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and on behalf of all others similarly situated.

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

CHRISTIAN JOHN NELSON, individually
and on behalf of all others similarly
situated,

Plaintiff,

vs.

NEWEGG, INC.; NEWEGG STAFFING,
INC.; and DOES 1 through 20, inclusive,

Defendants.

Case No.

CLASS ACTION COMPLAINT FOR:

1. Failure to Pay Minimum Wages;
2. Failure to Pay Overtime Wages;
3. Failure to Provide Meal Periods;
4. Failure to Permit Rest Breaks;
5. Failure to Reimburse Business Expenses;
6. Failure to Provide Accurate Itemized Wage Statements;
7. Failure to Pay All Wages Due Upon Separation of Employment;
8. Violation of Business and Professions Code §§ 17200, *et seq.*

DEMAND FOR JURY TRIAL

1 Plaintiff Christian John Nelson, individually, and on behalf of others similarly situated,
2 alleges as follows:

3 **NATURE OF ACTION AND INTRODUCTORY STATEMENT**

4 1. Plaintiff Christian John Nelson (“Plaintiff”) brings this putative class action
5 against defendants Newegg, Inc.; Newegg Staffing, Inc.; and DOES 1 through 20, inclusive
6 (collectively, “Defendants”), on behalf of himself individually and a putative class of California
7 citizens who are and were employed by Defendants as non-exempt employees throughout
8 California.

9 2. Defendants are in the industry of distributing consumer electronics and
10 computing products, and providing staffing services.

11 3. Through this action, Plaintiff alleges that Defendants have engaged in a
12 systematic pattern of wage and hour violations under the California Labor Code and Industrial
13 Welfare Commission (“IWC”) Wage Orders, all of which contribute to Defendants’ deliberate
14 unfair competition.

15 4. Plaintiff is informed and believes, and thereon alleges, that Defendants have
16 increased their profits by violating state wage and hour laws by, among other things:

- 17 (a) failing to pay all wages (including minimum wages and overtime
18 wages);
- 19 (b) issuing wages through payment cards with fees required to obtain cash;
- 20 (c) failing to provide lawful meal periods or compensation in lieu thereof;
- 21 (d) failing to authorize or permit lawful rest breaks or provide compensation
22 in lieu thereof;
- 23 (e) failing to reimburse necessary business-related costs;
- 24 (f) failing to provide accurate itemized wage statements;
- 25 (g) failing to pay all wages due upon separation of employment.

26 5. Plaintiff seeks monetary relief against Defendants on behalf of himself and all
27 others similarly situated in California to recover, among other things, unpaid wages, business,
28 expenses, interest, attorneys’ fees, costs and expenses, and penalties pursuant to Labor Code §§

201, 202, 203, 204, 210, 212, 213, 226, 226.7, 510, 512, 1182.12, 1194, 1194.2, 1197, 1198, 2800, 2802, and Code of California Civil Procedure § 1021.5.

JURISDICTION AND VENUE

6. This is a class action pursuant to California Code of Civil Procedure § 382. The monetary damages and restitution sought by Plaintiff exceeds the minimal jurisdictional limits of the Superior Court and will be established according to proof at trial.

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

8. This Court has jurisdiction over all Defendants because, upon information and belief, they are citizens of California, have sufficient minimum contacts in California, or otherwise intentionally avail themselves of the California market so as to render the exercise of jurisdiction over them by the California courts consistent with traditional notions of fair play and substantial justice.

9. Venue is proper in this Court because, upon information and belief, Defendants reside, transact business, or have offices in this county, or the acts and omissions alleged herein took place in this county.

THE PARTIES

10. Plaintiff is a citizen of California and worked for Defendants in California during the relevant time periods as alleged herein.

11. Plaintiff is informed and believes, and thereon alleges that at all times hereinafter mentioned, Defendants were and are subject to the Labor Code and IWC Wage Orders as employers, whose employees were and are engaged throughout this county and the State of California.

12. Plaintiff is unaware of the true names or capacities of the defendants sued herein under the fictitious names DOES 1 through 20, but will seek leave of this Court to amend this

1 Complaint and serve such fictitiously named defendants once their names and capacities
2 become known.

3 13. Plaintiff is informed and believes, and thereon alleges, that DOES 1 through 20
4 are or were the partners, agents, owners, shareholders, managers, or employees of Defendants
5 at all relevant times.

6 14. Plaintiff is informed and believes, and thereon alleges, that each defendant acted
7 in all respects pertinent to this action as the agent of the other defendant, carried out a joint
8 scheme, business plan, or policy in all respects pertinent hereto, and the acts of each defendant
9 are legally attributable to the other defendant. Furthermore, defendants in all respects acted as
10 the employer and/or joint employer of Plaintiff and the class members.

11 15. Plaintiff is informed and believes, and thereon alleges, that each and all of the
12 acts and omissions alleged herein were performed by, or are attributable to, Defendants and/or
13 DOES 1 through 20, acting as the agent or alter ego for the other, with legal authority to act on
14 the other's behalf. The acts of any and all Defendants were in accordance with, and represent,
15 the official policy of Defendants.

16 16. At all relevant times, Defendants, and each of them, acted within the scope of
17 such agency or employment, or ratified each and every act or omission complained of herein.
18 At all relevant times, Defendants, and each of them, aided and abetted the acts and omissions of
19 each and all the other Defendants in proximately causing the damages herein alleged.

20 17. Plaintiff is informed and believes, and thereon alleges, that each of said
21 Defendants is in some manner intentionally, negligently, or otherwise responsible for the acts,
22 omissions, occurrences, and transactions alleged herein.

23 **CLASS ACTION ALLEGATIONS**

24 18. Plaintiff brings this action under Code of Civil Procedure § 382 on behalf of
25 himself and all others similarly situated who were affected by Defendants' Labor Code,
26 Business and Professions Code §§ 17200, and IWC Wage Order violations.

27 19. All claims alleged herein arise under California law for which Plaintiff seeks
28 relief authorized by California law.

1 20. Plaintiff's proposed class consists of and is defined as follows:

2 Class

3 All California citizens currently or formerly employed by Defendants as non-
4 exempt employees in the State of California at any time between February 6,
5 2017¹ and the date the class is certified ("Class").

6 21. Plaintiff also seeks to certify the following subclass of employees:

7 Waiting Time Subclass

8 All Class Members who separated their employment with Defendants at any time
9 between February 6, 2018 and the date the class is certified ("Subclass" or
10 "Waiting Time Subclass").

11 22. Plaintiff reserves the right to modify or re-define the Class, establish additional
12 subclasses, or modify or re-define any class or subclass definition as appropriate based on
13 investigation, discovery, and specific theories of liability.

14 23. Members of the Class and the Subclass described above will be collectively
15 referred to as "Class Members."

16 24. There are common questions of law and fact as to the Class Members that
17 predominate over any questions affecting only individual members including, but not limited to,
18 the following:

19 (a) Whether Defendants failed to pay Plaintiff and Class Members all wages
20 (including minimum wages and overtime wages) for all hours worked by
21 Plaintiff and Class Members.

22 (b) Whether Defendants required Plaintiff and Class Members to work over
23 eight (8) hours per day, over twelve (12) hours per day, over forty (40)
24 hours per week, and/or seven (7) consecutive days and failed to pay them
25 overtime compensation at the proper rate.

27 ¹ The statute of limitations for this matter was tolled pursuant to Cal. Rules of Court, Appendix I,
28 Emergency Rule No. 9.

- 1 (c) Whether Defendants deprived Plaintiff and Class Members of timely
2 meal periods or required Plaintiff and Class Members to work through
3 meal periods without proper compensation.
- 4 (d) Whether Defendants deprived Plaintiff and Class Members of rest breaks
5 or required Plaintiff and Class Members to work through rest breaks
6 without proper compensation.
- 7 (e) Whether Defendants failed to reimburse Plaintiff and Class Members for
8 necessary business-related costs expended for the benefit of Defendants.
- 9 (f) Whether Defendants failed to provide Plaintiff and Class Members
10 accurate itemized wage statements.
- 11 (g) Whether Defendants failed to timely pay the Waiting Time Subclass all
12 wages due upon termination or within seventy-two (72) hours of
13 resignation.
- 14 (h) Whether Defendants issued wages to Plaintiff and Class Members
15 through payment cards with fees required to obtain cash.
- 16 (i) Whether Defendants' conduct was willful or reckless.
- 17 (j) Whether Defendants engaged in unfair business practices in violation of
18 Business and Professions Code §§ 17200, *et seq.*

19 25. There is a well-defined community of interest in this litigation and the proposed
20 Class and Subclass are readily ascertainable:

21 (a) Numerosity: The Class Members are so numerous that joinder of all
22 members is impractical. Although the members of the entire Class and Subclass are unknown
23 to Plaintiff at this time, on information and belief, the class is estimated to be greater than
24 twenty-five (25) individuals. The identities of the Class Members are readily ascertainable by
25 inspection of Defendants' employment and payroll records.

26 (b) Typicality: The claims (or defenses, if any) of Plaintiff are typical of the
27 claims (or defenses, if any) of the Class Members because Defendants' failure to comply with
28 the provisions of California's wage and hour laws entitled each Class Member to similar pay,

benefits, and other relief. The injuries sustained by Plaintiff are also typical of the injuries sustained by the Class Members because they arise out of and are caused by Defendants' common course of conduct as alleged herein.

(c) Adequacy: Plaintiff will fairly and adequately represent and protect the interests of all Class Members because it is in his best interest to prosecute the claims alleged herein to obtain full compensation and penalties due to him and the Class Members. Plaintiff's attorneys, as proposed class counsel, are competent and experienced in litigating large employment class actions and versed in the rules governing class action discovery, certification, and settlement. Plaintiff has incurred and, throughout the duration of this action, will continue to incur attorneys' fees and costs that have been and will be necessarily expended for the prosecution of this action for the substantial benefit of the Class Members.

(d) Superiority: The nature of this action makes use of class action adjudication superior to other methods. A class action will achieve economies of time, effort, and expense as compared with separate lawsuits and will avoid inconsistent outcomes because the same issues can be adjudicated in the same manner for the entire Class and Subclass at the same time. If appropriate, this Court can, and is empowered to, fashion methods to efficiently manage this case as a class action.

(e) Public Policy Considerations: Employers in the State of California violate employment and labor laws every day. Current employees are often afraid to assert their rights out of fear of direct or indirect retaliation. Former employees are fearful of bringing actions because they believe their former employers might damage their future endeavors through negative references and/or other means. Class actions provide class members who are not named in the complaint with a type of anonymity that allows for the vindication of their rights while affording them privacy protections.

GENERAL ALLEGATIONS

26. At all relevant times mentioned herein, Defendants employed Plaintiff and other California citizens as non-exempt employees at Defendants' California business location(s).

1 27. Defendant employed Plaintiff as a non-exempt employee at Defendants'
2 California business location.

3 28. Defendants continue to employ non-exempt employees within California.

4 29. Plaintiff is informed and believes, and thereon alleges, that at all times herein
5 mentioned, Defendants were advised by skilled lawyers, employees, and other professionals
6 who were knowledgeable about California's wage and hour laws, employment and personnel
7 practices, and the requirements of California law.

8 30. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
9 should have known that Plaintiff and Class Members were entitled to receive wages for all time
10 worked (including minimum wages and overtime wages) and that they were not receiving all
11 wages earned for work that was required to be performed. In violation of the Labor Code and
12 IWC Wage Orders, Plaintiff and Class Members were not paid all wages (including minimum
13 wages and overtime wages) for all hours worked at the correct rate of pay.

14 31. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
15 should have known that Plaintiff and Class Members were entitled to receive wages in a
16 medium negotiable and payable in cash, on demand, without discount. In violation of the Labor
17 Code and IWC Wage Orders, Plaintiff and Class Members were paid through payment cards
18 that charged fees for obtaining cash.

19 32. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
20 should have known that Plaintiff and Class Members were entitled to receive all required meal
21 periods or payment of one (1) additional hour of pay at Plaintiff's and Class Members' regular
22 rate of compensation when they did not receive a timely, uninterrupted meal period. In
23 violation of the Labor Code and IWC Wage Orders, Plaintiff and Class Members did not
24 receive all meal periods or payment of one (1) additional hour of pay at Plaintiff's and Class
25 Members' regular rate of compensation when they did not receive a timely, uninterrupted meal
26 period.

27 33. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
28 should have known that Plaintiff and Class Members were entitled to receive all rest breaks or

1 payment of one (1) additional hour of pay at Plaintiff's and Class Members' regular rate of
2 compensation when a rest break was missed. In violation of the Labor Code and IWC Wage
3 Orders, Plaintiff and Class Members did not receive all rest breaks or payment of one (1)
4 additional hour of pay at Plaintiff's and Class Members' regular rate of compensation when a
5 rest break was missed.

6 34. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
7 should have known that Plaintiff and Class Members were entitled to reimbursement and/or
8 indemnification for all necessary business expenditures or losses as a direct consequence of the
9 discharge of their duties, or of their obedience to the directions of Defendants. In violation of
10 the Labor Code and IWC Wage Orders, Plaintiff and Class Members incurred necessary
11 business expenses or losses, such as the cost of personal protective equipment, but were not
12 reimbursed nor indemnified of such expenses or losses that were incurred as a direct
13 consequence of the discharge of their duties, or of their obedience to the directions of
14 Defendants.

15 35. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
16 should have known that Plaintiff and Class Members were entitled to receive itemized wage
17 statements that accurately showed the following information pursuant to the Labor Code: (1)
18 gross wages earned; (2) total hours worked by the employee; (3) the number of piece-rate units
19 earned and any applicable piece rate if the employee is paid on a piece-rate basis; (4) all
20 deductions, provided that all deductions made on written orders of the employee may be
21 aggregated and shown as one item; (5) net wages earned; (6) the inclusive dates of the period
22 for which the employee is paid; (7) the name of the employee and only the last four digits of his
23 or her social security number or an employee identification number other than a social security
24 number; (8) the name and address of the legal entity that is the employer; and (9) all applicable
25 hourly rates in effect during the pay period and the corresponding number of hours worked at
26 each hourly rate by the employee. In violation of the Labor Code, Plaintiff and Class Members
27 were not provided with accurate itemized wage statements.

36. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or should have known that the Waiting Time Subclass was entitled to timely payment of wages due upon separation of employment. In violation of the Labor Code, the Waiting Time Subclass did not receive payment of all wages within permissible time periods.

37. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or should have known they had a duty to compensate Plaintiff and Class Members, and Defendants had the financial ability to pay such compensation but willfully, knowingly, and intentionally failed to do so in order to increase Defendants' profits.

38. Therefore, Plaintiff brings this lawsuit seeking monetary and injunctive relief against Defendants on behalf of himself and all Class Members to recover, among other things, unpaid wages, unpaid meal period premium payments, unpaid rest period premium payments, interest, attorneys' fees, penalties, costs, and expenses.

FIRST CAUSE OF ACTION

FAILURE TO PAY MINIMUM WAGES

(Violation of Labor Code §§ 1182.12, 1194, 1194.2, and 1197; Violation of IWC Wage Order)

39. Plaintiff hereby re-alleges and incorporates by reference all paragraphs above as though fully set forth herein.

40. Labor Code §§ 1194 and 1197 provide that the minimum wage for employees fixed by the IWC is the minimum wage to be paid to employees, and the payment of a lesser wage than the minimum so fixed is unlawful.

41. During the relevant time period, Defendants paid Plaintiff and Class Members less than minimum wages when they failed to pay proper compensation for all hours worked. To the extent these hours do not qualify for the payment of overtime, Plaintiff and Class Members were not being paid at least the lawful minimum wage for their work.

42. During the relevant time period, Defendants regularly failed to pay at least minimum wage to Plaintiff and Class Members for all hours worked pursuant to Labor Code §§ 1194 and 1197.

43. Defendants' failure to pay Plaintiff and Class Members the required minimum wage violates Labor Code §§ 1194 and 1197. Pursuant to these sections, Plaintiff and Class Members are entitled to recover the unpaid balance of their minimum wage compensation as well as interest, costs, and attorneys' fees.

44. Pursuant to Labor Code § 1194.2, Plaintiff and Class Members are entitled to recover liquidated damages in an amount equal to the wages unlawfully unpaid and the accrued interest thereon.

SECOND CAUSE OF ACTION

FAILURE TO PAY OVERTIME

(Violation of Labor Code §§ 510, 1194, and 1198; Violation of IWC Wage Order)

45. Plaintiff hereby re-alleges and incorporates by reference all paragraphs above as though fully set forth herein.

46. Labor Code § 1198 and the applicable IWC Wage Order provide that it is unlawful to employ persons without compensating them at a rate of pay either one and one-half (1½) or two (2) times the person's regular rate of pay, depending on the number of hours or days worked by the person on a daily or weekly basis.

47. Specifically, the applicable IWC Wage Orders provide that Defendants are and were required to pay overtime compensation to Plaintiff and Class Members at the rate of one and one-half times (1½) their regular rate of pay when working and for all hours worked in excess of eight (8) hours in a day or more than forty (40) hours in a workweek and for the first eight (8) hours of work on the seventh day of work in a workweek.

48. The applicable IWC Wage Orders further provide that Defendants are and were required to pay overtime compensation to Plaintiff and Class Members at a rate of two times their regular rate of pay when working and for all hours worked in excess of twelve (12) hours in a day or in excess of eight (8) hours on the seventh day of work in a workweek.

49. California Labor Code § 510 codifies the right to overtime compensation at one and one-half (1½) times the regular hourly rate for hours worked in excess of eight (8) hours in a day or forty (40) hours in a week and for the first eight (8) hours worked on the seventh

1 consecutive day of work, and overtime compensation at twice the regular hourly rate for hours
2 worked in excess of twelve (12) hours in a day or in excess of eight (8) hours in a day on the
3 seventh day of work in a workweek.

4 50. Plaintiff and Class Members were non-exempt employees entitled to the
5 protections of California Labor Code §§ 510 and 1194.

6 51. During the relevant time period, Defendants required Plaintiff and Class
7 Members to work in excess of eight (8) hours in a day, forty (40) hours in a week, and/or for a
8 seventh consecutive day in a workweek without paying Plaintiff and Class Members overtime
9 wages for their work.

10 52. During the relevant time period, Defendants failed to pay Plaintiff and Class
11 Members overtime wages for all overtime hours worked when Plaintiff and Class Members
12 worked in excess of eight (8) hours in a day, forty (40) hours in a week and/or for a seventh
13 consecutive day of work in a workweek, or when Plaintiff and Class Members worked in
14 excess of twelve (12) hours in a day and/or in excess of eight (8) hours on the seventh day of
15 work in a work week.

16 53. In violation of state law, Defendants knowingly and willfully refused to perform
17 their obligations and compensate Plaintiff and Class Members for all wages earned and all
18 hours worked.

19 54. Defendants' failure to pay Plaintiff and Class Members the unpaid balance of
20 overtime and double time compensation, as required by California law, violates the provisions
21 of Labor Code §§ 510 and 1198, and is therefore unlawful.

22 55. Pursuant to Labor Code § 1194, Plaintiff and Class Members are entitled to
23 recover their unpaid overtime and double time compensation as well as interest, costs, and
24 attorneys' fees.

25 **THIRD CAUSE OF ACTION**

26 **FAILURE TO PROVIDE MEAL PERIODS**

27 (Violation of Labor Code §§ 226.7 and 512; Violation of IWC Wage Order)
28

1 56. Plaintiff hereby re-alleges and incorporates by reference all paragraphs above as
2 though fully set forth herein

3 57. Labor Code § 226.7 provides that no employer shall require an employee to work
4 during any meal period mandated by the IWC Wage Orders.

5 58. Section 11 of the applicable IWC Wage Order states, “[n]o employer shall
6 employ any person for a work period of more than five (5) hours without a meal period of not
7 less than 30 minutes, except that when a work period of not more than six (6) hours will
8 complete the day’s work the meal period may be waived by mutual consent of the employer and
9 the employee.”

10 59. Labor Code § 512(a) provides that an employer may not require, cause, or permit
11 an employee to work for a period of more than five (5) hours per day without providing the
12 employee with an uninterrupted meal period of not less than thirty (30) minutes, except that if
13 the total work period per day of the employee is not more than six (6) hours, the meal period
14 may be waived by mutual consent of both the employer and the employee.

15 60. Labor Code § 512(a) also provides that an employer may not employ an
16 employee for a work period of more than ten (10) hours per day without providing the employee
17 with a second meal period of not less than thirty (30) minutes, except that if the total hours
18 worked is no more than twelve (12) hours, the second meal period may be waived by mutual
19 consent of the employer and the employee only if the first meal period was not waived.

20 61. During the relevant time period, Plaintiff and Class Members did not receive
21 compliant meal periods for working more than five (5) and/or ten (10) hours per day because
22 their meal periods were missed, late, short, interrupted, and/or they were not permitted to take a
23 second meal period.

24 62. Labor Code § 226.7(b) and section 11 of the applicable IWC Wage Order
25 requires an employer to pay an employee one (1) additional hour of pay at the employee’s
26 regular rate of compensation for each work day that a compliant meal period is not provided.

63. At all relevant times, Defendants failed to pay Plaintiff and Class Members meal period premiums for missed, late, short, and/or interrupted meal periods pursuant to Labor Code § 226.7(b) and section 11 of the applicable IWC Wage Order.

64. As a result of Defendants' failure to pay Plaintiff and Class Members an additional hour of pay for each day a compliant meal period was not provided, Plaintiff and Class Members suffered and continue to suffer a loss of wages and compensation.

FOURTH CAUSE OF ACTION

FAILURE TO PERMIT REST BREAKS

(Violation of Labor Code §§ 226.7; Violation of IWC Wage Order)

65. Plaintiff hereby re-alleges and incorporates by reference all paragraphs above as though fully set forth herein.

66. Labor Code § 226.7(a) provides that no employer shall require an employee to work during any rest period mandated by the IWC Wage Orders.

67. Section 12 of the applicable IWC Wage Order states "[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 the "[a]uthorized 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.

68. During the relevant time period, Plaintiff and Class Members did not receive a ten (10) minute rest period for every four (4) hours or major fraction thereof worked because they were required to work through their daily rest periods, were not permitted to take timely rest periods, and/or were not authorized to take their rest periods.

69. Labor Code § 226.7(b) and section 12 of the applicable IWC Wage Order requires an employer to pay an employee one (1) additional hour of pay at the employee's regular rate of compensation for each work day that a compliant rest period is not provided.

70. At all relevant times, Defendants failed to pay Plaintiff and Class Members rest period premiums for missed, late, and/or interrupted rest periods pursuant to Labor Code § 226.7(b) and section 12 of the applicable IWC Wage Order.

1 71. As a result of Defendants' failure to pay Plaintiff and Class Members an
2 additional hour of pay for each day a compliant rest period was not provided, Plaintiff and Class
3 Members suffered and continue to suffer a loss of wages and compensation.

4 **FIFTH CAUSE OF ACTION**

5 **FAILURE TO REIMBURSE BUSINESS EXPENSES**

6 (Violation of Labor Code §§ 2800, 2802)

7 72. Plaintiff hereby re-alleges and incorporates by reference all paragraphs above as
8 though fully set forth herein.

9 73. Labor Code § 2800 states that "[a]n employer shall in all cases indemnify his
10 employee for losses caused by the employer's want of ordinary care."

11 74. Labor Code § 2802(a) states that "[a]n employer shall indemnify his or her
12 employee for all necessary expenditures or losses incurred by the employee in direct
13 consequence of the discharge of his or her duties, or of his or her obedience to the directions of
14 the employer"

15 75. Labor Code § 2802(b) states that "[a]ll awards made by a court . . . for
16 reimbursement of necessary expenditures under this section shall carry interest at the same rate
17 as judgments in civil actions. Interest shall accrue from the date on which the employee incurred
18 the necessary expenditure or loss."

19 76. Labor Code § 2802(c) states that "[f]or purposes of this section, the term
20 "necessary expenditures or losses" shall include all reasonable costs, including, but not limited
21 to, attorney's fees incurred by the employee enforcing the rights granted by this section."

22 77. During the relevant time period, Plaintiff and Class Members incurred necessary
23 business-related costs that were not fully reimbursed by Defendants, including, but not limited
24 to personal protective equipment required for work.

25 78. In violation of Labor Code §§ 2800 and 2802, Defendants failed to reimburse or
26 indemnify Plaintiff and Class Members for their expenses due to Defendants' knowing and
27 intentional failure to reimburse necessary business expenditures in connection with Plaintiff's
28 and Class Members' work and job duties.

79. As a direct result, Plaintiff and Class Members have suffered and continue to suffer losses, and therefore seek complete reimbursement and indemnification of necessary business expenditures or losses, interest thereon at the required rate, and all reasonable costs in enforcing the rights under Labor Code § 2802, including, but not limited to attorneys' fees.

SIXTH CAUSE OF ACTION

FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS

(Violation of Labor Code § 226; Violation of IWC Wage Order)

80. Plaintiff hereby re-alleges and incorporates by reference all paragraphs above as though fully set forth herein.

81. Labor Code § 226(a) requires Defendants to provide each employee with an accurate wage statement in writing showing nine pieces of information, including, the following: (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee.

82. During the relevant time period, Defendants have knowingly and intentionally failed to comply with Labor Code § 226(a) on wage statements that were provided to Plaintiff and Class Members. Defendants provided Plaintiff and Class Members with wage statements that were missing or inaccurately stated one or more of the following items: (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the

1 employee is paid, (7) the name of the employee and the last four digits of his or her social
2 security number or an employee identification number other than a social security number, (8)
3 the name and address of the legal entity that is the employer, and/or (9) all applicable hourly
4 rates in effect during the pay period and the corresponding number of hours worked at each
5 hourly rate by the employee.

6 83. As a result of Defendants' knowing and intentional failure to comply with Labor
7 Code § 226(a), Plaintiff and Class Members have suffered injury and damage to their
8 statutorily-protected rights. Specifically, Plaintiff and Class Members are deemed to suffer an
9 injury pursuant to Labor Code § 226(e) where, as here, Defendants intentionally violated Labor
10 Code § 226(a). Plaintiff and Class Members were denied both their legal right to receive, and
11 their protected interest in receiving, accurate itemized wage statements under Labor Code
12 § 226(a). In addition, because Defendants failed to provide the accurate rates of pay on wage
13 statements, Defendants prevented Plaintiff and Class Members from determining if all hours
14 worked were paid at the appropriate rate and the extent of the underpayment. Plaintiff has had
15 to file this lawsuit in order to analyze the extent of the underpayment, thereby causing Plaintiff
16 to incur expenses and lost time. Plaintiff would not have had to engage in these efforts and
17 incur these costs had Defendants provided the accurate hours worked, wages earned, and rates
18 of pay. This has also delayed Plaintiff's ability to demand and recover the underpayment of
19 wages from Defendants.

20 84. Plaintiff and Class Members are entitled to recover from Defendants the greater
21 of all actual damages caused by Defendants' failure to comply with Labor Code § 226(a) or
22 fifty dollars (\$50.00) for the initial pay period in which a violation occurred and one hundred
23 dollars (\$100.00) per employee for each violation in subsequent pay periods in an amount not
24 exceeding four thousand dollars (\$4,000.00) per employee, plus attorneys' fees and costs.

25 85. Defendants' violations of California Labor Code § 226(a) prevented Plaintiff
26 and Class Members from knowing, understanding, and disputing the wages paid to them and
27 resulted in an unjustified economic enrichment to Defendants. As a result of Defendants'
28 knowing and intentional failure to comply with California Labor Code § 226(a), Plaintiff and

1 Class Members have suffered an injury, in the exact amount of damages and/or penalties to be
2 shown according to proof at trial.

3 86. Class Members that are still employed by Defendants are also entitled to
4 injunctive relief under California Labor Code § 226(h), compelling Defendants to comply with
5 California Labor Code § 226. Accordingly, affected Class Members seek the recovery of
6 attorneys' fees and costs incurred in obtaining this injunctive relief.

7 SEVENTH CAUSE OF ACTION

8 **FAILURE TO PAY ALL WAGES DUE UPON SEPARATION OF EMPLOYMENT**

9 (Violation of Labor Code §§ 201, 202, and 203; Violation of IWC Wage Order)

10 87. Plaintiff hereby re-alleges and incorporates by reference all paragraphs above as
11 though fully set forth herein.

12 88. Labor Code §§ 201 and 202 provide that if an employer discharges an employee,
13 the wages earned and unpaid at the time of discharge are due and payable immediately, and that
14 if an employee voluntarily leaves his employment, his or her wages shall become due and
15 payable not later than seventy-two (72) hours thereafter, unless the employee has given
16 seventy-two (72) hours previous notice of an intention to quit, in which case the employee is
17 entitled to his or her wages at the time of quitting.

18 89. During the relevant time period, Defendants willfully failed to pay the Waiting
19 Time Subclass all their earned wages upon termination, including, but not limited to, proper
20 minimum wage and overtime compensation, meal period premiums, and rest period premiums
21 either at the time of discharge or within seventy-two (72) hours of their leaving Defendants'
22 employ.

23 90. Defendants' failure to pay the Waiting Time Subclass all their earned wages at
24 the time of discharge or within seventy-two (72) hours of their leaving Defendants' employ is
25 in violation of Labor Code §§ 201 and 202.

26 91. Labor Code § 203 provides that if an employer willfully fails to pay wages owed
27 immediately upon discharge or resignation in accordance with Labor Code §§ 201 and 202,
28 then the wages of the employee shall continue as a penalty from the due date at the same rate

1 until paid or until an action is commenced; but the wages shall not continue for more than thirty
2 (30) days.

3 92. Pursuant to Labor Code § 203, the Waiting Time Subclass is entitled to recover
4 from Defendants the statutory penalty, which is defined as the Waiting Time Subclass
5 members' regular daily wages at their regular hourly rate of pay for each day they were not
6 paid, up to a maximum of thirty (30) days.

7 **EIGHTH CAUSE OF ACTION**

8 **VIOLATION OF BUSINESS AND PROFESSIONS CODE §§ 17200, ET SEQ.**

9 (Violation of Business and Professions Code §§ 17200, *et seq.*)

10 93. Plaintiff hereby re-alleges and incorporates by reference all paragraphs above as
11 though fully set forth herein.

12 94. California Business and Professions Code §§ 17200, *et seq.*, prohibits acts of
13 unfair competition, which includes any "unlawful, unfair or fraudulent business act or practice .
14 . . ."

15 95. A violation of California Business and Professions Code §§ 17200, *et seq.*, may
16 be predicated on a violation of any state or federal law. In the instant case, Defendants' policies
17 and practices violated state law, causing Plaintiff and Class Members to suffer and continue to
18 suffer injuries-in-fact.

19 96. Defendants' policies and practices violated state law in at least the following
20 respects:

21 (a) Failing to pay all wages earned (including minimum wage and overtime
22 wages) to Plaintiff and Class Members in violation of Labor Code §§
23 510, 1182.12, 1194, 1194.2, 1197, and 1198.

24 (b) Failing to pay Plaintiff and Class Members wages in a medium
25 negotiable and payable in cash, on demand, without discount in violation
26 of Labor Code §§ 212 and 213.

- 1 (c) Failing to provide compliant meal periods without paying Plaintiff and
2 Class Members premium wages for every day said meal periods were not
3 provided in violation of Labor Code §§ 226.7 and 512.
- 4 (d) Failing to authorize or permit compliant rest breaks without paying
5 Plaintiff and Class Members premium wages for every day said rest
6 breaks were not authorized or permitted in violation of Labor Code §
7 226.7.
- 8 (e) Failing to reimburse Plaintiff and Class Members for necessary business-
9 related expenses in violation of Labor Code §§ 2800 and 2802.
- 10 (f) Failing to provide Plaintiff and Class Members with accurate itemized
11 wage statements in violation of Labor Code § 226.
- 12 (g) Failing to timely pay all earned wages to the members of the Waiting
13 Time Subclass upon separation of employment in violation of Labor
14 Code §§ 201, 202, and 203.

15 97. As alleged herein, Defendants systematically engaged in unlawful conduct in
16 violation of the California Labor Code and IWC Wage Orders, such as failing to pay all wages
17 (minimum and overtime wages), failing to pay wages in an instrument negotiable on demand,
18 failing to provide meal periods and rest breaks or compensation in lieu thereof, failing to
19 reimburse necessary business-related costs and expenses, failing to furnish accurate wage
20 statements, and failing to pay all wages due and owing upon separation of employment in a
21 timely manner, all in order to decrease their costs of doing business and increase their profits.

22 98. At all relevant times herein, Defendants held themselves out to Plaintiff and
23 Class Members as being knowledgeable concerning the labor and employment laws of
24 California.

25 99. At all times relevant herein, Defendants intentionally avoided paying Plaintiff
26 and Class Members wages and monies, thereby creating for Defendants an artificially lower
27 cost of doing business in order to undercut their competitors and establish and/or gain a greater
28 foothold in the marketplace.

100. As a result of Defendants' intentional, willful, purposeful, and wrongful misrepresentation of their conformance with the California Labor Code and IWC Wage Orders, Plaintiff and Class Members suffered a loss of wages and monies, all in an amount to be shown according to proof at trial.

101. By violating the foregoing statutes and regulations as herein alleged, Defendants' acts constitute unfair and unlawful business practices under California Business and Professions Code §§ 17200, *et seq.*

102. As a result of the unfair and unlawful business practices of Defendants, as alleged herein, Plaintiff and Class Members are entitled to injunctive relief, disgorgement, and restitution in an amount to be shown according to proof at trial.

103. Plaintiff seeks to enforce important rights affecting the public interest within the meaning of California Code of Civil Procedure § 1021.5. Defendants' conduct, as alleged herein, has been and continues to be unfair, unlawful, and harmful to Plaintiff, Class Members, and the general public. Based on Defendants' conduct as alleged herein, Plaintiff and Class Members are entitled to an award of attorneys' fees pursuant to California Code of Civil Procedure § 1021.5.

PRAYER FOR RELIEF

Plaintiff, on his own behalf and on behalf of all others similarly situated, prays for relief and judgment against Defendants, jointly and severally, as follows:

1. For certification under California Code of Civil Procedure § 382 of the proposed Class, Waiting Time Subclass, and any other appropriate subclasses;
2. For appointment of Christian John Nelson as the class representative;
3. For appointment of Aegis Law Firm, PC, as class counsel for all purposes;
4. For compensatory damages in an amount according to proof at trial;
5. For an award of damages in the amount of unpaid compensation including, but not limited to, unpaid wages, unreimbursed expenses, benefits, and penalties;
6. For economic and/or special damages in an amount according to proof at trial;
7. For liquidated damages pursuant to Labor Code § 1194.2;

1 8. For statutory penalties to the extent permitted by law, including those pursuant
2 to the Labor Code and IWC Wage Orders;

3 9. For injunctive relief as provided by the California Labor Code and California
4 Business and Professions Code §§ 17200, *et seq.*;

5 10. For restitution as provided by Business and Professions Code §§ 17200, *et seq.*;

6 11. For an order requiring Defendants to restore and disgorge all funds to each
7 employee acquired by means of any act or practice declared by this Court to be unlawful,
8 unfair, or fraudulent and, therefore, constituting unfair competition under Business and
9 Professions Code §§ 17200, *et seq.*;

10 12. For pre-judgment interest;

11 13. For reasonable attorneys' fees, costs of suit, and interest to the extent permitted
12 by law, including, but not limited to, Code of Civil Procedure § 1021.5 and Labor Code §§
13 226(e) and 1194; and

14
15 14. For such other relief as the Court deems just and proper.

16
17 Dated: August 3, 2021

AEGIS LAW FIRM, PC

18
19 By: 
20 Jessica L. Campbell
21 Attorneys for Plaintiff Christian John Nelson

22 **DEMAND FOR JURY TRIAL**

23 Plaintiff hereby demands a jury trial with respect to all issues triable of right by jury.

24 Dated: August 3, 2021

AEGIS LAW FIRM, PC

25
26 By: 
27 Jessica L. Campbell
28 Attorneys for Plaintiff Christian John Nelson