policy of understaffing and/or single-staffing,
17 coupled with a company-wide policy and/or practice of failing to schedule meal periods,
18 Plaintiffs and other non-party Aggrieved Employees were not always afforded uninterrupted
19 30-minute meal periods during shifts when they were entitled to receive a meal period. For
20 example, during his employment, Plaintiff Gray had to forego his meal periods 1-2 times per
21 week in order to ensure he was complying with Defendants' policy requiring posts to be
22 maintained by at least one employee at all times. As a further example, Plaintiff Vaca was
23 interrupted at least once by Defendants' management and asked to forego the remainder of his
24 meal period to comply with this same policy. In addition, Defendants did not provide
25 Plaintiffs and other non-party Aggrieved Employees with second 30-minute meal periods on
26 days when they worked in excess of ten (10) hours in one day. Thus, Plaintiffs and other non-
27 party Aggrieved Employees missed or had meal periods interrupted in order to complete and
28 fulfill their work-related duties. Defendants did not pay Plaintiffs and other non-party

1 Aggrieved Employees for the time they continued to perform tasks and remain on duty during
2 meal periods.

3 66. Defendants knew or should have known that as a result of these company-wide
4 practices and/or policies, Plaintiffs and other non-party Aggrieved Employees were working
5 before and after their shifts and/or during their meal periods, and were suffered or permitted to
6 perform work for which they were not paid. Because Plaintiffs and other non-party Aggrieved
7 Employees sometimes worked shifts of eight (8) hours a day or more or forty (40) hours a
8 week or more, some of this off-the-clock work qualified for overtime premium pay.
9 Therefore, Plaintiffs and other non-party Aggrieved Employees were not paid overtime wages
10 for all of the overtime hours they actually worked.

11 67. Furthermore, Defendants did not pay Plaintiff Vaca and other non-party
12 Aggrieved Employees the correct overtime rate for the recorded overtime hours that they
13 generated. In addition to an hourly wage, Defendants paid Plaintiff Vaca and other non-party
14 Aggrieved Employees shift differential pay, incentive pay, nondiscretionary bonuses, and/or
15 other forms of remuneration. However, in violation of the California Labor Code, Defendants
16 failed to incorporate all remunerations, including shift differential pay, incentive pay, and/or
17 nondiscretionary bonuses, into the calculation of the regular rate of pay for purposes of
18 calculating the overtime wage rates. Therefore, during times when Plaintiff Vaca and other
19 non-party Aggrieved Employees worked overtime and received these other forms of pay,
20 Defendants failed to pay all overtime wages by paying a lower overtime rate than required.

21 68. For example, Defendants paid Plaintiff Vaca and other non-party Aggrieved
22 Employees shift differential pay. During pay periods that Plaintiff Vaca and other non-party
23 Aggrieved Employees were paid overtime and double-time wages, Defendants failed to
24 incorporate the shift differential pay into Plaintiff Vaca's and other non-party Aggrieved
25 Employees' regular rate of pay and, as a result, paid them at incorrect and lower rates of pay
26 for overtime hours worked. Specifically, Defendants paid Plaintiff Vaca and other non-party
27 Aggrieved Employees 1.5 times their hourly rate of pay instead of 1.5 times their regular rate
28 of pay. Defendants' failure to properly calculate the overtime and double-time rates of pay

1 based on all remuneration paid has resulted in an underpayment of overtime and double-time
2 wages to Plaintiff Vaca and other non-party Aggrieved Employees on a company-wide basis.

3 69. Defendants' failure to pay Plaintiffs and other non-party Aggrieved Employees
4 the balance of overtime compensation as required by California law, violates the provisions of
5 California Labor Code sections 510 and 1198. Plaintiffs and other non-party Aggrieved
6 Employees are entitled to recover civil penalties pursuant to Labor Code sections 558 and/or
7 2699(a), (f), and (g).

8 **FAILURE TO PAY MINIMUM WAGES**

9 **VIOLATION OF LABOR CODE SECTIONS 1182.12, 1194, 1197, AND 1198**

10 70. At all relevant times, California Labor Code sections 1182.12, 1194, 1197, and
11 1198 provide that the minimum wage for employees fixed by the IWC is the minimum wage
12 to be paid to employees, and the payment of a wage less than the minimum so fixed is
13 unlawful. Compensable work time is defined by the applicable wage order as "the time
14 during which an employee is subject to the control of an employer, and includes all the time
15 the employee is suffered or permitted to work, whether or not required to do so." Cal. Code.
16 Regs. tit. 8, § 11040(2)(K) (defining "Hours Worked").

17 71. As set forth above, Defendants have had a policy of rounding Plaintiffs' and
18 other non-party Aggrieved Employees' hourly clock-in and clock-out duration times to the
19 quarter-hour in their timekeeping system, resulting in the failure to compensate Plaintiffs and
20 other non-party Aggrieved Employees fully for all hours worked. Furthermore, as stated, due
21 to Defendants' restriction on overtime accrual, Defendants systematically failed to pay
22 Plaintiffs and other non-party Aggrieved Employees for actual hours worked before and after
23 their scheduled shifts, because these hours were not accurately recorded. Also, as stated,
24 Defendants had a company-wide "call-in" policy, that required Plaintiff Gray and other non-
25 party Aggrieved Employees to call-in 2-4 hours in advance when scheduled for standby shifts.
26 Even though Plaintiff Gray and other non-party Aggrieved Employees had to put their lives on
27 hold and were restricted from using that time freely for their own purposes, Defendants did
28 not pay Plaintiff Gray and other non-party Aggrieved Employees at least minimum wages for

1 the time they spent calling in or waiting to see if they were needed. Additionally, as set forth
2 above, Plaintiff Gray and other non-party Aggrieved Employees were required to undergo
3 security checks while off-the-clock.

4 72. As also stated above, due to Defendants' policies and/or practices of
5 understaffing or single-staffing and failure to schedule meal periods, Plaintiffs and other non-
6 party Aggrieved Employees were impeded from taking all uninterrupted meal periods to
7 which they were entitled and were required to work off-the-clock. In addition, Defendants
8 had a company-wide practice and/or policy of automatically deducting meal periods from
9 Plaintiffs' and other non-party Aggrieved Employees' time records, even when first and
10 second meal periods were missed, short, and/or interrupted.

11 73. Moreover, Defendants implemented, on a company-wide basis, an employer-
12 imposed requirement that other non-party Aggrieved Employees undergo a mandatory drug
13 test and/or physical examination upon hiring. At all times, Defendants were in control of
14 scheduling the date and time for the testing and/or examinations, selecting the
15 provider/facility where the testing and/or examinations were to take place, and determining
16 the scope of the testing and/or examinations. Defendants gave other non-party Aggrieved
17 Employees strict instructions to obtain drug testing and/or physical examinations, and other
18 non-party Aggrieved Employees underwent the testing and/or examinations for the sole
19 benefit of Defendants. Other non-party Aggrieved Employees were required to travel in their
20 own personal vehicles or obtain alternate transportation and spend time undergoing
21 Defendants' mandatory drug testing and/or physical examinations. However, Defendants did
22 not compensate other non-party Aggrieved Employees for the time they spent traveling to and
23 from the medical facilities and for the time they spent undergoing the drug testing and/or
24 physical examinations.

25 74. Thus, Defendants did not pay at least minimum wages for off-the-clock hours
26 that qualified for overtime premium payment. Also, to the extent that these off-the-clock
27 hours did not qualify for overtime premium payment, Defendants did not pay at least
28 minimum wages for those hours worked off-the-clock in violation of California Labor Code

1 sections 1182.12, 1194, and 1197. Accordingly, Defendants regularly failed to pay at least
2 minimum wages to Plaintiffs and other non-party Aggrieved Employees for all of the hours
3 they worked in violation of California Labor Code sections 1182.12, 1194, 1197, and 1198.

4 75. Defendants' failure to pay Plaintiffs and other non-party Aggrieved Employees
5 minimum wages violates California Labor Code sections 1182.12, 1194, 1197, and 1198.
6 Plaintiffs and other non-party Aggrieved Employees are therefore entitled to recover civil
7 penalties pursuant to Labor Code sections 2699(a), (f), and (g).

8 **FAILURE TO PROVIDE AND RECORD MEAL PERIODS**
9 **VIOLATION OF LABOR CODE SECTIONS 226.7, 512(a), 516, AND 1198**

10 76. At all relevant times herein set forth, the applicable IWC Wage Order(s) and
11 California Labor Code sections 226.7, 512(a), 516, and 1198 were applicable to Plaintiffs' and
12 non-party Aggrieved Employees' employment by Defendants.

13 77. At all relevant times herein set forth, California Labor Code section 512(a)
14 provides that an employer may not require, cause, or permit an employee to work for a period
15 of more than five (5) hours per day without providing the employee with a meal period of not
16 less than thirty (30) minutes, except that if the total work period per day of the employee is
17 not more than six (6) hours, the meal period may be waived by mutual consent of both the
18 employer and the employee. Under California law, first meal periods must start after no more
19 than five hours. *Brinker Rest. Corp. v. Superior Court*, 53 Cal. 4th 1004, 1041-1042 (Cal.
20 2012).

21 78. At all relevant times herein set forth, California Labor Code section 226.7,
22 512(a), 516, and 1198 provide that no employer shall require an employee to work during any
23 meal period mandated by an applicable order of the IWC.

24 79. At all relevant times herein set forth, Labor Code sections 226.7, 512(a), 1198
25 and the applicable IWC Wage Order also require employers to provide a second meal period
26 of not less than thirty (30) minutes if an employee works over ten (10) hours per day or to pay
27 an employee one (1) additional hour of pay at the employee's regular rate, except that if the
28 total hours worked is no more than twelve (12) hours, the second meal period may be waived

1 by mutual consent of the employer and the employee only if the first meal period was not
2 waived.

3 80. Under California law, an employer cannot evade meal break requirements via
4 the use of “on-duty” meal agreements because it understaffs its locations. *Abdullah v. U.S.*
5 *Sec. Assocs.*, 2011 U.S. Dist. LEXIS 156685 (C.D. Cal. Jan. 11, 2011).

6 81. First, as described above, Defendants did not track the start and stop times of
7 meal periods or allow employees to report a short, missed, or interrupted meal period on their
8 sign-in sheets. Instead, Defendants implemented a company-wide policy and practice of
9 automatically deducting 30 minutes from Plaintiffs’ and other non-party Aggrieved
10 Employees’ time records when they worked six (6) hours or more in one day, and deducted
11 one (1) hour from Plaintiffs’ and other non-party Aggrieved Employees’ time records when
12 they worked ten (10) or more hours in one day. For example, according to Defendants’ time
13 records, Plaintiff Gray worked 14.25 hours on November 9, 2019. However, on Plaintiff
14 Gray’s wage statement for the corresponding pay period, Defendants only paid Plaintiff Gray
15 for 13.25 hours (8.00 hours of straight time, 4.00 hours of overtime, and 1.25 hours of double
16 time) for that shift. Similarly, as described above, Plaintiff Vaca worked 9.00 hours from the
17 night of February 19, 2020, to the morning of February 20, 2020. However, on Plaintiff
18 Vaca’s wage statement for the corresponding pay period, Defendants only paid Plaintiff Vaca
19 for 8.50 hours (3.00 hours of straight time for 2/19/2020 and 5.50 hours of straight time for
20 2/20/2020) for that shift.

21 82. Second, as stated, Defendants required their employees to be subject to their
22 clients’ loss prevention policies, which resulted in Plaintiff Gray and other non-party
23 Aggrieved Employees receiving shortened meal periods, because they were required to
24 undergo mandatory security checks before entering or leaving clients’ premises/venues. For
25 example, as described above, event staff were subject to security searches during certain
26 events that involved promotional giveaways. When Plaintiff Gray left the venue for a meal
27 period, he would be required to cut short his meal period to allow for 10-15 minutes to
28 undergo security checks and wait for other employees to be searched before he could leave

1 and/or reenter the event venue.

2 83. Third, as stated above, Defendants' company-wide policies and/or practices of
3 understaffing and/or single-staffing their job sites pursuant to a labor budget, resultant lack of
4 adequate meal period coverage, and failure to schedule first and/or second meal periods,
5 prevented Plaintiffs and other non-party Aggrieved Employees from taking all timely,
6 uninterrupted meal periods to which they were entitled. As a result of Defendants' practices
7 and/or policies, Plaintiffs and other non-party Aggrieved Employees were forced to work in
8 excess of five (5) hours before taking a meal period, had their meal periods cut short and
9 interrupted, and/or had to forgo their meal periods altogether. For example, during his
10 employment, Plaintiff Gray had to forego his meal periods 1-2 times per week to ensure that
11 he was complying with Defendants' policy requiring posts to be maintained by at least one
12 employee at all times. For the same reasons, when Plaintiff Gray was afforded a meal period,
13 he was not able to take his meal period twice per week until his sixth (6th) hour of work or
14 later. As a further example, Plaintiff Vaca was not able to take his meal period until his fifth
15 (5th) hour of work or later 3-4 times per week. To the extent Defendants required Plaintiffs
16 and other non-party Aggrieved Employees to sign written "on-duty" meal period agreements,
17 such agreements are invalid as the nature of the work performed by Plaintiffs and other non-
18 party Aggrieved Employees do not necessitate an "on-duty" meal period under California law.
19 Defendants could have provided rover meal period coverage for their employees or staffed
20 more than one employee at certain posts, but chose not to do so. Because Defendants required
21 that Plaintiffs and other non-party Aggrieved Employees remain alert and on-duty at all times
22 while at their posts, and because they did not provide them with adequate meal period
23 coverage, Plaintiffs and other non-party Aggrieved Employees were subject to Defendants'
24 control and suffered to work during unpaid meal periods.

25 84. Furthermore, Defendants did not provide Plaintiff Gray and other non-party
26 Aggrieved Employees with second 30-minute meal periods on days when they worked in
27 excess of ten (10) hours in one day. For example, Plaintiff Gray worked shifts of ten (10) or
28 more hours on October 26, November 2, and November 9, 2019, but was not provided with a

1 second meal period on those days. Plaintiffs and other non-party Aggrieved Employees did
2 not sign valid meal period waivers on days that they were entitled to meal periods and were
3 not relieved of all duties

4 85. Moreover, Defendants had a company-wide policy of requiring all newly hired
5 employees to sign blanket meal period waivers at or near their time of hire. Defendants took
6 the position that non-exempt, hourly paid employees had waived their rights to first and/or
7 second meal periods for the entirety of their employment and, on that basis, did not provide
8 them with all meal periods to which they were entitled. Defendants' company-wide use of
9 blanket meal period waivers signed at or near the time of hire, discouraged and impeded
10 Plaintiffs and other non-party Aggrieved Employees from taking all meal periods to which
11 they were entitled. And, Defendants' presumption that second meal periods would not be
12 provided for shifts in excess of ten (10) hours but less than twelve (12) hours due to blanket
13 meal period waivers discouraged Plaintiffs and other non-party Aggrieved Employees from
14 taking second meal periods.

15 86. Furthermore, an employer's obligation to provide a meal period is only
16 "triggered" when the employer "employs an employee for a work period of more than five
17 hours per day." *Brinker*, 53 Cal. 4th at 1039 ("If an employer engages, suffers, or permits
18 anyone to work for a full five hours, its meal break obligation is triggered.").

19 [A]fter the meal break obligation is triggered . . . an employer is put to a
20 choice: it must (1) afford an off-duty meal period; (2) consent to a
21 mutually agreed-upon waiver if one hour or less will end the shift; or (3)
22 obtain written agreement to an on-duty meal period if circumstances
permit. Failure to do one of these will render the employer liable for
premium pay.

23 *Id.* (citing Cal. Labor Code § 226.7; Wage Order No. 5 subd. 11(A), (B)). Further, under
24 Labor Code section 512(a) and the applicable IWC Wage Order, employees may waive their
25 second meal periods only if they took their first meal period. That Defendants require
26 aggrieved employees to sign meal period waivers simultaneously at or near their time of hire
27 (as opposed to on a specific work day) renders them invalid and unenforceable, because
28 Defendants' obligation to provide Plaintiffs and other non-party Aggrieved Employees with

1 meal periods did not arise until they had employed them for a full five (5) hours.

2 87. Defendants knew or should have known that as a result of their company-wide
3 policies and/or practices, that Plaintiffs and other non-party Aggrieved Employees were not
4 actually relieved of all duties to take timely, uninterrupted meal periods. Defendants further
5 knew or should have known that they did not pay Plaintiffs and other non-party Aggrieved
6 Employees meal period premium wages when meal periods were missed, late, short, and/or
7 interrupted.

8 88. Furthermore, Defendants engaged in a company-wide practice and/or policy of
9 not paying all meal period premiums owed when compliant meal periods are not provided.
10 Because of this practice and/or policy, Plaintiffs and other non-party Aggrieved Employees
11 have not received premium pay for missed, interrupted, or late meal periods. Alternatively, to
12 the extent that Defendants did pay Plaintiff Vaca and other non-party Aggrieved Employees
13 for missed, late, and interrupted meal periods, Defendants did not pay Plaintiff Vaca and other
14 non-party Aggrieved Employees at the correct rate of pay for premium wages because
15 Defendants systematically failed to include all forms of compensation, such as shift
16 differential pay, incentive pay, nondiscretionary bonuses, and/or other forms of remuneration,
17 in the regular rate of pay.

18 89. Thus, Defendants failed to provide Plaintiffs and other non-party Aggrieved
19 Employees compliant meal periods and failed to pay the full meal period premiums due.
20 Defendants' conduct violates the applicable IWC Wage Order, and California Labor Code
21 sections 226.7, 512(a), 516, and 1198. Plaintiffs and other non-party Aggrieved Employees
22 are entitled to recover civil penalties pursuant to Labor Code sections 558 and/or 2699(a), (f),
23 and (g).

24 **FAILURE TO AUTHORIZE AND PERMIT REST PERIODS**

25 **VIOLATION OF LABOR CODE SECTIONS 226.7, 516, AND 1198**

26 90. At all relevant times herein set forth, the applicable IWC Wage Order and
27 California Labor Code sections 226.7, 516, and 1198 were applicable to Plaintiffs' and other
28 non-party Aggrieved Employees' employment by Defendants.

1 91. At all relevant times, the applicable IWC Wage Order provides that “[e]very
2 employer shall authorize and permit all employees to take rest periods, which insofar as
3 practicable shall be in the middle of each work period” and that the “rest period time shall be
4 based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4)
5 hours or major fraction thereof” unless the total daily work time is less than three and one-half
6 (3½) hours.

7 92. At all relevant times, California Labor Code section 226.7 provides that no
8 employer shall require an employee to work during any rest period mandated by an applicable
9 order of the California IWC. To comply with its obligation to authorize and permit rest
10 periods under California Labor Code section 226.7 and the applicable IWC Wage Order, an
11 employer must “relinquish any control over how employees spend their break time, and
12 relieve their employees of all duties—including the obligation that an employee remain on
13 call. A rest period, in short, must be a period of rest.” *Augustus v. ABM Security Services,*
14 *Inc.*, 2 Cal. 5th 257, 269-270 (2016).

15 93. Pursuant to the applicable IWC Wage Order and California Labor Code section
16 226.7(b), Plaintiffs and other non-party Aggrieved Employees are entitled to recover from
17 Defendants one (1) additional hour of pay at their regular rates of pay for each work day that a
18 required rest period was not authorized and permitted.

19 94. During the relevant time period, Defendants regularly failed to authorize and
20 permit Plaintiffs and other non-party Aggrieved Employees to take a ten (10) minute rest
21 period per each four (4) hour period worked or major fraction thereof. As with meal periods,
22 Defendants’ company-wide practices, including understaffing and/or single-staffing, resulted
23 in a lack of rest period coverage and prevented Plaintiffs and other non-party Aggrieved
24 Employees from being relieved of all duty in order to take compliant rest periods. Defendants
25 also failed to schedule rest periods, which, coupled with Defendants’ failure to provide
26 adequate rest period coverage, further led to Plaintiffs and other non-party Aggrieved
27 Employees not being authorized and permitted to take rest periods.

28 95. Furthermore, Defendants maintained and implemented a company-wide

1 practice and/or policy requiring that Plaintiffs and/or other non-party Aggrieved Employees
2 remain on the work premises during their rest periods. Because Plaintiffs and/or other non-
3 party Aggrieved Employees were restricted from leaving the work premises during rest
4 periods, they were denied the ability to use their rest periods freely for their own purposes.
5 Thus, Defendants effectively maintained control over Plaintiffs and/or other non-party
6 Aggrieved Employees during rest periods, and, as a result of this rest period policy,
7 Defendants did not relinquish control over Plaintiffs and/or other non-party Aggrieved
8 Employees during rest periods.

9 96. As a result, Plaintiffs and other non-party Aggrieved Employees would work
10 shifts in excess of 3.5 hours, in excess of 6 hours, and/or in excess of 10 hours without being
11 permitted and authorized to take all ten (10) minute rest periods to which they were entitled.
12 For example, throughout his employment, Defendants' management only permitted Plaintiff
13 Gray to take one rest period per day, despite the fact that Plaintiff Gray regularly worked
14 shifts in excess of six (6) hours. Even still, twice per week, Plaintiff Gray would miss the one
15 rest period per shift he was permitted to take to ensure that there was at least one employee at
16 his post at all times. Moreover, Plaintiff Gray never received third rest periods when working
17 shifts in excess of 10 hours. As a further example, Plaintiff Vaca would miss four (4) rest
18 periods per week, because Defendants required Plaintiff Vaca to maintain his post and failed
19 to employ sufficient staff to provide Plaintiff Vaca rest period coverage.

20 97. Defendants also have engaged in a company-wide practice and/or policy of not
21 paying all rest period premiums owed when compliant rest periods are not authorized and
22 permitted. Because of this practice and/or policy, Plaintiffs and other non-party Aggrieved
23 Employees have not received premium pay for all missed rest periods. Alternatively, to the
24 extent that Defendants did pay Plaintiff Vaca and other non-party Aggrieved Employees one
25 (1) additional hour of premium pay for missed rest periods, Defendants did not pay Plaintiff
26 Vaca and other non-party Aggrieved Employees at the correct rate of pay for premium wages
27 because Defendants failed to include all forms of compensation, such as shift differential pay,
28 incentive pay, nondiscretionary bonuses, and/or other forms of remuneration, in the regular

1 rate of pay.

2 98. Defendants' conduct violates the applicable IWC Wage Order and California
3 Labor Code sections 226.7, 516, and 1198. Plaintiffs and other non-party Aggrieved
4 Employees are therefore entitled to recover civil penalties pursuant to Labor Code sections
5 558 and/or 2699(a), (f), and (g).

6 **FAILURE TO PROVIDE AND MAINTAIN COMPLIANT WAGE STATEMENTS**
7 **VIOLATION OF LABOR CODE SECTIONS 226(a), 1174(d), AND 1198**

8 99. At all relevant times herein, California Labor Code section 226(a) provides that
9 every employer shall furnish each of his or her employees an accurate and complete itemized
10 wage statement in writing, including, but not limited to, the name and address of the legal
11 entity that is the employer, the inclusive dates of the pay period, total hours worked, and all
12 applicable rates of pay.

13 100. During the relevant time period, Defendants have knowingly and intentionally
14 provided Plaintiffs and other non-party Aggrieved Employees with uniform, incomplete, and
15 inaccurate wage statements. For example, Defendants issued uniform wage statements to
16 Plaintiffs and other non-party Aggrieved Employees that fail to correctly list: gross wages
17 earned; total hours worked; net wages earned; and all applicable hourly rates in effect during
18 the pay period, including overtime rates of pay, and the corresponding number of hours
19 worked at each hourly rate. Specifically, Defendants violated sections 226(a)(1), 226(a)(2),
20 226(a)(5), and 226(a)(9).

21 101. Because Defendants did not record the time Plaintiffs and other non-party
22 Aggrieved Employees spent working off-the-clock, deducted time from their records for meal
23 periods that were interrupted and/or missed (and therefore time for which they should have
24 been paid), and improperly rounded their total hours worked, Defendants did not list the
25 correct amount of gross wages and net wages earned by Plaintiffs and other non-party
26 Aggrieved Employees in compliance with section 226(a)(1) and section 226(a)(5),
27 respectively. For the same reason, Defendants failed to accurately list the total number of
28 hours worked by Plaintiffs and other non-party Aggrieved Employees, in violation of section

1 226(a)(2), and failed to list the applicable hourly rates of pay in effect during the pay period
2 and the corresponding accurate number of hours worked at each hourly rate, in violation of
3 section 226(a)(9).

4 102. In addition, because Defendants did not calculate Plaintiff Vaca's and other
5 non-party Aggrieved Employees' regular rate of pay correctly for purposes of paying overtime
6 wages, Defendants did not list the correct amount of gross wages earned by Plaintiff Vaca and
7 other non-party Aggrieved Employees in compliance with section 226(a)(1) and did not list
8 the correct amount of net wages earned by Plaintiff Vaca and other non-party Aggrieved
9 Employees in violation of section 226(a)(5). Defendants also failed to correctly list all
10 applicable hourly rates in effect during the pay period, namely, correct overtime rates of pay
11 and correct rates of pay for premium wages, in violation of section 226(a)(9).

12 103. The wage statement deficiencies also include, among other things, failing to list
13 the number of piece-rate units earned and any applicable piece rate if the employee is paid on
14 a piece-rate basis; failing to list all deductions; failing to list the name of the employee and
15 only the last four digits of his or her social security number or an employee identification
16 number other than a social security number; failing to list the name and address of the legal
17 entity that is the employer; failing to list the inclusive dates of the period for which aggrieved
18 employees were paid; and/or failing to state all hours worked as a result of not recording or
19 stating the hours they worked off-the-clock.

20 104. California Labor Code section 1198 provides that the maximum hours of work
21 and the standard conditions of labor shall be those fixed by the Labor Commissioner and as
22 set forth in the applicable IWC Wage Orders. Section 1198 further provides that "[t]he
23 employment of any employees for longer hours than those fixed by the order or under
24 conditions of labor prohibited by the order is unlawful." Pursuant to the applicable IWC
25 Wage Order, employers are required to keep accurate time records showing when the
26 employee begins and ends each work period and meal period. During the relevant time
27 period, Defendants failed, on a company-wide basis, to keep accurate records of work period
28 and meal period start and stop times for Plaintiffs and other non-party Aggrieved Employees,

1 in violation of section 1198. As stated, Defendants engaged in a company-wide practice
2 and/or policy of falsifying Plaintiffs' and/or other non-party Aggrieved Employees' time
3 records by deducting meal periods regardless of if or when meal periods were actually taken,
4 and kept no records of meal start and end times altogether. Furthermore, in light of
5 Defendants' failure to provide Plaintiff Gray and other non-party Aggrieved Employees with
6 second 30-minute meal periods to which they were entitled, Defendants kept no records of
7 meal start and end times for second meal periods.

8 105. California Labor Code section 1174(d) provides that "[e]very person employing
9 labor in this state shall . . . [k]eep a record showing the names and addresses of all employees
10 employed and the ages of all minors" and "[k]eep, at a central location in the state or at the
11 plants or establishments at which employees are employed, payroll records showing the hours
12 worked daily by and the wages paid to, and the number of piece-rate units earned by and any
13 applicable piece rate paid to, employees employed at the respective plants or
14 establishments. . . ." Labor Code section 1174.5 provides that employers are subject to a \$500
15 civil penalty if they fail to maintain accurate and complete records as required by section
16 1174(d). During the relevant time period, and in violation of Labor Code section 1174(d),
17 Defendants willfully failed to maintain accurate payroll records for Plaintiffs and other non-
18 party Aggrieved Employees showing the daily hours they worked and the wages paid thereto
19 as a result of failing to record the off-the-clock hours that they worked and improperly
20 rounding Plaintiffs' and other non-party Aggrieved Employees' total hours worked.

21 106. Because Defendants' violations of 226(a) and 1174(d) were committed against
22 Plaintiffs and other non-party Aggrieved Employees, Plaintiffs and other non-party Aggrieved
23 Employees are entitled to recover civil penalties pursuant to Labor Code sections 226.3,
24 1174.5, and/or 2699(a), (f), and (g).

25 **FAILURE TO PAY WAGES DURING EMPLOYMENT**

26 **VIOLATION OF LABOR CODE SECTION 204**

27 107. At all relevant times herein set forth, California Labor Code section 204
28 requires that all wages earned by any person in any employment between the 1st and the 15th

1 days, inclusive, of any calendar month, other than those wages due upon termination of an
2 employee, are due and payable between the 16th and the 26th day of the month during which
3 the labor was performed. Labor Code section 204 further provides that all wages earned by
4 any person in any employment between the 16th and the last day, inclusive, of any calendar
5 month, other than those wages due upon termination of an employee, are due and payable
6 between the 1st and the 10th day of the following month.

7 108. At all relevant times herein, California Labor Code section 204 also requires
8 that all wages earned for labor in excess of the normal work period shall be paid no later than
9 the payday for the next regular payroll period. Alternatively, at all relevant times herein,
10 Labor Code section 204 provides that the requirements of this section are deemed satisfied by
11 the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not
12 more than seven (7) calendar days following the close of the payroll period.

13 109. During the relevant time period, Defendants failed to pay Plaintiffs and other
14 non-party Aggrieved Employees all wages due to them, including, but not limited to, overtime
15 wages, minimum wages, meal and rest period premium wages, and/or reporting time pay
16 within any time period specified by California Labor Code section 204.

17 110. Plaintiffs and other non-party Aggrieved Employees are therefore entitled to
18 recover civil penalties pursuant to Labor Code sections 210 and/or 2699(a), (f), and (g).

19 **FAILURE TO PAY WAGES UPON TERMINATION**

20 **VIOLATION OF LABOR CODE SECTIONS 201, 202, and 203**

21 111. At all times relevant herein set forth, Labor Code sections 201, 202, and 203
22 provide that if an employer discharges an employee, the wages earned and unpaid at the time
23 of discharge are due and payable immediately, and that if an employee voluntarily leaves his
24 or her employment, his or her wages shall become due and payable not later than seventy-two
25 (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of
26 his or her intention to quit, in which case the employee is entitled to his or her wages at the
27 time of quitting.

28 112. Defendants willfully failed to pay Plaintiffs and other non-party Aggrieved

1 Employees who are no longer employed by Defendants all their earned wages, including, but
2 not limited to, overtime wages, minimum wages, meal and rest period premium wages, and/or
3 reporting time pay either at the time of discharge, or within seventy-two (72) hours of their
4 leaving Defendants' employ in violation of California Labor Code sections 201, 202, and 203.

5 113. Defendants' failure to pay Plaintiffs and those non-party Aggrieved Employees
6 who are no longer employed by Defendants their wages earned and unpaid at the time of
7 discharge, or within seventy-two (72) hours of their leaving Defendant's employ, violates
8 Labor Code sections 201, 202, and 203. Plaintiffs and other non-party Aggrieved Employees
9 are therefore entitled to recover civil penalties pursuant to Labor Code sections 256 and/or
10 2699(a), (f), and (g).

11 **FAILURE TO PAY COSTS OF MEDICAL OR PHYSICAL EXAMINATION**
12 **VIOLATION OF LABOR CODE SECTION 222.5**

13 114. At all relevant times herein, California Labor Code section 222.5 requires
14 employers to pay for the costs an employee incurs for obtaining any required medical or
15 physical examination.

16 115. During the relevant time period, Defendants implemented, on a company-wide
17 basis, an employer-imposed requirement that other non-party Aggrieved Employees undergo
18 mandatory drug testing and/or physical examinations upon hiring, but required them to do so
19 at their own expense. As stated, Defendants had a company-wide policy requiring that other
20 non-party Aggrieved Employees travel to a specified medical facility on their own time and
21 use their own means of transportation to undergo drug testing and/or physical examinations.
22 At all times, Defendants were in control of scheduling the date and time for the testing and/or
23 examinations, selecting the provider/facility where the testing and/or examinations were to
24 take place, and determining the scope of the testing and/or examinations. However,
25 Defendants did not compensate other non-party Aggrieved Employees for the time they spent
26 traveling to and from the medical facilities, for the time they spent undergoing the drug testing
27 and/or physical examinations, or reimburse them for the travel expenses they incurred getting
28 to and from the medical facilities. Defendants' policy and/or practice of not paying for all

costs other non-party Aggrieved Employees incurred obtaining mandatory drug testing and/or physical examinations is in violation of California Labor Code section 222.5.

116. Other non-party Aggrieved Employees are therefore entitled to recover civil penalties pursuant to Labor Code sections 2699(a), (f), and (g).

FAILURE TO PAY SPLIT-SHIFT PAY

VIOLATION OF LABOR CODE SECTION 1198

117. California Labor Code section 1198 provides that no employer may employ an employee under conditions of labor that are prohibited by the applicable IWC wage order. California Labor Code section 1198 further requires that “. . . the standard conditions of labor fixed by the commission shall be the . . . standard conditions of labor for employees. The employment of any employee . . . under conditions of labor prohibited by the order is unlawful.”

118. California Code of Regulations, Title 8, section 11040(4)(C) provides that, “When an employee works a split shift, one (1) hour’s pay at the minimum wage shall be paid in addition to the minimum wage for that workday, except when the employee resides at the place of employment.” California Code of Regulations, Title 8, defines a split shift as “a work schedule, which is interrupted by non-paid non-working periods established by the employer, other than bona fide rest or meal periods.”

119. Defendants willfully violated California Labor Code section 1198 and California Code of Regulations, Title 8, section 11040(4)(C), because Defendants failed to pay other non-party Aggrieved Employees a split-shift premium when they returned to work for an additional shift in the same day, after having been clocked out for more than an hour. Accordingly, Defendants required other non-party Aggrieved Employees to work split shifts but failed to pay them an additional hour at minimum wage, in violation of California Labor Code section 1198.

120. Defendants’ failure to provide other non-party Aggrieved Employees with split-shift pay when they returned to work for an additional shift in the same day, after having been clocked out for more than an hour, violates California Labor Code section 1198 and California

1 Code of Regulations Title 8, Section 11040(4)(C). Other non-party Aggrieved Employees are
2 therefore entitled to recover civil penalties pursuant to Labor Code sections 2699(a), (f), and
3 (g).

4 **FAILURE TO PAY REPORTING TIME PAY**
5 **VIOLATION OF LABOR CODE SECTION 1198**

6 121. California Labor Code section 1198 makes it illegal to employ an employee
7 under conditions of labor that are prohibited by the applicable wage order. California Labor
8 Code section 1198 requires that “. . . the standard conditions of labor fixed by the commission
9 shall be the . . . standard conditions of labor for employees. The employment of any employee
10 . . . under conditions of labor prohibited by the order is unlawful.”

11 122. California Code of Regulations, Title 8, section 11040(5)(A) provides that
12 “[e]ach workday an employee is required to report for work and does report, but is not put to
13 work or is furnished less than half said employee’s usual or scheduled day’s work, the
14 employee shall be paid for half the usual or scheduled day’s work, but in no event for less
15 than two (2) hours nor more than four (4) hours, at the employee’s regular rate of pay, which
16 shall not be less than the minimum wage.” The “primary purpose of the reporting time
17 regulation” is “to guarantee at least partial compensation for employees who report to work
18 expecting to work a specified number of hours, and who are deprived of that amount because
19 of inadequate scheduling or lack of proper notice by the employer.” *Aleman v. AirTouch*
20 *Cellular*, 209 Cal. App. 4th 556 (2012).

21 123. Upon information and belief, Defendants violated California Labor Code
22 section 1198 and California Code of Regulations, Title 8, section 11040(5), because
23 Defendants failed to pay Plaintiffs and other non-party Aggrieved Employees reporting time
24 pay when they reported to work for their scheduled shift but were put to work for less than
25 half of the regular schedule.

26 124. First, as described above, Defendants had a company-wide “call-in” policy,
27 whereby they scheduled Plaintiff Gray and other non-party Aggrieved Employees to work
28 “on-call,” or on standby. When scheduled for a “call-in” or standby shift, Plaintiff Gray and

1 other non-party Aggrieved Employees regularly presented themselves as ready for work by
2 calling in to their supervisors 2-4 hours prior to their scheduled standby shifts and awaiting
3 instructions on whether to go to the event venue, but were ultimately not told to come in.
4 When this occurred, Defendants did not pay Plaintiff Gray and other non-party Aggrieved
5 Employees for at least half of their scheduled day's work when they were subject to
6 Defendants' "call-in" policy and were ultimately not called.

7 125. Second, Defendants had a company-wide practice of sending Plaintiffs and
8 other non-party Aggrieved Employees home early from their shifts, including before they had
9 worked at least half of their regular shift, but would not pay Plaintiffs and other non-party
10 Aggrieved Employees for half of their scheduled shift. Although Plaintiffs and other non-
11 party Aggrieved Employees would report to work based on the schedule that Defendants
12 provided to them, Defendants would send them home before they had worked at least half of
13 their scheduled shifts without giving them reporting time pay. For example, Plaintiffs
14 reported to work for their scheduled shifts, but were told to go home because they were no
15 longer needed. When this occurred, Defendants did not pay Plaintiffs for at least half of their
16 scheduled standby time or the required minimum reporting time pay. Accordingly, Plaintiffs
17 and other non-party Aggrieved Employees were not properly compensated with reporting time
18 pay in violation of California Labor Code section 1198.

19 126. Plaintiffs and other non-party Aggrieved Employees are therefore entitled to
20 recover civil penalties pursuant to Labor Code sections 2699(a), (f), and (g).

21 **FAILURE TO REIMBURSE NECESSARY BUSINESS EXPENSES**

22 **VIOLATION OF LABOR CODE SECTION 2802**

23 127. At all times herein set forth, California Labor Code section 2802 provides that
24 an employer must reimburse employees for all necessary expenditures and losses incurred by
25 the employee in the performance of his or her job. The purpose of Labor Code section 2802 is
26 to prevent employers from passing off their cost of doing business and operating expenses on
27 to their employees. *Cochran v. Schwan's Home Service, Inc.*, 228 Cal. App. 4th 1137, 1144
28 (2014). The applicable wage order, IWC Wage Order 4-2001, provides that: "[w]hen the

1 employer requires the use of tools or equipment or they are necessary to the performance of a
2 job, such tools and equipment shall be provided and maintained by the employer, except that
3 an employee whose wages are at least two (2) times the minimum wage may provide and
4 maintain hand tools and equipment customarily required by the particular trade or craft.”

5 128. First, Defendants, on a company-wide basis, required Plaintiff Gray and other
6 non-party Aggrieved Employees to utilize their own personal vehicles to carry out company
7 business, but failed to reimburse them for all costs of travel, including mileage. For example,
8 Plaintiff Gray and other non-party Aggrieved Employees were assigned to venues in specific
9 geographic areas within the Los Angeles Metropolitan region, but were sometimes required to
10 work at venues in other areas. Specifically, although Plaintiff Gray primarily worked in the
11 “South Bay” and “Downtown Los Angeles” areas that were near his home, he would
12 occasionally be forced to drive an additional 30 miles roundtrip when he was scheduled to
13 work events at the Rose Bowl in the “Pasadena” area, but was never reimbursed for any of his
14 mileage. Accordingly, Plaintiff Gray and other non-party Aggrieved Employees were not
15 reimbursed for travel required as part of their work-related duties.

16 129. Additionally, as stated, Defendants had a company-wide policy of requiring
17 other non-party Aggrieved Employees to travel to medical facilities on their own time and
18 using their personal vehicles or alternate transportation to obtain mandatory drug testing
19 and/or physical examinations, but did not reimburse them for their travel expenses, including
20 mileage. At all times, Defendants were in control of scheduling the date and time for the
21 testing and/or physical examinations, selecting the provider or facility where the testing and/or
22 physical examinations were to take place, and determining the scope of the testing and/or
23 physical examinations. Defendants gave other non-party Aggrieved Employees strict
24 instructions to obtain drug testing and/or physical examinations, and other non-party
25 Aggrieved Employees underwent the examinations and/or testing for the sole benefit of
26 Defendants. Although Defendants required other non-party Aggrieved Employees to use their
27 own vehicles or obtain alternate transportation to undergo drug testing and/or physical
28 examinations, Defendants never reimbursed them for their travel expenses.

1 130. Second, during the relevant time period, Defendants, on a company-wide basis,
2 forced Plaintiffs and other non-party Aggrieved Employees to purchase their own supplies,
3 such as flashlights, notepads, and clipboards, in order to complete their work-related duties.
4 For example, Plaintiff Vaca was required to spend \$50.00 on these supplies in order to carry
5 out his similar work-related duties. As a further example, Plaintiff Gray was required to
6 spend \$40.00 on a flashlight in order to carry out his work-related duties, such as verifying
7 attendees' access to restricted areas. Although Defendants required Plaintiffs and other non-
8 party Aggrieved Employees to purchase and use their own supplies on the job, Defendants did
9 not reimburse them for these expenses.

10 131. Third, Defendants, on a company-wide basis, required other non-party
11 Aggrieved Employees to obtain and pay for certain licenses, such as the Security Guard
12 License issued by the California Bureau of Security and Investigative Services (BSIS), also
13 known as a "guard card," that were required for their continued employment, as well as
14 associated costs such as training and examination fees. Defendants had a uniform policy of
15 requiring employees to obtain a license within three (3) months of hire, if they wanted to
16 ensure that they would continue to be scheduled for future jobs and assignments, but did not
17 reimburse them for the costs of obtaining the license ("I . . . understand, agree and
18 acknowledge it is an expectation that, within three months . . . I will complete the training and
19 application procedures necessary to be licensed by the State of California as a Security Guard.
20 I understand that failure to get a Security Guard License or failure to comply with the training
21 requirements . . . will dramatically affect my ability to schedule for work."). Thus,
22 Defendants failed to reimburse other non-party Aggrieved Employees for all of the costs of
23 obtaining these licenses, including training and examination fees.

24 132. Defendants could have provided Plaintiffs and other non-party Aggrieved
25 Employees with the actual tools for use on the job, such as company vehicles to be used for
26 fulfilling work-related tasks and security supplies. Or, Defendants could have reimbursed
27 employees for their travel; mileage; security supply expenses; and license, training, and
28 examination fees. Instead, Defendants passed these operating costs off onto Plaintiffs and

1 other non-party Aggrieved Employees. At all relevant times, Plaintiffs did not earn at least
2 two (2) times the minimum wage.

3 133. Plaintiffs and other non-party Aggrieved Employees are therefore entitled to
4 recover civil penalties pursuant to Labor Code sections 2699(a), (f), and (g).

5 **REQUEST FOR JURY TRIAL**

6 Plaintiffs request a trial by jury.

7 **PRAYER FOR RELIEF**

8 Plaintiffs, on behalf of all other non-party Aggrieved Employees, pray for relief and
9 judgment against Defendants, jointly and severally, as follows:

10 1. For civil penalties and attorneys' fees in excess of twenty-five thousand dollars
11 (\$25,000). Plaintiffs reserve the right to amend their prayer for relief to seek a different
12 amount.

13 **As to the First Cause of Action**

14 2. That the Court declare, adjudge and decree that Defendants violated the
15 following California Labor Code provisions as to Plaintiffs and/or other non-party Aggrieved
16 Employees: 510 and 1198 (by failing to pay all overtime compensation); 1182.12, 1194, 1197,
17 and 1198 (by failing to pay at least minimum wages for all hours worked); 226.7, 512, 516,
18 and 1198 (by failing to provide all meal periods); 226.7, 516, and 1198 (by failing to authorize
19 and permit all rest periods); 226(a), 1174(d), and 1198 (by failing to provide accurate wage
20 statements and maintain accurate payroll records); 204 (by failing timely to pay all earned
21 wages during; 201, 202, and 203 (by failing timely to pay all earned wages upon termination);
22 employment); 222.5 (by failing to compensate for mandatory physical examinations and/or
23 drug testing); 1198 (by failing to pay split-shift premiums); 1198 (by failing to provide
24 reporting time pay); and 2802 (by failing to reimburse business expenses).

25 3. For civil penalties, pursuant to California Labor Code sections 210, 226.3, 256,
26 558, 1174.5, and 2699 (a), (f), and (g), for violations of California Labor Code sections 201,
27 202, 203, 204, 222.5, 226(a), 226.7, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1198,
28 and 2802;

1 4. For attorneys' fees and costs pursuant to California Labor Code section
2 2699(g)(1), and any and all other relevant statutes, for Defendants' violations of California
3 Labor Code sections 201, 202, 203, 204, 222.5, 226(a), 226.7, 510, 512(a), 516, 1174(d),
4 1182.12, 1194, 1197, 1198, and 2802;

5 5. For pre-judgment and post-judgment interest as provided by law; and

6 6. For such other and further relief as the Court may deem equitable and
7 appropriate.

8
9 Dated: December 21, 2020

Respectfully submitted,

Capstone Law APC

10
11
12 By: 

13 Mark A. Ozzello
14 Brandon K. Brouillette
15 Joseph Hakakian

16 Attorneys for Plaintiffs Shauntae Gray
17 and Luis Vaca
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EXHIBIT 1



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JULIAN QUATTLEBAUM
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October 16, 2020

VIA ONLINE SUBMISSION

California Labor & Workforce Development Agency
ATTN: PAGA Administrator
(<https://dir.tfaforms.net/295>)

Subject: *Shauntae Gray v. Contemporary Services Corporation*

Dear PAGA Administrator:

This office represents Shauntae Gray in connection with his claims under the California Labor Code. Mr. Gray was an employee of Contemporary Services Corporation ("CSC").

The employer may be contacted directly at the address below:

CONTEMPORARY SERVICES CORPORATION
17101 SUPERIOR STREET
NORTHRIDGE, CA 91325

Mr. Gray intends to seek civil penalties, attorney's fees, costs, and other available relief for violations of the California Labor Code, which are recoverable under sections 2698, *et seq.*, the Labor Code Private Attorneys General Act of 2004 ("PAGA"). Mr. Gray seeks relief on behalf of himself, the State of California, and other persons who are or were employed by CSC as a non-exempt, hourly paid employee in California and who received at least one wage statement ("aggrieved employees"). This letter is sent in compliance with the notice and reporting requirements of California Labor Code section 2699.3.

CSC employed Mr. Gray as an hourly paid, non-exempt employee from approximately August 2019 to February 2020. Mr. Gray worked for CSC as an Event Staff employee from August 2019 until October 2019, and as VIP Security from October 2019 to February 2020. During his employment, Mr. Gray typically worked eight (8) to ten (10) hours or more per day and three (3) days per week. Mr. Gray earned between \$12.00 to \$14.25 per hour. His job duties included, without limitation, overseeing his security post, safeguarding and approving entry into secured areas, and maintaining walkways.

CSC committed one or more of the following Labor Code violations against Mr. Gray, the facts and theories of which follow, making him an “aggrieved employee” pursuant to California Labor Code section 2699(c):¹

CSC’s Company-Wide and Uniform Payroll and HR Practices

CONTEMPORARY SERVICES CORPORATION is a California corporation, and is the largest event staffing company and one of the largest security companies in North America. Upon information and belief, CSC maintains a single, centralized Human Resources (HR) department at its corporate headquarters in Northridge, California, for all non-exempt, hourly paid employees working for CSC in California, including Mr. Gray and other aggrieved employees. At all relevant times, CSC issued and maintained uniform, standardized scheduling and timekeeping practices and procedures for all non-exempt, hourly paid employees in California, including Mr. Gray and other aggrieved employees, regardless of its location or position.

Upon information and belief, CSC maintains a centralized Payroll department at its corporate headquarters in Northridge, California, which processes payroll for all non-exempt, hourly paid employees working for CSC in California, including Mr. Gray and other aggrieved employees. Further, CSC issues the same formatted wage statements in the same manner for all non-exempt, hourly paid employees working in California, including Mr. Gray and other aggrieved employees, irrespective of their location, position, or manner in which each employee’s employment ended. In other words, CSC utilized the same methods and formulas when calculating wages due to Mr. Gray and other aggrieved employees in California.

Violation of California Labor Code §§ 510 and 1198 – Unpaid Overtime

California Labor Code sections 510 and 1198 and the applicable Industrial Welfare Commission (“IWC”) Wage Order require employers to pay employees working more than eight (8) hours in a day or more than forty (40) hours in a workweek at the rate of time-and-one-half (1½) times the regular rate of pay for all hours worked in excess of eight (8) hours in a day or more than forty (40) hours in a workweek. The applicable IWC Wage Order further provides that employers are required to pay employees working more than twelve (12) hours in a day overtime compensation at a rate of two (2) times their regular rate of pay. An employee’s regular rate of pay includes all remuneration for employment paid to, or on behalf of, the employee, including nondiscretionary bonuses and incentive pay.

CSC willfully failed to pay all overtime wages owed to Mr. Gray and other aggrieved employees. During the relevant time period, Mr. Gray and other aggrieved employees were not paid overtime premiums for all of the hours they worked in excess of eight (8) hours in a day, in excess of twelve (12) hours in a day, and/or in excess of forty (40) hours in a week, because all hours that they worked were not recorded.

¹ These facts, theories, and claims are based on Mr. Gray’s experience and counsel’s review of those records currently available relating to Mr. Gray’s employment. Discovery conducted in litigation of wage and hour claims such as these often reveals additional claims that the aggrieved employee was not initially aware of (because the aggrieved employee was not aware of the law’s requirements, the employer misinformed its employee of the law’s requirements, or because the employer effectively hid the violations). Thus, Mr. Gray reserves the right to supplement this letter with additional facts, theories, and claims if he becomes aware of them subsequent to the submission of this letter.

First, during the relevant time period, CSC has had a company-wide policy and/or practice of improperly rounding employee clock-in and clock-out duration times to the nearest quarter-hour in its timekeeping system. CSC's rounding policy has resulted in the failure to compensate Mr. Gray and other aggrieved employees fully for all hours worked, causing Mr. Gray and other aggrieved employees to not be paid overtime wages for all of the overtime hours they actually worked. Upon information and belief, CSC's rounding policy is, and continues to be, unfair and has, over time, resulted in the underpayment of wages to Mr. Gray and other aggrieved employees. To the extent CSC's rounding policy has taken away time worked that was eligible for overtime, Mr. Gray and other aggrieved employees have been denied overtime pay for all hours worked.

Moreover, CSC had, and continues to have, a company-wide policy of circumventing the payment of overtime wages to minimize labor costs. Specifically, CSC implemented a policy that resets the work day at midnight and therefore treats shifts extending into the following day as two separate shifts. This policy has the effect of reducing the amount of overtime paid to other aggrieved employees when they worked during overnight shifts. CSC's policy is particularly onerous for those employees whose shifts started later in the day, so when other aggrieved employees worked shifts longer than eight (8) hours that extended past midnight, they were not paid overtime or double-time premiums for all of the hours they worked in excess of eight (8) hours in a day and/or in excess of twelve (12) hours in a day.

Second, during the relevant time period, CSC had, and continues to have, a company-wide policy and/or practice of discouraging and impeding Mr. Gray and other aggrieved employees from recording hours worked that were outside of their scheduled shifts in order to limit the amount of overtime employees could accrue. On information and belief, this limitation on overtime accrual was based on a company-wide policy of staffing job sites or locations strictly based on the labor hours or labor budget set by corporate. This policy of limiting overtime, coupled with CSC's understaffing and/or single-staffing policy (*see infra*), led Mr. Gray and other aggrieved employees to work off-the-clock before and after their scheduled shift times in order to complete their assigned tasks. As a result of this restriction on overtime accrual, Mr. Gray and other aggrieved employees were forced to work off-the-clock performing tasks before and after their scheduled shift times, but were not provided a means by CSC to account for this time.

For example, approximately two (2) times per week, at the request of his supervisor, Mr. Gray would arrive 30-60 minutes early for his scheduled shift to begin preparing and securing the venue premises for an upcoming event, but was not permitted to clock in before his scheduled shift start-time. Similarly, other aggrieved employees would arrive 15 minutes early and clock in immediately for their scheduled shifts, but CSC's supervisors would adjust their clock-in times to reflect their scheduled shift start-time instead. In addition, approximately three (3) times per week, CSC would require that Mr. Gray spend at least 1-2 hours after his scheduled shift end-time continuing to supervise restricted access areas when events would run later than scheduled. CSC failed to record the time worked by Mr. Gray and other aggrieved employees on these occasions because the CSC sign-in sheets were no longer available to employees, and CSC's supervisors automatically clocked out employees at their scheduled shift end-time. Alternatively, when Mr. Gray and other aggrieved employees did not clock out at their designated shift end-times, on information and belief, Mr. Gray and other aggrieved employees were subject to CSC's supervisors falsifying their time records in order to prevent employees from accruing overtime. Thus, CSC failed to track this time spent working before and after scheduled shifts, and Mr. Gray and other aggrieved employees received no compensation for this time.

Moreover, CSC did not have a procedure in place to track the start and stop times of meal periods or to allow employees to report a short, missed, or interrupted meal period. The sign-in sheet that Mr. Gray and other aggrieved employees were required to sign did not have a place for them to record meal period start and stop times. Instead, CSC implemented a company-wide policy and practice of automatically deducting 30-minute meal periods from Mr. Gray's and other aggrieved employees' time records. As a result of this policy, CSC deducted 30-minute meal periods from Mr. Gray's and other aggrieved employees' time records even when meal periods were missed, short, and/or interrupted. For example, CSC deducted 30 minutes from Mr. Gray's and other aggrieved employees' time records when they worked six (6) hours or more in one day, and deducted one (1) hour from Mr. Gray's and other aggrieved employees' time records when they worked ten (10) or more hours in one day, even when meal periods were missed short, and/or interrupted. Because CSC failed to implement any sort of timekeeping system for meal periods and automatically deducted 30-minute meal periods from employees' timesheets, Mr. Gray and other aggrieved employees were not paid for all hours worked.

Third, during the relevant period, CSC had a company-wide "call-in" policy, whereby it scheduled Mr. Gray and other aggrieved employees to work "on-call," or on standby. These "call-in" shifts worked to CSC's benefit and to the detriment of Mr. Gray and other aggrieved employees. By utilizing "call-in" shifts, CSC received the benefit of being able to maximize revenue by having a standby workforce they could choose to utilize or not, depending on venue traffic and other metrics, without incurring the cost of compensating employees who show up to work and work a full or partial scheduled day's work.

When scheduled for a "call-in" or standby shift, Mr. Gray and other aggrieved employees were required to call their supervisors 2-4 hours before their scheduled standby shift to see if they were required to come in and work. Mr. Gray and other aggrieved employees were engaged to wait and could not engage in personal activities as they had to be ready to travel to their designated venues on short notice and work their standby shift. When scheduled to be "on-call" for a standby shift, Mr. Gray and other aggrieved employees were controlled by CSC because they were forced to put their lives on hold and could not use that time freely for their own purposes. For example, Mr. Gray refrained from making plans altogether while "on-call" for a standby shift because he knew that he had to drop whatever he was doing at a moment's notice if he was instructed to work his standby shift. CSC did not pay Mr. Gray and other aggrieved employees for the time they spent waiting to hear whether they needed to report to their designated venue for work on days they ultimately were not called in. CSC also did not compensate Mr. Gray and other aggrieved employees for the time they spent calling in to see if they were needed.

Fourth, CSC had, and continues to have, a company-wide policy that required its employees to be subject to its clients' loss prevention policies, which resulted in Mr. Gray and other aggrieved employees undergoing mandatory security checks before entering or leaving clients' premises/venues, while off-the clock. For example, any time Mr. Gray returned to the venue after leaving for a meal period, he would be required to cut short his meal period to allow for 10-15 minutes to undergo a security check and wait for other aggrieved employees to be searched before he could reenter the event venue. Similarly, after clocking out at the end of his shifts, when working larger events, Mr. Gray was required to wait off-the-clock for his supervisors to perform checks on each employee before being allowed to leave. Mr. Gray could spend up to 30 minutes waiting for other employees to undergo security checks and then undergo the check himself. Although CSC required that Mr. Gray and other aggrieved employees undergo mandatory security checks, CSC did not compensate them for the time it took them to pass through those screenings.

Fifth, as stated above, CSC had, and continues to have, a company-wide policy and/or practice of understaffing its job sites, pursuant to its labor budget practices, resulting in a failure to provide Mr. Gray and other aggrieved employees with adequate meal period coverage. CSC also understaffed its job sites by adopting a single-staffing model for certain posts, which exacerbated the lack of meal period coverage for employees. As a result of CSC's policy of understaffing and/or single-staffing, coupled with a company-wide policy and/or practice of failing to schedule meal periods, Mr. Gray and other aggrieved employees were not always afforded uninterrupted 30-minute meal periods during shifts when they were entitled to receive a meal period. For example, during his employment, Mr. Gray had to forego his meal periods 1-2 times per week in order to ensure he was complying with CSC's policy requiring posts to be maintained by at least one employee at all times. In addition, CSC did not provide Mr. Gray and other aggrieved employees with second 30-minute meal periods on days when they worked in excess of ten (10) hours in one day. Thus, Mr. Gray and other aggrieved employees missed or had meal periods interrupted in order to complete and fulfill their work-related duties. CSC did not pay Mr. Gray and other aggrieved employees for the time they continued to perform tasks and remain on duty during meal periods.

CSC knew or should have known that as a result of these company-wide practices and/or policies, Mr. Gray and other aggrieved employees were working before and after their shifts and/or during their meal periods, and were suffered or permitted to perform work for which they were not paid. Because Mr. Gray and other aggrieved employees sometimes worked shifts of eight (8) hours a day or more or forty (40) hours a week or more, some of this off-the-clock work qualified for overtime premium pay. Therefore, Mr. Gray and other aggrieved employees were not paid overtime wages for all of the overtime hours they actually worked.

Furthermore, CSC did not pay other aggrieved employees the correct overtime rate for the recorded overtime hours that they generated. In addition to an hourly wage, CSC paid other aggrieved employees shift differential pay, incentive pay, nondiscretionary bonuses, and/or other forms of remuneration. However, in violation of the California Labor Code, CSC failed to incorporate all remunerations, including shift differential pay, incentive pay, and/or nondiscretionary bonuses, into the calculation of the regular rate of pay for purposes of calculating the overtime wage rates. Therefore, during times when other aggrieved employees worked overtime and received these other forms of pay, CSC failed to pay all overtime wages by paying a lower overtime rate than required.

Specifically, CSC paid other aggrieved employees shift differential pay. During pay periods that other aggrieved employees were paid overtime and double-time wages, CSC failed to incorporate the shift differential pay into other aggrieved employees' regular rate of pay and, as a result, paid them at incorrect and lower rates of pay for overtime hours worked. Specifically, CSC paid other aggrieved employees 1.5 times their hourly rate of pay instead of 1.5 times their regular rate of pay. CSC's failure to properly calculate the overtime and double-time rates of pay based on all remuneration paid has resulted in an underpayment of overtime and double-time wages to other aggrieved employees on a company-wide basis.

Mr. Gray and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 1182.12, 1194, 1197, 1197.1, and 1198 – Unpaid Minimum Wages

California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198 require employers to pay employees the minimum wage fixed by the IWC. The payment of a lesser wage than the minimum so fixed is unlawful. Compensable work time is defined in Wage Order No. 4 as “the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so.” Cal. Code. Regs. tit. 8, § 11040(2)(K) (defining “Hours Worked”).

As set forth above, CSC has had a policy of rounding Mr. Gray’s and other aggrieved employees’ hourly clock-in and clock-out duration times to the quarter-hour in its timekeeping system, resulting in the failure to compensate Mr. Gray and other aggrieved employees fully for all hours worked. Furthermore, as stated, due to CSC’s restriction on overtime accrual, CSC systematically failed to pay Mr. Gray and other aggrieved employees for actual hours worked before and after their scheduled shifts, because these hours were not accurately recorded. Also, as stated, CSC had a company-wide “call-in” policy, that required Mr. Gray and other aggrieved employees to call-in 2-4 hours in advance when scheduled for standby shifts. Even though Mr. Gray and other aggrieved employees had to put their lives on hold and were restricted from using that time freely for their own purposes, CSC did not pay Mr. Gray and other aggrieved employees at least minimum wages for the time they spent calling in or waiting to see if they were needed. Additionally, as set forth above, Mr. Gray and other aggrieved employees were required to undergo security checks while off-the-clock.

As also stated above, due to CSC’s policy and/or practice of understaffing or single-staffing and failure to schedule meal periods, Mr. Gray and other aggrieved employees were impeded from taking all uninterrupted meal periods to which they were entitled and were required to work off-the-clock. In addition, CSC had a company-wide practice and/or policy of automatically deducting meal periods from Mr. Gray’s and other aggrieved employees’ time records, even when meal periods were missed, short, and/or interrupted.

Moreover, CSC implemented, on a company-wide basis, an employer-imposed requirement that other aggrieved employees undergo a mandatory drug test and/or physical examination upon hiring. At all times, CSC was in control of scheduling the date and time for the testing and/or examinations, selecting the provider/facility where the testing and/or examinations were to take place, and determining the scope of the testing and/or examinations. CSC gave other aggrieved employees strict instructions to obtain drug testing and/or physical examinations, and other aggrieved employees underwent the testing and/or examinations for the sole benefit of CSC. Other aggrieved employees were required to travel in their own personal vehicles or obtain alternate transportation and spend time undergoing CSC’s mandatory drug testing and/or physical examinations. However, CSC did not compensate other aggrieved employees for the time they spent traveling to and from the medical facilities and for the time they spent undergoing the drug testing and/or physical examinations.

Thus, CSC did not pay at least minimum wages for off-the-clock hours that qualified for overtime premium payment. Also, to the extent that these off-the-clock hours did not qualify for overtime premium payment, CSC did not pay at least minimum wages for those hours worked off-the-clock in violation of California Labor Code sections 1182.12, 1194, 1197, and 1197.1. Accordingly, CSC regularly failed to pay at least minimum wages to Mr. Gray and other aggrieved employees for all of the hours they worked in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1 and 1198.

Mr. Gray and other aggrieved employees are therefore entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 1197.1 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 226.7, 512(a), 516, and 1198 – Failure to Provide Meal Periods

California Labor Code sections 226.7, 512(a), 516, 1198 and the applicable IWC Wage Order require employers to provide meal periods and to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a meal or rest period is not provided. Pursuant to Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order, an employer may not require, cause or permit an employee to work for a period of more than five (5) hours per day without providing the employee with an uninterrupted meal period of not less than thirty (30) minutes, except that if the total work period per day of the employee is not more than six (6) hours, the meal period may be waived by mutual consent of both the employer and the employee. Under California law, first meal periods must start after no more than five hours. *Brinker Rest. Corp. v. Superior Court*, 53 Cal. 4th 1004, 1041-1042 (Cal. 2012). Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order also require employers to provide a second meal period of not less than thirty (30) minutes if an employee works over ten (10) hours per day or to pay an employee one (1) additional hour of pay at the employee's regular rate, except that if the total hours worked is no more than twelve (12) hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived.

Under California law, an employer cannot evade meal break requirements via the use of "on-duty" meal agreements because it understaffs its locations. *Abdullah v. U.S. Sec. Assocs.*, 2011 U.S. Dist. LEXIS 156685 (C.D. Cal. Jan. 11, 2011).

First, as described above, CSC did not track the start and stop times of meal periods or to allow employees to report a short, missed, or interrupted meal period on their sign-in sheets. Instead, CSC implemented a company-wide policy and practice of automatically deducting 30 minutes from Mr. Gray's and other aggrieved employees' time records when they worked six (6) hours or more in one day, and deducted one (1) hour from Mr. Gray's and other aggrieved employees' time records when they worked ten (10) or more hours in one day. For example, according to CSC's time records, Mr. Gray worked 14.25 hours on November 9, 2019. *See excerpt from time records below.*

Gray Shauntae 1011851237 Camp Flog Gnaw 2019 18 Event Staff 1 11/09/2019 09:29 11/09/2019 09:30 11/09/2019 23:44 11/09/2019 23:45 14.25 Day 1

However, on Mr. Gray's wage statement for the corresponding pay period, CSC only paid Mr. Gray for 13.25 hours (8.00 hours of straight time, 4.00 hours of overtime, and 1.25 hours of double time) for that shift. *See excerpted wage statement below.*

Shauntae E. Gray				November 22, 2019		412463	
Emp Id	1011851237	Rule	000	Period Begin	11/09/19	Net Pay	217.50
CO-Branch	0CSC001	Hire Date	08/23/19	Period End	11/15/19		
Clock	4072902	Status	A	Check Type	Reg	Net Check	217.50

Earnings Summary				Payment Summary for Check 412463			
Total Gross Pay		Hours	Rate	Current Amt	Ytd Amt	Total Gross Pay	
Regular (001018529691110)		4.25	12.00	51.00	1,652.26	Total Gross Pay	
Regular (001018512371109)		8.00	44.25	114.00		Federal Taxes	
DBL Time (001018512371109)		1.25	28.50	35.63	35.63	State and Local Taxes	
Overtime (001048512371109)		4.00	21.38	85.50	202.22	Other Deductions	
		17.50		286.13	1,890.11	Net Pay	

Second, as stated, CSC required its employees to be subject to its clients' loss prevention policies, which resulted in Mr. Gray and other aggrieved employees receiving shortened meal periods, because they were required to undergo mandatory security checks before entering or leaving clients' premises/venues. For example, any time Mr. Gray returned to the venue after leaving for a meal period, he would be required to cut short his meal period to allow for 10-15 minutes to undergo a security check and wait for other aggrieved employees to be searched before he could reenter the event venue.

Third, as stated above, CSC's company-wide policies and/or practices of understaffing and/or single-staffing its job sites pursuant to a labor budget, resultant lack of adequate meal period coverage, and failure to schedule first and/or second meal periods, prevented Mr. Gray and other aggrieved employees from taking all timely, uninterrupted meal periods to which they were entitled. As a result of CSC's practices and/or policies, Mr. Gray and other aggrieved employees were forced to work in excess of five (5) hours before taking a meal period. And, for the same reasons, Mr. Gray and other aggrieved employees had their meal periods interrupted and/or had to forgo their meal periods altogether. For example, during his employment, Mr. Gray had to forego his meal periods 1-2 times per week in order to ensure he was complying with CSC's policy requiring posts to be maintained by at least one employee at all times. For the same reasons, when Mr. Gray was afforded a meal period, two (2) times per week he was not able to take his meal period until the sixth (6th) hour or later. To the extent CSC required Mr. Gray and other aggrieved employees to sign written "on-duty" meal period agreements, such agreements are invalid as the nature of the work performed by Mr. Gray and other aggrieved employees do not necessitate an "on-duty" meal period under California law. CSC could have provided rover meal period coverage for its employees or staffed more than one employee at certain posts, but chose not to do so. Because CSC required that Mr. Gray and other aggrieved employees remain alert and on-duty at all times while at their posts, and because they did not provide them with adequate meal period coverage, Mr. Gray and other aggrieved employees were subject to CSC's control and suffered to work during unpaid meal periods.

Furthermore, CSC did not provide Mr. Gray and other aggrieved employees with second 30-minute meal periods on days when they worked in excess of ten (10) hours in one day. For example, Mr. Gray worked shifts of 10 or more hours on October 26, November 2, and November 9, 2019, but was not provided with a second meal period on those days. Mr. Gray and other aggrieved employees did not sign valid meal period waivers on days that they were entitled to meal periods and were not relieved of all duties.

Moreover, CSC had a company-wide policy of requiring all newly hired employees to sign blanket meal period waivers at or near their time of hire. CSC took the position that non-exempt, hourly paid employees had waived their rights to first and/or second meal periods for the entirety of their employment and, on that basis, did not provide them with all meal periods to which they were entitled. CSC's company-wide use of blanket meal period waivers signed at or near the time of hire, discouraged and impeded Mr. Gray and other aggrieved employees from taking all meal periods to which they were entitled. And, CSC's presumption that second meal periods would not be provided for shifts in excess of ten (10) hours but less than twelve (12) hours due to blanket meal period waivers discouraged Mr. Gray and other aggrieved employees from taking second meal periods.

What's more, an employer's obligation to provide a meal break is only "triggered" when the employer "employs an employee for a work period of more than five hours per day." *Brinker*, 53

Cal. 4th at 1039 (“If an employer engages, suffers, or permits anyone to work for a full five hours, its meal break obligation is triggered.”).

[A]fter the meal break obligation is triggered . . . an employer is put to a choice: it must (1) afford an off-duty meal period; (2) consent to a mutually agreed-upon waiver if one hour or less will end the shift; or (3) obtain written agreement to an on-duty meal period if circumstances permit. Failure to do one of these will render the employer liable for premium pay. *Id.* (citing Cal. Labor Code § 226.7; Wage Order No. 5, subd. 11(A), (B)).

Further, under Labor Code section 512(a) and the applicable IWC Wage Order, employees may waive their second meal periods only if they took their first meal period. That CSC requires aggrieved employees to sign meal period waivers simultaneously at or near their time of hire (as opposed to on a specific work day) renders them invalid and unenforceable, because CSC’s obligation to provide Mr. Gray and other aggrieved employees with meal periods did not arise until it had employed them for a full five (5) hours.

CSC knew or should have known that as a result of its company-wide policies and/or practices, that Mr. Gray and other aggrieved employees were not actually relieved of all duties to take timely, uninterrupted meal periods. CSC further knew or should have known that it did not pay Mr. Gray and other aggrieved employees meal period premium wages when meal periods were missed, late, short, and/or interrupted.

Furthermore, CSC engaged in a company-wide practice and/or policy of not paying all meal period premiums owed when compliant meal periods are not provided. Because of this practice and/or policy, Mr. Gray and other aggrieved employees have not received premium pay for missed, interrupted, or late meal periods. Alternatively, to the extent that CSC did pay other aggrieved employees for missed, late, and interrupted meal periods, CSC did not pay other aggrieved employees at the correct rate of pay for premium wages because CSC systematically failed to include all forms of compensation, such as shift differential pay, incentive pay, nondiscretionary bonuses, and/or other forms of remuneration, in the regular rate of pay.

Accordingly, CSC failed to provide all meal periods in violation of California Labor Code sections 226.7, 512(a), 516, and 1198. Mr. Gray and other aggrieved employees are entitled to civil penalties, attorney’s fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 226.7, 516, and 1198 – Failure to Authorize and Permit Rest Periods

California Labor Code sections 226.7, 512(a), 516, 1198 and the applicable IWC Wage Order require employers to provide rest periods and to pay an employee one (1) additional hour of pay at the employee’s regular rate for each work day that a meal or rest period is not provided. California Labor Code section 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. 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 (3½) hours.

To comply with its obligation to authorize and permit rest periods under California Labor Code section 226.7 and the applicable IWC Wage Order, an employer must “relinquish any control over how employees spend their break time, and relieve their employees of all duties—including the obligation that an employee remain on call. A rest period, in short, must be a period of rest.” *Augustus, et al. v. ABM Security Services, Inc.*, 2 Cal. 5th 257, 269-270 (2016).

During the relevant time period, CSC regularly failed to authorize and permit Mr. Gray and other aggrieved employees to take a ten (10) minute rest period per each four (4) hour period worked or major fraction thereof. As with meal periods, CSC’s company-wide practices, including understaffing and/or single-staffing, resulted in a lack of rest period coverage and prevented Mr. Gray and other aggrieved employees from being relieved of all duty in order to take compliant rest periods. CSC also failed to schedule rest periods, which, coupled with CSC’s failure to provide adequate rest period coverage, further led to Mr. Gray and other aggrieved employees not being authorized and permitted to take rest periods.

Furthermore, CSC maintained and implemented a company-wide practice and/or policy requiring that Mr. Gray and/or other aggrieved employees remain on the work premises during their rest periods. Because Mr. Gray and/or other aggrieved employees were restricted from leaving the work premises during rest periods, they were denied the ability to use their rest periods freely for their own purposes. Thus, CSC effectively maintained control over Mr. Gray and/or other aggrieved employees during rest periods, and, as a result of this rest period policy, CSC did not relinquish control over Mr. Gray and/or other aggrieved employees during rest periods.

As a result, Mr. Gray and other aggrieved employees would work shifts in excess of 3.5 hours, in excess of 6 hours, and/or in excess of 10 hours without being permitted and authorized to take all ten (10) minute rest periods to which they were entitled. For example, throughout his employment, CSC’s management only permitted Mr. Gray to take one rest period per day, despite the fact that Mr. Gray regularly worked shifts in excess of six (6) hours. Even still, twice per week Mr. Gray would miss the one rest period per shift he was permitted to take, in order to ensure that there was at least one employee at his post at all times. Moreover, Mr. Gray never received a third rest periods when working shifts in excess of 10 hours.

CSC also has engaged in a company-wide practice and/or policy of not paying all rest period premiums owed when compliant rest periods are not authorized and permitted. Because of this practice and/or policy, Mr. Gray and other aggrieved employees have not received premium pay for all missed rest periods. Alternatively, to the extent that CSC did pay other aggrieved employees one (1) additional hour of premium pay for missed rest periods, CSC did not pay other aggrieved employees at the correct rate of pay for premium wages because CSC failed to include all forms of compensation, such as shift differential pay, incentive pay, nondiscretionary bonuses, and/or other forms of remuneration, in the regular rate of pay.

Accordingly, CSC failed to authorize and permit all rest periods in violation of California Labor Code sections 226.7, 516, and 1198. Mr. Gray and other aggrieved employees are entitled to civil penalties, attorney’s fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 226(a), 1174(d), and 1198 – Non-Compliant Wage Statements and Failure to Maintain Accurate Payroll Records

California Labor Code section 226(a) requires employers to make, keep and provide true, accurate, and complete employment records. CSC has not provided Mr. Gray and other aggrieved employees with properly itemized wage statements. Labor Code section 226(e) provides that if an employer fails to comply with providing an employee with properly itemized wages statements as set forth in 226(a), then the employee is entitled to recover the greater of all actual damages or \$50.00 for the initial pay period in which a violation occurs and \$100 per employee for each violation in a subsequent pay period, not to exceed \$4,000. Further, Labor Code section 226.3 provides that any employer who violates section 226(a) shall be subject to a civil penalty in the amount of \$250 per employee per violation in an initial citation and \$1,000 per employee for each violation in a subsequent citation, for which the employer fails to provide the employee a wage statement or fails to keep the required records pursuant to Section 226(a).

During the relevant time period, CSC has knowingly and intentionally provided Mr. Gray and other aggrieved employees with uniform, incomplete, and inaccurate wage statements. For example, CSC issued uniform wage statements to Mr. Gray and other aggrieved employees that fail to correctly list: gross wages earned; total hours worked; net wages earned; and all applicable hourly rates in effect during the pay period, including overtime rates of pay, and the corresponding number of hours worked at each hourly rate. Specifically, CSC violated sections 226(a)(1), 226(a)(2), 226(a)(5), and 226(a)(9).

Because CSC did not record the time Mr. Gray and other aggrieved employees spent working off-the-clock, deducted time from their records for meal periods that were interrupted and/or missed (and therefore time for which they should have been paid), and improperly rounded their total hours worked, CSC did not list the correct amount of gross wages and net wages earned by Mr. Gray and other aggrieved employees in compliance with section 226(a)(1) and section 226(a)(5), respectively. For the same reason, CSC failed to accurately list the total number of hours worked by Mr. Gray and other aggrieved employees, in violation of section 226(a)(2), and failed to list the applicable hourly rates of pay in effect during the pay period and the corresponding accurate number of hours worked at each hourly rate, in violation of section 226(a)(9).

In addition, because CSC did not calculate other aggrieved employees' regular rate of pay correctly for purposes of paying overtime wages, CSC did not list the correct amount of gross wages earned by other aggrieved employees in compliance with section 226(a)(1) and did not list the correct amount of net wages earned by other aggrieved employees in violation of section 226(a)(5). CSC also failed to correctly list all applicable hourly rates in effect during the pay period, namely, correct overtime rates of pay and correct rates of pay for premium wages, in violation of section 226(a)(9).

The wage statement deficiencies also include, among other things, failing to list the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis; failing to list all deductions; failing to list the name of the 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; failing to list the name and address of the legal entity that is the employer; failing to list the inclusive dates of the period for which aggrieved employees were paid; and/or failing to state all hours worked as a result of not recording or stating the hours they worked off-the-clock.

California Labor Code section 1174(d) provides that “[e]very person employing labor in this state shall . . . [k]eep a record showing the names and addresses of all employees employed and the ages of all minors” and “[k]eep, 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. . . .” Labor Code section 1174.5 provides that employers are subject to a \$500 civil penalty if they fail to maintain accurate and complete records as required by section 1174(d). During the relevant time period, and in violation of Labor Code section 1174(d), CSC willfully failed to maintain accurate payroll records for Mr. Gray and other aggrieved employees showing the daily hours they worked and the wages paid thereto as a result of failing to record the off-the-clock hours that they worked and improperly rounding Mr. Gray’s and other aggrieved employees’ total hours worked.

California Labor Code section 1198 provides that the maximum hours of work and the standard conditions of labor shall be those fixed by the Labor Commissioner and as set forth in the applicable IWC Wage Orders. Section 1198 further provides that “[t]he employment of any employees for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful.” Pursuant to the applicable IWC Wage Order, employers are required to keep accurate time records showing when the employee begins and ends each work period and meal period. During the relevant time period, CSC failed, on a company-wide basis, to keep accurate records of work period and meal period start and stop times for Mr. Gray and other aggrieved employees, in violation of section 1198. As stated, CSC engaged in a company-wide practice and/or policy of falsifying Mr. Gray’s and/or other aggrieved employees’ time records by deducting meal periods regardless of if or when meal periods were actually taken, and kept no records of meal start and end times altogether. Furthermore, in light of CSC’s failure to provide Mr. Gray and other aggrieved employees with second 30-minute meal periods to which they were entitled, CSC kept no records of meal start and end times for second meal periods.

Because CSC failed to provide the correct net and gross wages earned, applicable rates of pay, and number of total hours worked on wage statements, Mr. Gray and other aggrieved employees have been prevented from verifying, solely from information on the wage statements themselves, that they were paid correctly and in full. Instead, Mr. Gray and other aggrieved employees have had to look to sources outside of the wage statements themselves and reconstruct time records to determine whether in fact they were paid correctly and the extent of underpayment, thereby causing them injury.

Mr. Gray and other aggrieved employees are entitled to recover civil penalties, attorney’s fees, costs, and interest thereon pursuant to Labor Code sections 226.3, 1174.5, and/or 2699(a), (f)-(g).

Violation of California Labor Code § 204 – Failure to Timely Pay Wages During Employment

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. Alternatively, California Labor Code section 204 provides that the requirements of this section are

deemed satisfied by the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more than seven (7) calendar days following the close of the payroll period.

During the relevant time period, CSC failed to pay Mr. Gray and other aggrieved employees all wages due to them, including, but not limited to, overtime wages, minimum wages, reporting time pay, and/or meal and rest period premium wages, within any time period specified by California Labor Code section 204.

Mr. Gray and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 210 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 201, 202, and 203 – Failure to Timely Pay Final Wages Upon Termination

California Labor Code sections 201, 202, and 203 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (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.

CSC willfully failed to pay Mr. Gray and other aggrieved employees who are no longer employed by CSC all their earned wages, including, but not limited to, overtime wages, minimum wages, reporting time pay, and/or meal and rest period premium wages, either at the time of discharge, or within seventy-two (72) hours of their leaving CSC's employ in violation of California Labor Code sections 201, 202, and 203.

Mr. Gray and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 256 and/or 2699(a), (f)-(g).

Violation of California Labor Code § 222.5 – Failure to Pay for Costs of Mandatory Physical Exams and/or Drug Testing

At all times herein set forth, California Labor Code section 222.5 requires employers to pay for the costs an employee incurs for obtaining any required medical or physical examination.

During the relevant time period, CSC implemented, on a company-wide basis, an employer-imposed requirement that other aggrieved employees undergo mandatory drug testing and/or physical examinations upon hiring, but required them to do so at their own expense. As stated, CSC had a company-wide policy requiring that other aggrieved employees travel to a specified medical facility on their own time and use their own means of transportation to undergo drug testing and/or physical examinations. At all times, CSC was in control of scheduling the date and time for the testing and/or examinations, selecting the provider/facility where the testing and/or examinations were to take place, and determining the scope of the testing and/or examinations. However, CSC did not compensate other aggrieved employees for the time they spent traveling to and from the medical facilities, for the time they spent undergoing the drug testing and/or physical examinations, or reimburse them for the travel expenses they incurred getting to and from the medical facilities. CSC's policy and/or practice of not paying for all costs other aggrieved employees incurred

obtaining mandatory drug testing and/or physical examinations is in violation of California Labor Code section 222.5.

Other aggrieved employees are therefore entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 2699(a), (f)-(g).

Violation of California Labor Code § 1198 and California Code of Regulations Title 8, Section 11040 Subdivision 5(A) – Failure to Pay Reporting Time Pay

California Labor Code section 1198 dictates that no employer may employ an employee under conditions of labor that are prohibited by the applicable IWC wage order. California Labor Code section 1198 further requires that “. . . the standard conditions of labor fixed by the commission shall be the . . . standard conditions of labor for employees. The employment of any employee . . . under conditions of labor prohibited by the order is unlawful.”

California Code of Regulations, Title 8, section 11040(5)(A) provides that “[e]ach workday an employee is required to report for work and does report, but is not put to work or is furnished less than half said employee’s usual or scheduled day’s work, the employee shall be paid for half the usual or scheduled day’s work, but in no event for less than two (2) hours nor more than four (4) hours, at the employee’s regular rate of pay, which shall not be less than the minimum wage.” The “primary purpose of the reporting time regulation” is “to guarantee at least partial compensation for employees who report to work expecting to work a specified number of hours, and who are deprived of that amount because of inadequate scheduling or lack of proper notice by the employer.” *Aleman v. AirTouch Cellular*, 209 Cal. App. 4th 556 (2012)

Upon information and belief, CSC violated California Labor Code section 1198 and California Code of Regulations, Title 8, section 11040(5), because CSC failed to pay Mr. Gray and other aggrieved employees reporting time pay when they reported to work for their scheduled shift but were put to work for less than half of the regular schedule.

First, as described above, CSC had a company-wide “call-in” policy, whereby it scheduled Mr. Gray and other aggrieved employees to work “on-call,” or on standby. When scheduled for a “call-in” or standby shift, Mr. Gray and other aggrieved employees regularly presented themselves as ready for work by calling in to their supervisors 2-4 hours prior to their scheduled standby shifts and awaiting instructions on whether to go to the event venue, but were ultimately not told to come in. When this occurred, CSC did not pay Mr. Gray and other aggrieved employees for at least half of their scheduled day’s work when they were subject to CSC’s “call-in” policy and were ultimately not called.

Second, CSC had a company-wide practice of sending Mr. Gray and other aggrieved employees home early from their shifts, including before they had worked at least half of their regular shift, but would not pay Mr. Gray and other aggrieved employees for half of their scheduled shift. Although Mr. Gray and other aggrieved employees would report to work based on the schedule that CSC provided to them, CSC would send them home before they had worked at least half of their scheduled shifts without giving them reporting time pay. For example, Mr. Gray reported to work for his scheduled shift, but was told to go home because he was no longer needed. When this occurred, CSC did not pay Mr. Gray for at least half of his scheduled standby time or the required minimum reporting time pay. Accordingly, Mr. Gray and other aggrieved employees were not properly compensated with reporting time pay in violation of California Labor Code section 1198.

Mr. Gray and other aggrieved employees are therefore entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 2699(a), (f)-(g).

Violation of California Labor Code § 1198 and California Code of Regulations Title 8, Section 11040 Subdivision 4(C) – Failure to Pay Split-Shift Premiums

California Labor Code section 1198 provides that no employer may employ an employee under conditions of labor that are prohibited by the applicable IWC wage order. California Labor Code section 1198 further requires that “. . . the standard conditions of labor fixed by the commission shall be the . . . standard conditions of labor for employees. The employment of any employee . . . under conditions of labor prohibited by the order is unlawful.”

California Code of Regulations, Title 8, section 11040(4)(C) provides that, “When an employee works a split shift, one (1) hour's pay at the minimum wage shall be paid in addition to the minimum wage for that workday, except when the employee resides at the place of employment.” California Code of Regulations, Title 8, defines a split shift as “a work schedule, which is interrupted by non-paid non-working periods established by the employer, other than bona fide rest or meal periods.”

CSC willfully violated California Labor Code section 1198 and California Code of Regulations, Title 8, section 11040(4)(C), because CSC failed to pay other aggrieved employees a split-shift premium when they returned to work for an additional shift in the same day, after having been clocked out for more than an hour. Accordingly, CSC required other aggrieved employees to work split shifts but failed to pay them an additional hour at minimum wage, in violation of California Labor Code section 1198.

CSC's failure to provide other aggrieved employees with split-shift pay when they returned to work for an additional shift in the same day, after having been clocked out for more than an hour, violates California Labor Code section 1198 and California Code of Regulations Title 8, Section 11040(4)(C). Other aggrieved employees are therefore entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 2699(a), (f)-(g).

Violation of California Labor Code § 2802 – Unreimbursed Business Expenses

California Labor Code section 2802 requires employers to pay for all necessary expenditures and losses incurred by the employee in the performance of his or her job. The purpose of Labor Code section 2802 is to prevent employers from passing off their cost of doing business and operating expenses on to their employees. *Cochran v. Schwan's Home Service, Inc.*, 228 Cal. App. 4th 1137, 1144 (2014). The applicable wage order, IWC Wage Order 4-2001, provides that: “[w]hen tools or equipment are required by the employer or are necessary to the performance of a job, such tools and equipment shall be provided and maintained by the employer, except that an employee whose wages are at least two (2) times the minimum wage provided herein may be required to provide and maintain hand tools and equipment customarily required by the trade or craft.”

First, CSC, on a company-wide basis, required Mr. Gray and other aggrieved employees to utilize their own personal vehicles to carry out company business, but failed to reimburse them for all costs of travel, including mileage. For example, Mr. Gray and other aggrieved employees were assigned to venues in specific geographic areas within the Los Angeles Metropolitan region, but were sometimes required to work at venues in other areas. Specifically, although Mr. Gray primarily worked in the

“South Bay” and “Downtown Los Angeles” areas that were near his home, he would occasionally be forced to drive an additional 30 miles roundtrip when he was scheduled to work events at the Rose Bowl in the “Pasadena” area, but was never reimbursed for any of his mileage. Accordingly, Mr. Gray and other aggrieved employees were not reimbursed for travel required as part of their work-related duties.

Additionally, as stated, CSC had a company-wide policy of requiring other aggrieved employees to travel to medical facilities on their own time and using their personal vehicles or alternate transportation to obtain mandatory drug testing and/or physical examinations, but did not reimburse them for their travel expenses, including mileage. At all times, CSC was in control of scheduling the date and time for the testing and/or physical examinations, selecting the provider or facility where the testing and/or physical examinations were to take place, and determining the scope of the testing and/or physical examinations. CSC gave other aggrieved employees strict instructions to obtain drug testing and/or physical examinations, and other aggrieved employees underwent the examinations and/or testing for the sole benefit of CSC. Although CSC required other aggrieved employees to use their own vehicles or obtain alternate transportation to undergo drug testing and/or physical examinations, CSC never reimbursed them for their travel expenses.

Second, during the relevant time period, CSC, on a company-wide basis, forced Mr. Gray and other aggrieved employees to purchase their own supplies, such as flashlights, notepads, and clipboards, in order to complete their work-related duties. For example, Mr. Gray was required to spend \$40.00 on a flashlight in order to carry out his work-related duties, such as verifying attendees’ access to restricted areas. Although CSC required Mr. Gray and other aggrieved employees to purchase and use their own supplies on the job, CSC did not reimburse them for these expenses.

Third, CSC, on a company-wide basis, required other aggrieved employees to obtain and pay for certain licenses, such as the Security Guard License issued by the California Bureau of Security and Investigative Services (BSIS), also known as a “guard card,” that were required for their continued employment, as well as associated costs such as training and examination fees. CSC had a uniform policy of requiring employees to obtain a license within three (3) months of hire, if they wanted to ensure that they would continue to be scheduled for future jobs and assignments, but did not reimburse them for the costs of obtaining the license (“I . . . understand, agree and acknowledge it is an expectation that, within three months . . . I will complete the training and application procedures necessary to be licensed by the State of California as a Security Guard. I understand that failure to get a Security Guard License or failure to comply with the training requirements . . . will dramatically affect my ability to schedule for work.”). Thus, CSC failed to reimburse other aggrieved employees for all of the costs of obtaining these licenses, including training and examination fees.

CSC could have provided Mr. Gray and other aggrieved employees with the actual tools for use on the job, such as company vehicles to be used for fulfilling work-related tasks and security supplies. Or, CSC could have reimbursed employees for their travel; mileage; security supply expenses; and license, training, and examination fees. Instead, CSC passed these operating costs off onto Mr. Gray and other aggrieved employees. At all relevant times, Mr. Gray did not earn at least two (2) times the minimum wage.

Thus, CSC had, and continues to have, a company-wide policy and/or practice of not reimbursing employees for expenses necessarily incurred in violation of California Labor Code section 2802. Mr. Gray and other aggrieved employees are entitled to recover civil penalties, attorney’s fees, costs, and interest thereon, pursuant to Labor Code sections 2699(a), (f)-(g).

California Labor Code § 558(a)

California Labor Code section 558(a) provides “[a]ny 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. . . . (2) For each subsequent violation, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee was underpaid. . . .” Labor Code section 558(c) provides that “[t]he civil penalties provided for in this section are in addition to any other civil or criminal penalty provided by law.” CSC, at all relevant times, was an employer or person acting on behalf of an employer(s) who violated Mr. Gray’s and other aggrieved employees’ rights by violating various sections of the California Labor Code.

Accordingly, Mr. Gray seeks the remedies set forth in Labor Code section 558 for himself, the State of California, and all other aggrieved employees. Specifically, pursuant to PAGA, and in particular California Labor Code sections 2699(a), 2699.3(a) and 2699.3(c), 2699.5, and 558, Mr. Gray, acting in the public interest as a private attorney general, seeks assessment and collection of civil penalties for himself, all other aggrieved employees, and the State of California against CSC for violations of California Labor Code sections 201, 202, 203, 204, 222.5, 226(a), 226.7, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, and 2802.

Therefore, on behalf of all aggrieved employees, Mr. Gray seeks all applicable civil penalties related to these violations of the California Labor Code pursuant to PAGA.

Pre-Litigation Demand

This notice shall further serve as Mr. Gray’s reasonable attempt to settle his dispute with CSC prior to litigation. Pursuant to *Graham v. DaimlerChrysler Corp.*, 34 Cal. 4th 553 (2004), this notice serves to inform CSC of Mr. Gray’s aforementioned grievances and the proposed remedies as detailed below, while affording CSC a reasonable opportunity to satisfy Mr. Gray’s demands.

Demand is hereby made that CSC shall, within 30 calendar days of this notice, agree, in writing to the following corrective actions:

1. CSC shall pay Mr. Gray and all other aggrieved employees employed by CSC at any time during the past three years from the date of this notice unpaid wages and compensation for the above-referenced violations.
2. CSC shall comply with all California labor laws and ensure that its non-exempt employees are paid overtime wages and minimum wages for all hours worked, provided lawful meal and rest periods, and paid reporting time pay.
3. CSC shall conduct a survey or interview all current and former aggrieved employees in California who worked for CSC in the past three years to obtain information from them regarding the above-referenced violations, including, but not limited to: the number of meal periods which were not provided; the number of rest periods which were not authorized and permitted; and the number of employees who were required to pay for mandatory medical examinations; travel; security supply expenses; license, training, or examination fees; or

other expenditures in the discharge of their duties, with the investigation to be completed within 60 days.

4. CSC shall pay each aggrieved employee one hour of pay at his or her regular rate of pay for each work day he or she was not provided one or more meal periods, as required by Labor Code sections 226.7, 512, 516, and 1198. CSC also shall pay each aggrieved employee one hour of pay at his or her regular rate of pay for each work day he or she was not authorized and permitted one or more rest periods, as required by Labor Code sections 226.7, 516, and 1198.
5. CSC shall reimburse those aggrieved employees who were required to pay for any business expenses incurred for CSC's benefit, including, but not limited to, costs of mandatory medical examinations; travel; security supply expenses; and license, training, or examination fees, as required by Labor Code sections 222.5 and 2802.
6. CSC shall pay accrued legal interest to all aggrieved employees at the rate of 10% per annum for said unpaid wages.
7. CSC shall provide Mr. Gray and all aggrieved employees employed by CSC at any time during the past three years from the date of this notice corrected wage statements that include the requisite information set forth in Labor Code section 226(a).
8. CSC shall pay waiting time penalties, equal to 30 days of pay, to each former aggrieved employee who was not paid all wages due as described herein.
9. CSC shall pay all penalties arising from the violations of the Labor Code and IWC Wage Order sections referenced above and pursuant to PAGA, Labor Code sections 2698, *et seq.*, including, but not limited to, penalties under Labor Code sections 210, 226.3, 256, 558, 1174.5, 1197.1, and 2699, and Wage Order No. 4-2001, section 20.

Thank you for your attention to this matter. If you have any questions, please contact me at the phone number or address below:

Julian Quattlebaum
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Los Angeles, CA 90067
(310) 556-4811

Best Regards,



Julian Quattlebaum

Copy: CONTEMPORARY SERVICES CORPORATION (via U.S. Certified Mail)