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Kern County Superior Court
By Vanesa Jackson, Deputy

Attorneys for Plaintiff MARCHE MEEKS

SUPERIOR COURT OF STATE OF CALIFORNIA

COUNTY OF KERN

MARCHE MEEKS, an individual,

Plaintiff,

v.

NATURE & LIFE FARMS, LLC, a
California limited liability company; JCM
AG MANAGEMENT, LLC, a California
limited liability company; CANA ROSE
REALTY HOLDINGS, LLC, a California
limited liability company; 420KINGDOM
LLC, a California limited liability company;
JEFFREY THORN, an individual; MARIO
DELIS, an individual; CHUCK SHAKTA,
an individual; 420 KINGDOM, a California
partnership; and DOES 1 through 50,
inclusive,

Defendants.

Case No.: BCV-22-100306

[Assigned for all purposes to Hon. J. Eric
Bradshaw]

FIRST AMENDED COMPLAINT FOR:

1. Violation of California Labor Code § 1102.5
2. Violation of California Government Code § 12940(a)
3. Wrongful Termination in Violation of Public Policy
4. Retaliation under California Occupational Safety & Health Act, California Labor Code § 6310
5. Violation of California Labor Code § 232.5
6. Failure to Pay Wages, Minimum Wage, and Overtime, Cal. Labor Code §§ 510, 1182.12, 1194, 1194.2, 1197
7. Meal-Period Liability under Labor Code § 226.7
8. Rest-Break Liability under Labor Code § 226.7
9. Violation of Labor Code § 226(a)
10. Violation of Labor Code §§ 201, *et seq.*
11. Penalties Pursuant to Labor Code § 2699
12. Violation of California Business & Professions Code § 17200, *et seq.*

DEMAND FOR JURY TRIAL

1 Plaintiff MARCHE MEEKS (“Plaintiff”) alleges as follows against Defendants NATURE
2 & LIFE FARMS, LLC (“NLF”), a California limited liability company; JCM AG
3 MANAGEMENT, LLC (“JCM”), a California limited liability company; CANA ROSE REALTY
4 HOLDINGS, LLC (“Cana Rose”), a California limited liability company; 420KINGDOM, LLC,
5 a California limited liability company; JEFFREY THORN (“Thorn”), an individual; MARIO
6 DELIS, an individual; CHUCK SHAKTA, an individual; 420 KINGDOM, a California general
7 partnership; and DOES 1 through 50, inclusive (collectively, “Defendants”):

8 **JURISDICTION AND VENUE**

9 1. This Court has personal jurisdiction over Defendants because Defendants are
10 California companies and individuals doing business in California.

11 2. Pursuant to Article VI, § 10 of the California Constitution, subject matter
12 jurisdiction is proper in the superior court because Plaintiff alleges claims arising under California
13 law.

14 3. Pursuant to § 395 of the California Code of Civil Procedure, venue is proper in the
15 Superior Court of California for the County of Kern because this is where the wrongful conduct
16 alleged in this Complaint occurred.

17 **THE PARTIES**

18 4. At all times mentioned herein Defendant Nature & Life Farms, LLC dba 420
19 Kingdom was and is a California limited liability company formed on June 29, 2018 and was and
20 is doing business in the State of California, with a principal place of business located in Arvin,
21 California.

22 5. At all times mentioned herein Defendant JCM AG Management, LLC was and is a
23 California limited liability company formed June 29, 2018 and was and is doing business in the
24 State of California, with a principal place of business located in Arvin, California.

25 6. At all times mentioned herein Defendant Cana Rose Realty Holdings, LLC was
26 and is a California limited liability company formed June 29, 2018 and was and is doing business
27 in the State of California, with a principal place of business located in Arvin, California.
28

1 7. Defendant 420Kingdom LLC is a California limited liability company formed
2 September 9, 2021 and is doing business in the State of California, with a principal place of
3 business located in Bakersfield, California.

4 8. At all times mentioned herein Defendant Jeffrey D. Thorn was and is an individual
5 who resides and does business in Bakersfield, California.

6 9. At all times mentioned herein Defendant Mario Delis was and is an individual who
7 resides and does business in Bakersfield, California.

8 10. At all times mentioned herein Defendant Chuck Shakta was and is an individual
9 who does business in Bakersfield, California.

10 11. At all times mentioned herein, Defendant 420 Kingdom was and is a general
11 partnership under California law organized and doing business in Bakersfield, California and
12 Arvin, California.

13 12. At all times herein mentioned herein and at the time the causes of action arose,
14 Plaintiff was and is an individual residing in the State of California and was employed by
15 Defendants in the County of Kern.

16 13. Plaintiff is unaware of the true names and capacities of the defendants sued herein
17 as DOES 1 through 50, inclusive, and for that reason sues these defendants by such fictitious
18 names. Plaintiff will file and serve an amendment to this Complaint alleging the true names and
19 capacities of these fictitiously named defendants when such true names and capacities become
20 known to Plaintiff.

21 14. Plaintiff is informed and believes, and based thereon alleges, that each of the
22 fictitiously named defendants is responsible in some manner for, and proximately caused, the
23 harm and damages alleged herein below.

24 15. Plaintiff is informed and believes, and based thereon alleges, that each of the
25 defendants named herein acted as the employee, agent, partner, alter-ego, and/or joint-venturer, of
26 each of the other defendants named herein and, in doing the acts and in carrying out the wrongful
27 conduct alleged herein, each of the defendants acted within the scope of his, her, or its
28

1 relationship with and with the permission, consent, and ratification of each of the other
2 defendants named herein.

3 16. Based on information and belief, and specifically the facts alleged in the
4 complaint, first amended complaint, and cross-complaint filed in *Delis v. Thorn, et al.*, Kern
5 Super. Ct. Case No. BCV-21-102152 (hereinafter “*Delis v. Thorn*”), Defendants JCM, Cana
6 Rose, and Thorn were the alter egos of or formed a joint enterprise with NLF in that Defendants
7 commingled funds resulting in the undercapitalization of NLF, used the same employees and
8 personnel, and operated from the same business location, as described in further detail below.

9 17. Hereinafter in this Complaint, unless otherwise specified, reference to a defendant
10 or defendants shall refer to all defendants, and each of them. All defendants shall hereinafter be
11 collectively referred to as “Defendants,” which term shall refer to each and every defendant
12 herein.

13 **GENERAL ALLEGATIONS**

14 18. Plaintiff was hired by Defendants as a delivery driver in January 2021.

15 19. During his employment, Plaintiff was required to work off the clock, time for
16 which he was not compensated. Plaintiff was regularly called on to perform and did perform
17 work before clocking in. Not only was Plaintiff not compensated for this time, but because
18 Plaintiff regularly worked more than eight hours in a day, this off-the-clock time resulted in
19 overtime for which Defendants should have compensated at no less than one-and-one-half times
20 Plaintiff’s regular rate of pay, which Plaintiff did not receive.

21 20. Defendants also failed to provide Plaintiff with meal or rest breaks. Plaintiff
22 regularly worked in excess of five hours without receiving a meal break and in excess of four
23 hours or major fraction thereof without being provided a rest break. The flow of work at
24 Defendants was incessant and Plaintiff could not take a break; in fact, Plaintiff often could not
25 even go to the bathroom. Moreover, Plaintiff’s supervisors would interrupt Plaintiff throughout
26 the day with calls and text messages. Moreover, Defendants required employees including
27 Plaintiff to remain with their vehicles at all times so that the merchandise was not left unattended.
28

1 21. Defendants did not provide Plaintiff with complete and accurate itemized wage
2 statements, ever. Moreover, even if Defendants had provided wage statements, those wage
3 statements would have violated California Labor Code § 226(a) because they would not have
4 accurately accounted for wages, including the minimum wage and premium pay for deficient
5 meal periods and rest breaks, which Defendants failed to provide.

6 22. In February 2021, Defendants terminated Plaintiff's employment in retaliation for
7 his attempts to comply with state law and his complaints to management regarding Defendants'
8 noncompliance.

9 23. Specifically, Plaintiff complained about Defendants' failure to adhere to state law
10 relating to the operation of its cannabis cultivation and delivery business, namely, the Medicinal
11 and Adult-Use Cannabis Regulation and Safety Act. That law requires that all cannabis sales
12 must cease by 10 pm and that during non-operational hours the cannabis retailer must ensure the
13 storefront is secure with commercial grade door locks and is protected by an active alarm system.
14 Cal. Code Regs., tit. 16, §§ 5403, 5403.1. The law also requires that cannabis be secured in
15 delivery vehicles and not be visible to the public; the vehicle must be locked and equipped with
16 an active vehicle alarm system. *Id.* at § 5417.

17 24. However, Plaintiff regularly observed, and complained to management, about
18 violations of these requirements. In particular, Defendants regularly required Plaintiff and other
19 delivery drivers to continue to make deliveries well past 10:00 p.m., in violation of state law. On
20 one or more occasions, Plaintiff refused to complete deliveries after 10:00 p.m., and Defendants
21 subjected him to adverse action as a result, as reflected in the following email from Lane
22 Claiborne to Jordan Thorn:

23 ///

24 ///

25 ///

26 ///

27 ///

28 ///

Marche Meeks

From: **Lane Claiborne** | lane@420kingdom.com

Wednesday, Apr 7, 11:02 AM

To: **Jordan Thorn** | jordan@420kingdom.com

We had an incident with Marche where he decided not to do any more tasks that were assigned to him and head back to headquarters in Arvin. During a night shift where David Komin and I were dispatching, it was between the hours of 9pm and 10pm, where we were busy per usual and each driver had anywhere from 3 to 5 tasks remaining, including Marche. At 9:45pm David and I noticed Marche was heading back to Arvin without completing multiple tasks. When we contacted Marche, he stated that he wasn't going to deliver after 10pm, even though his shift wasn't over until 11-12pm. We informed him that this was not acceptable and he decided to continue his way back to Arvin. We ended up having to delegate his remaining tasks to the other drivers which led to them having to work much later than planned.

Lane Claiborne - Inventory Specialist

661.777.KING - office

661.497.6976 - mobile

www.420kingdom.com

CA License No. C12-0000308



25. Plaintiff's "Separation Report," completed and signed by Jordan Thorn, stated that Plaintiff was being involuntarily terminated for "failure to perform duties."

26. Plaintiff also observed other violations of state law, including delivery vehicles that did not have a fully enclosed box, container, or cage that could be secured on the inside of the vehicle. Plaintiff observed that delivery drivers rode with cannabis in bags in the center console because delivery drivers could not access the back of the vans. What is more, Defendants' store itself lacked the required security; there was no operational alarm system and the entrance to the facility was broken.

27. Plaintiff complained to management about the foregoing policies and practices, but instead of taking corrective action to bring itself into compliance with state law, Defendants retaliated against Plaintiff by terminating his employment.

1 28. Furthermore, Plaintiff was employed by Defendants during the height of the
2 COVID-19 pandemic, but Defendants failed to take the necessary precautions and remedial
3 actions required by California law.

4 29. Plaintiff also complained to management about Defendants' failure to provide
5 employees with the notice required by statute that they have may have been exposed to COVID-
6 19. This law went into effect in January 2021 and requires an employer to provide written notice
7 to all employees who were on the premises at the same time as the infectious person. This notice
8 must be provided to employees within one day of notice of potential exposure and provide
9 employees who may have been exposed with information regarding COVID-19 related benefits
10 under state, federal, and local laws. The employer must also notify its employees of the
11 disinfection and safety plan that the employer plans to implement and complete in accordance
12 with the guidelines of the Center for Disease Control. If there is an outbreak at the worksite, the
13 employer must notify the local public health agency of the infected persons. Cal-OSHA has the
14 authority to close workplaces that constitute an "imminent hazard to employees" due to COVID-
15 19. Cal. Lab. Code § 6325(b).

16 30. In or around January 2021, Defendants experienced an outbreak of COVID-19 in
17 that five employees contracted the disease. Plaintiff complained about Defendants not providing
18 such notice to employees who may have been exposed to the virus, for its failure to report the
19 outbreaks to Cal-OSHA, and for not implementing a comprehensive disinfection and safety plan,
20 as required under the newly added Labor Code § 6409.6. For example, Plaintiff observed and
21 reported to management about Defendants' failure to have any protocol for disinfecting its
22 delivery vans or other equipment.

23 31. Plaintiff also complained to management about its failure to provide compliant
24 meal and rest breaks, as required by California law.

25 32. The foregoing retaliation was also substantially motivated by race. Plaintiff is
26 African American. During his employment, Plaintiff performed his duties competently and
27 generally received positive customer feedback; he received no write-ups or warnings.

28 ///

33. But upon information and belief Plaintiff was fired for pretextual reasons even though similarly situated employees of Defendants were not fired for the same or worse conduct. In addition, Defendants fired another Black employee on pretextual grounds around the time Plaintiff was terminated.

THE INTERWOVEN WEB OF ENTITIES

The 420 Kingdom Partnership

34. “A partnership is liable for loss or injury caused to a person, or for a penalty incurred, as a result of a wrongful act or omission, or other actionable conduct, of a partner acting in the ordinary course of business of the partnership or with authority of the partnership.” Cal. Corp. Code § 16305(a). Moreover, “all partners are liable jointly and severally for all obligations of the partnership unless otherwise agreed by the claimant or provided by law.” Cal. Corp. Code § 16306(a).

35. “A partnership may sue and be sued in the name of the partnership” and “an action may be brought against the partnership and any or all of the partners in the same action or in separate actions.” Cal. Corp. Code § 16307(a)-(b).

36. Thorn, Delis, and Shakta agreed to conduct a business, namely, the cultivation, sale, and distribution of commercial cannabis. The three partners agreed to a specific property on which to conduct the cannabis operations, 901 Potato Road in Arvin, California 93203, invested funds to purchase the property, and held themselves out as a partnership operating under the name 420 Kingdom. In fact, the three held themselves out as partners in 420 Kingdom to the City of Arvin to obtain approval for their business, and to potential investors in pitch decks.¹

37. The 420 Kingdom partnership includes the overarching agreement to purchase the Arvin land on which the cannabis facility was built, procurement of the cannabis license, and the operation of the cannabis business, which JCM managed.²

38. Shakta, Delis, and Thorn entered into a partnership to purchase the Arvin property. They consistently held themselves out as partners and referred to themselves as partners.

¹ (*Delis v. Thorn*, FAC, ¶ 30).

² (See *Delis v. Thorn*, Declaration of Mario Delis filed in support of Motion for Preliminary Injunction and Sanctions (hereinafter, “Delis Decl.”), filed Apr. 5, 2022, ¶¶ 19-21).

1 39. Meeks is an innocent third party. Each partner in 420 Kingdom is bound by the
2 conduct of the other partners – whether that is managing the business, ensuring it has assets to
3 satisfy judgments, or otherwise. The Arvin property was this physical location where Plaintiff
4 was employed and as to which the cannabis license is tied.

5 40. All partners (or joint venturers) are equally and jointly and severally liable for the
6 actions of the others. Thorn identified himself and held himself out as the CEO and “El Jefe” of
7 420 Kingdom and listed his address in this role as 901 Potato Road, Arvin, California, the address
8 for NLF’s cannabis license and where NLF conducts its operations.³

9 41. Employees had email addresses @420kingdom, the name of the partnership in
10 which Thorn, Delis, and Shakta were partners, indicating that JCM, Cana Rose Realty, and all of
11 the operations related to the cannabis cultivation and sale business were under one umbrella. The
12 original name of NLF was JCM Farms, LLC with JCM standing for Jeff, Chuck, and Mario as
13 partners. 420 Kingdom was the dba of NLF and the name for the overarching partnership.⁴

14 42. Delis, Thorn, and Shakta presented themselves as partners and investors in 420
15 Kingdom to third parties and within the business. Eventually, 420 Kingdom became the brand
16 with a registered fictitious name of 420 Kingdom. In fact, the 420 Kingdom fictitious name was
17 registered to NLF at its address of 921 Potato Road in Arvin.⁵

18 43. On information and belief, Thorn took increasing control, holding himself out as
19 CEO and “El Jefe” of 420 Kingdom.⁶

20 44. Thorn, as a general partner (or joint venturer), is liable for the actions of Delis as
21 owner of one of the interwoven web of entities under the 420 Kingdom canopy. Delis was the
22 ostensible legal owner of NLF, yet he was a straw man for Thorn; in fact, Thorn even caused to
23 be made a rubber stamp bearing Delis’s signature that Thorn directed employees of the “420
24 Kingdom” partnership to use.⁷

25

³ (Delis Decl. ¶¶ 107, 111, 119, 123).

26 ⁴ (Delis Decl., ¶¶ 14, 15).

27 ⁵ (Delis Decl., ¶¶ 19, 20, 23 & Ex. A; Declaration of Ryan McCarl in Support of Motion for Preliminary Injunction
and Sanctions (hereinafter, “McCarl Decl.”), Ex. D at RM-097).

28 ⁶ (Delis Decl., ¶¶ 24, 25, Exs. E, F.)

⁷ (McCarl Decl., Ex. FF at RM-299, Ex. GG, RM-303).

1 45. Alter ego liability exists where there is “(1) such a unity of interest and ownership
2 that the separate corporate personalities are merged, so that one corporation is a mere adjunct of
3 another or the two companies form a single enterprise; and (2) an inequitable result if the acts in
4 question are treated as those of one corporation alone.”⁸

5 46. “Among the factors to be considered in applying the doctrine are commingling of
6 funds and other assets of the two entities, the holding out by one entity that it is liable for the
7 debts of the other, identical equitable ownership in the two entities, use of the same offices and
8 employees, and use of one as a mere shell or conduit for the affairs of the other.”⁹

9 47. “Other factors which have been described in the case law include inadequate
10 capitalization, disregard of corporate formalities, lack of segregation of corporate records, and
11 identical directors and officers.”¹⁰

12 48. Alter ego liability exists where individuals commingle assets, make unauthorized
13 use of corporate assets, including to pay their personal expenses, freely transfer funds among
14 legal entities, and mix personal funds with entity funds to accomplish whatever purpose the
15 individuals’ wish.¹¹

16 49. “[I]t would be unjust to permit those who control companies to treat them as a
17 single or a unitary enterprise and then assert their ... separateness in order to commit frauds and
18 other misdeeds with impunity.”¹²

19 50. Thorn, through his interwoven web of companies, had control and management
20 over NLF during the time of Plaintiff’s employment. The operators of NLF worked for JCM, one
21 of a cluster of entities managed and partially or fully owned by Thorn; worked at the facility
22 where the partnership name, 420 Kingdom, was posted; used the 420 Kingdom logo; and had 420
23 Kingdom email addresses. The payroll accounting was performed by another Thorn-owned entity,
24 Rand. Plaintiff’s termination forms list the address of his employer as 5016 California Avenue in
25

26 ⁸ *Las Palmas Associates v. Las Palmas Center Associates*, 235 Cal. App. 3d 1220, 1249-1250.

27 ⁹ *Sonora Diamond Corp. v. Superior Court* (2000) 83 Cal. App. 4th 523, 538-539 (citations omitted).

28 ¹⁰ *Id.*

29 ¹¹ *Ming-Hsiang Kao v. Holiday* (2020) 58 Cal. App. 5th 199, 206-207; *Triyar Hospitality Management, LLC v. WSI*
30 *(II) - HWP, LLC* (2020) 57 Cal. App. 5th 636, 641-642, reh’g denied (Nov. 17, 2020), review denied (Feb. 24, 2021).

31 ¹² *Las Palmas Associates v. Las Palmas Center Associates*, 235 Cal. App. 3d 1220, 1249.

1 Bakersfield, as does his on-boarding employment forms, and the text message terminating him
2 advised Plaintiff to pick up his last paycheck at worklogicHR at 5016 California Avenue in
3 Bakersfield 93309. This was also the address of worklogic EPS LLC, a human resources
4 company that Thorn owns and operates. Its current address is 921 Potato Road in Arvin, which
5 also is and was one of the addresses used for NLF.¹³ Further, employees of worklogic EPS also
6 managed NLF, such as Sandy Henson the controller for NLF; Henson acknowledges that JCM
7 manages NLF and that Cana Rose owns the property where NLF operates; both are owned and
8 operated by Thorn.¹⁴

9 51. 420 Kingdom is a partnership among Thorn, Delis, and Shakta in which each of
10 the three are investors and for which Thorn has held himself out as “CEO” and “El Jefe” of 420
11 Kingdom, as is reflected in his email signature block.¹⁵

12 52. Further, on information and belief, numerous Thorn entities operate out of the 901
13 Potato Road address in Arvin where NLF operates – including Rosedale Office Complex and
14 JCM. On information and belief, NLF’s address on 901 Potato Road is the location for NLF’s
15 cannabis license. The address 5016 California Avenue in Bakersfield also is the office address of
16 Cana Rose.

17 53. On information and belief, Thorn authorized the leases on the vans driven by NLF
18 delivery drivers like Plaintiff. On information and belief, Thorn used NLF finances for personal
19 purposes, withdrawing funds for non-NLF uses and for his own use.¹⁶

20 54. On information and belief, Thorn also had the authority and power, or believed he
21 did, to appoint himself to management positions at 420 Kingdom, as well as to oversee the day-
22 to-day details of NLF’s operations. Moreover, in addition to exercising de facto control over
23 NLF, Thorn also attempted to, and eventually did, takeover actual ownership of NLF. On
24 information and belief, “Thorn took all [NLF’s] cannabis inventory, money, and other assets, and
25 redirected all [NLF’s] income streams, to his own companies.”¹⁷

26 ¹³ See <https://bizfileonline.sos.ca.gov/search/business>.

27 ¹⁴ (McCarl Decl., Ex. J, RM-113).

28 ¹⁵ (Delis FAC, ¶ 40).

¹⁶ (Delis Decl., ¶ 11 & Ex. B, Delis Decl., ¶ 33 & Ex. H).

¹⁷ (Delis Decl., ¶¶ 37, 38 & Ex. I, Delis Decl., ¶ 45, Delis Decl., ¶ 78, *see also id.*, ¶ 99 (Thorn and JCM appropriated

1 55. On information and belief, Thorn is and was at the time of Plaintiff's employment
2 the president of JCM. On information and belief, JCM employees manage NLF, supervise NLF
3 employees, hire and fire the drivers, set drivers' routes and schedules, oversee the vehicles
4 deliveries are made in, purchase the inventory, sell and distribute the inventory, and manage the
5 physical facility where inventory is received, processed, grown, and distributed.¹⁸

6 56. Indeed, Plaintiff was supervised by a JCM employee, Jordan Thorn, who signed
7 his "Separation Report."

8 57. On information and belief, NLF has been stripped of funds to defend this action or
9 satisfy any judgment against NLF. On information and belief, through JCM, Thorn controlled the
10 operations, assets, personnel, and finances of NLF.¹⁹ A JCM employee, Jordan Thorn, was solely
11 in charge of ordering the inventory that Plaintiff ultimately delivered, at the insistence of Thorn as
12 CEO and "El Jefe" of 420 Kingdom, of which NLF was one entity under its umbrella. Thorn and
13 the controller of 420 Kingdom, Sandy Henson, required Delis to set up a 401k plan; yet the
14 employees it would cover actually were employed by the web of entities under the 420 Kingdom
15 umbrella.

16 58. Thorn owns Rand. Rand manages payroll and pays employees for NLF. Rand
17 forms are filled out by prospective NLF employees like Plaintiff and are the on-boarding
18 documents for NLF employees once hired, and Rand forms are used for NLF employee
19 terminations, as they were for Plaintiff. Plaintiff's termination was signed by Jordan Thorn, a
20 JCM employee. JCM's principal place of business is the same as that of NLF in Arvin,
21 California, and JCM's president is Thorn. Emails among JCM employees use the cannabis
22 license number of NLF. The address of Plaintiff's employer is listed as that of other Thorn
23 entities as well as NLF. Plaintiff's timecard was approved by a JCM employee.²⁰

24 ///

25 ///

26 all of NLF's income for themselves).

27 ¹⁸ (Delis Decl., Ex. B at Delis-051).

28 ¹⁹ (Delis Decl., ¶ 55, ¶¶ 57-59, 76 (stating that NLF makes approximately "\$1 million per month or \$12 million per year in gross revenue"), Ex. I at Delis-119, 149-151).

²⁰ (NLF0002, 0005, 0007, 0008, 0009, 0011-0013, NLF0002, Delis Decl., Ex. B at Delis-051.)

1 59. Cana Rose Realty owns the land on which the physical facility of NLF sits and
2 operates.²¹

3 ***420Kingdom LLC Is the Successor Corporation***

4 60. “[A] successor company has liability for a predecessor’s actions if: (1) the
5 successor expressly or impliedly agrees to assume the subject liabilities (which has never been
6 argued here respecting the unregulated businesses), (2) the transaction amounts to a consolidation
7 or merger of the successor and the predecessor, (3) the successor is a mere continuation of the
8 predecessor, or (4) the transfer of assets to the successor is for the fraudulent purpose of escaping
9 liability for the predecessor’s debts.”²²

10 61. A corporation is a “‘mere continuation of the seller” when “‘(1) no adequate
11 consideration was given for the predecessor corporation’s assets and made available for meeting
12 the claims of its unsecured creditors; (2) one or more persons were officers, directors, or
13 stockholders of both corporations””²³

14 62. “‘An asset acquisition can amount to a de facto merger. This may occur where the
15 purchaser acquires all assets, including choses in action, and also assumes all liabilities of the
16 seller; the purchaser continues to operate the business and the seller dissolves’ ‘The crucial
17 factor in determining whether a corporate acquisition constitutes either a de facto merger or a
18 mere continuation is the same: whether adequate cash consideration was paid for the predecessor
19 corporation’s assets.”²⁴

20 63. “[I]t has long been held that ‘corporations cannot escape liability by a mere change
21 of name or a shift of assets when and where it is shown that the new corporation is, in reality, but
22 a continuation of the old. Especially is this well settled when actual fraud or the rights of
23 creditors are involved, under which circumstances the courts uniformly hold the new corporation
24 liable for the debts of the former corporation’ California decisions holding that a
25 corporation acquiring the assets of another corporation is the latter’s mere continuation and
26

27 ²¹ (Delis Decl., Ex. K at Delis-128).

28 ²² *CenterPoint Energy, Inc. v. Superior Court* (2007) 157 Cal. App. 4th 1101, 1120 (citation omitted).

²³ *Id.* at 1120–1121 (citations omitted).

²⁴ *Id.*

1 therefore liable for its debts have imposed such liability only upon a showing of one or both of
2 the following factual elements: (1) no adequate consideration was given for the predecessor
3 corporation's assets and made available for meeting the claims of its unsecured creditors; (2) one
4 or more persons were officers, directors, or stockholders of both corporations.”²⁵

5 64. The “principles underlying the ‘mere continuation’ theory of successor liability are
6 not confined to corporations. A corporation may be a ‘mere continuation’ of a partnership.”²⁶

7 65. Under the “successor corporation” theory, “when a corporation sells or transfers
8 all of its assets to another corporation constituting its ‘mere continuation,’ the latter is also liable
9 for the former’s debts and liabilities.”²⁷)

10 66. The successor corporation theory and mere continuation theory support imposing
11 liability against the current 420 Kingdom partnership, NLF under its current ownership as of the
12 date of this Amended Complaint, and 420Kingdom LLC.

13 67. All elements of such theories are satisfied: (1) Thorn bought NLF for \$1,000
14 when its gross revenue is \$12 million per year and \$1 million per month; (2) the new entity or
15 entities are simply carrying on the same business as the old – the same operating location, same
16 facilities, same inventory, same assets, same cannabis cultivation greenhouses and facilities, same
17 distribution center and network, same products, same cash in the safes, same bank accounts, same
18 delivery vehicles, same inventory tracking, same line of business – quite literally a takeover of the
19 old NLF in its entirety; (3) 420Kingdom, LLC is merely an appropriation of the trade name of the
20 overall partnership of which NLF was a part and was the registered fictitious name of NLF and is
21 a mere name change; (4) the cannabis license was manipulated to cancel Delis’s license for 901
22 Potato Road in Arvin and re-issue it without Delis’ knowledge or consent; (5) the transaction was
23 entered into to escape liability for debts – taxes, wages, and lawsuits. On information and belief,
24 Thorn orchestrated when and how he took control to avoid all such debts and liabilities and has

25 _____
26 ²⁵ *Cleveland v. Johnson* (2012) 209 Cal. App. 4th 1315, 1327 (citations omitted).

27 ²⁶ *Id.* at 1329 (citations omitted).

28 ²⁷ *Wolf Metals Inc. v. Rand Pacific Sales, Inc.* (2016) 4 Cal. App. 5th 698, 704–705 (citations omitted); *McClellan v. Northridge Park Townhome Owners Ass’n, Inc.* (2001) 89 Cal. App. 4th 746, 756 (“corporations cannot escape liability by a mere change of name or a shift of assets when and where it is shown that the new corporation is, in reality, but a continuation of the old.”).

1 pushed responsibility for taxes and the lawsuits on Delis. Moreover, as described above, even
2 before he took legal ownership of NLF, Thorn de facto controlled the business, making all
3 business decisions regarding the enterprise, using its revenues as his personal funds, and
4 appointing himself “CEO” and “El Jefe” and head of sales of the 420 Kingdom partnership of
5 which NLF was the operating entity under its umbrella. And NLF was stripped of its assets
6 during the pendency of this action.

7 68. Further, as reflected on the website of the California Secretary of State,
8 420Kingdom’s agent for service of process is Thorn, and he is also the agent for service of NLF
9 (as of September 9, 2021), Cana Rose, and JCM.

10 69. During his employment Plaintiff was supervised by JCM, which was owned and
11 managed by Thorn. Plaintiff’s working hours and working conditions and the decision to
12 terminate Plaintiff, all of which form the basis for this action, were made by JCM, a Thorn-
13 controlled entity, as part of 420 Kingdom.

14 70. On March 22, 2022, Thorn unilaterally declared himself owner of NLF, but has yet
15 to appear in this action. Thorn also transferred all inventory and assets of NLF to the new
16 420Kingdom cannabis license. There is no question that the current NLF, the current 420
17 Kingdom partnership, and 420Kingdom, LLC is the mere continuation of pre-takeover NLF and
18 the successor corporation.

19 **FIRST CAUSE OF ACTION**

20 **WHISTLEBLOWER RETALIATION**

21 **California Labor Code § 1102.5**

22 71. Plaintiff realleges and incorporates by reference each of the foregoing paragraphs,
23 inclusive, above as though fully set forth herein.

24 72. Under California Labor Code section 1102.5, an “employer . . . shall not retaliate
25 against an employee for refusing to participate in an activity that would result in a violation of
26 state or federal statute, or a violation of or noncompliance with a local, state, or federal rule or
27 regulation” or “for disclosing information, or because the employer believes that the employee
28 disclosed or may disclose information, . . . to a person with authority over the employee or another

1 employee who has the authority to investigate, discover, or correct the violation or
2 noncompliance, ... if the employee has reasonable cause to believe that the information discloses
3 a violation of state or federal statute, or a violation of or noncompliance with a local, state, or
4 federal rule or regulation, regardless of whether disclosing the information is part of the
5 employee's job duties."

6 73. As alleged above, Plaintiff engaged in protected activity under Labor Code §
7 1102.5 by refusing to participate in an activity that would result in a violation of or
8 noncompliance with California law and/or for disclosing information to management that Plaintiff
9 had a reasonable cause to believe disclosed a violation of or noncompliance with California law.

10 74. As a result of such protected activity, Defendants terminated Plaintiff, in violation
11 of California Labor Code § 1102.5.

12 75. As a direct and proximate cause of said violations, Plaintiff has suffered and will
13 continue to suffer damages in an amount within the jurisdiction of this court, the exact amount to
14 be proven at trial.

15 76. As a further direct and legal result of the acts and conduct of Defendants, Plaintiff
16 has been caused to, and did, suffer and continues to suffer emotional and mental distress and
17 anguish, humiliation, embarrassment, anger, shock, and anxiety, all of which are substantial and
18 enduring.

19 77. The aforementioned acts of Defendants were willful, wanton, malicious,
20 intentional, oppressive, and despicable, and were done in willful and conscious disregard of the
21 rights of Plaintiff, and were done by managerial agents and employees of Defendants, or with the
22 express knowledge, consent, and ratification of managerial employees of Defendants, and thereby
23 justify the awarding of punitive and exemplary damages in an amount to be determined at the
24 time of trial.

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1 activity and workplace discrimination on the basis of race and color. These public policies are
2 embodied in, among other laws, Lab. Code § 1102.5, the FEHA (and the regulations interpreting
3 it), Cal/OSHA, Lab. Code § 232.5.

4 87. As a direct and proximate result of Defendants' wrongful termination of Plaintiff,
5 Plaintiff has suffered and will continue to suffer damages in an amount within the jurisdiction of
6 this court, the exact amount to be proven at trial.

7 88. As a further direct and legal result of the acts and conduct of Defendants, Plaintiff
8 has been caused to, and did, suffer and continues to suffer emotional and mental distress
9 manifesting in, among other things, anguish, humiliation, embarrassment, anger, shock, and
10 anxiety, all of which are substantial and enduring.

11 89. The aforementioned acts of Defendants were willful, wanton, malicious,
12 intentional, oppressive, and despicable, and were done in willful and conscious disregard of the
13 rights of Plaintiff, and were done by managerial agents and employees of Defendants, or with the
14 express knowledge, consent, and ratification of managerial employees of Defendants, and thereby
15 justify the awarding of punitive and exemplary damages in an amount to be determined at the
16 time of trial.

17 **FOURTH CAUSE OF ACTION**

18 **CAL/OSHA RETALIATION**

19 **Cal. Labor Code § 6310**

20 90. Plaintiff realleges and incorporates by reference each of the foregoing paragraphs
21 above as though fully set forth herein.

22 91. Under California Labor Code § 6310, "[n]o person shall discharge or in any
23 manner discriminate against any employee because the employee has ... [m]ade any oral or
24 written complaint to" the OSHA Division, the governmental agency having statutory
25 responsibility for assisting the OSHA division, his or her employer, or his or her representative
26 relating to unsafe working conditions or reporting a work-related injury or illness. Cal. Lab.
27 Code § 6310(a)(1), (4).
28

92. Defendants retaliated against Plaintiff in violation of Cal/OSHA. Plaintiff engaged in protected activity, namely, by making a complaint to Defendants relating to unsafe working conditions arising from, inter alia, Defendants' COVID-19 policies and practices, and Defendants terminated Plaintiff's employment based in part on those complaints.

93. As a direct and proximate result of Defendants' conduct, Plaintiff has suffered and will continue to suffer damages in an amount within the jurisdiction of this court, the exact amount to be proven at trial.

94. As a further direct and legal result of the acts and conduct of Defendants, Plaintiff has been caused to, and did, suffer and continues to suffer emotional and mental distress and anguish, humiliation, embarrassment, anger, shock, and anxiety, all of which are substantial and enduring.

95. The aforementioned acts of Defendants were willful, wanton, malicious, intentional, oppressive, and despicable, and were done in willful and conscious disregard of the rights of Plaintiff, and were done by managerial agents and employees of Defendants, or with the express knowledge, consent, and ratification of managerial employees of Defendants, and thereby justify the awarding of punitive and exemplary damages in an amount to be determined at the time of trial.

FIFTH CAUSE OF ACTION

VIOLATION OF LABOR CODE § 232.5

96. Plaintiff realleges and incorporates by reference each of the foregoing paragraphs above as though fully set forth herein.

97. Under California Labor Code § 232.5, “[n]o employer may ... [d]ischarge, formally discipline, or otherwise discriminate against an employee who discloses information about the employer’s working conditions.”

98. Defendants discriminated and discharged Plaintiff for disclosing information about his working conditions, as set forth above.

99. As a direct and proximate result of Defendants' conduct, Plaintiff has suffered and will continue to suffer damages in an amount within the jurisdiction of this court, the exact

1 amount to be proven at trial.

2 100. As a further direct and legal result of the acts and conduct of Defendants, Plaintiff
3 has been caused to, and did, suffer and continues to suffer emotional and mental distress and
4 anguish, humiliation, embarrassment, anger, shock, and anxiety, all of which are substantial and
5 enduring.

6 101. The aforementioned acts of Defendants were willful, wanton, malicious,
7 intentional, oppressive, and despicable, and were done in willful and conscious disregard of the
8 rights of Plaintiff, and were done by managerial agents and employees of Defendants, or with the
9 express knowledge, consent, and ratification of managerial employees of Defendants, and thereby
10 justify the awarding of punitive and exemplary damages in an amount to be determined at the
11 time of trial.

12 **SIXTH CAUSE OF ACTION**

13 **VIOLATION OF LABOR CODE §§ 204, 510, 1182.12, 1194, 1194.2, 1197**

14 102. Plaintiff incorporates the foregoing paragraphs as though fully set forth herein.

15 103. As alleged above, Plaintiff performed work for which he was not compensated,
16 including time that should have been compensated at overtime rates, in violation of California
17 Labor Code §§ 510, 1182.12, 1194, 1194.2, and 1197.

18 104. Defendants' failure to pay compensation in a timely fashion also constituted a
19 violation of California Labor Code § 204, which requires that all wages shall be paid
20 semimonthly. In direct violation of that provision of the California Labor Code, Defendants
21 have failed to pay all wages earned by Plaintiff.

22 105. Plaintiff has been damaged by these violations of California Labor Code §§ 204,
23 510, 1182.12, and 1194, and the relevant orders of the Industrial Welfare Commission.

24 106. Consequently, pursuant to California Labor Code §§ 204, 1182.12, 1194, and 1197
25 (and the relevant orders of the Industrial Welfare Commission), Defendants are liable to Plaintiff
26 for the full amount of all his unpaid wages, with interest, plus his reasonable attorneys' fees and
27 costs.

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1 107. Pursuant to California Labor Code § 1194.2, Plaintiff is also entitled to liquidated
2 damages in an amount equal to the wages unlawfully unpaid and interest thereon.

3 **SEVENTH CAUSE OF ACTION**

4 **MEAL-PERIOD LIABILITY UNDER LABOR CODE § 226.7**

5 108. Plaintiff incorporates the foregoing paragraphs as though fully set forth herein.

6 109. Plaintiff regularly worked shifts greater than five (5) hours and greater than ten (10)
7 hours. Pursuant to Labor Code § 512 an employer may not employ someone for a shift of more
8 than five (5) hours without providing him or her with a meal period of not less than thirty (30)
9 minutes or for a shift of more than ten (10) hours without providing him or her with a second
10 meal period of not less than thirty (30) minutes.

11 110. As alleged above, Defendants failed to provide Plaintiff with meal periods as
12 required under the Labor Code.

13 111. Defendants failed to compensate Plaintiff with an additional hour of pay at his
14 regular rate of compensation for each day on which meal periods were not provided or were
15 inadequately provided, as required under Labor Code § 226.7.

16 112. Therefore, pursuant to Labor Code § 226.7, Plaintiff is entitled to damages in an
17 amount equal to one (1) hour of pay at his regular rate of compensation for each day on which
18 meal periods were not provided or deficiently provided, in an amount to be proven at trial.

19 **EIGHTH CAUSE OF ACTION**

20 **REST-BREAK LIABILITY UNDER LABOR CODE § 226.7**

21 113. Plaintiff incorporates the foregoing paragraphs as though fully set forth herein.

22 114. Plaintiff consistently worked consecutive four- (4-) hour shifts. Pursuant to the
23 Labor Code and the applicable IWC Wage Order, Plaintiff was entitled to paid rest breaks of not
24 less than ten (10) minutes for each work period of four (4) hours or major fraction thereof.

25 115. Defendants failed to provide Plaintiff with timely rest breaks of not less than ten (10)
26 minutes per work period of four (4) hours or major fraction thereof.

27 116. Moreover, Defendants did not compensate Plaintiff with an additional hour of pay at
28 Plaintiff's regular rate of compensation for each day on which Defendants failed to provide him

1 with adequate rest breaks, as required under Labor Code § 226.7.

2 117. Therefore, pursuant to Labor Code § 226.7, Plaintiff is entitled to damages in an
3 amount equal to one (1) hour of pay at his regular rate of compensation for each day worked
4 without the required rest breaks, in an amount to be proven at trial.

5 **NINTH CAUSE OF ACTION**

6 **VIOLATION OF LABOR CODE § 226(a)**

7 118. Plaintiff incorporates the foregoing paragraphs as though fully set forth herein.

8 119. California Labor Code § 226(a) requires an employer to furnish each of its
9 employees with an accurate, itemized statement in writing showing the gross and net earnings,
10 total hours worked, and the corresponding number of hours worked at each hourly rate; these
11 statements must be appended to the detachable part of the check, draft, voucher, or whatever else
12 serves to pay the employee's wages; or, if wages are paid by cash or personal check, these
13 statements may be given to the employee separately from the payment of wages; in either case the
14 employer must give the employee these statements twice a month or each time wages are paid.

15 120. Defendants failed to provide Plaintiff with accurate itemized wage statements in
16 writing, as required by the Labor Code.

17 121. Plaintiff suffered injury under Labor Code § 226(e)(2)(A) because Defendants failed
18 to provide wage statements at all.

19 122. Defendants' failure to comply with Labor Code § 226(a) was knowing and
20 intentional in that Defendants knew or should have known that it was required to provide wage
21 statements but failed to do so.

22 123. Pursuant to Labor Code §§ 226(a) and 226(e), Plaintiff is entitled to recover the
23 greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation
24 occurs and one hundred dollars (\$100) for each violation in a subsequent pay period, not
25 exceeding an aggregate penalty of four thousand dollars (\$4,000). He is also entitled to an award
26 of costs and reasonable attorneys' fees.

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1 **TENTH CAUSE OF ACTION**

2 **VIOLATION OF LABOR CODE §§ 201, *et seq.***

3 124. Plaintiff incorporates the foregoing paragraphs as though fully set forth herein.

4 125. As alleged above, Defendants terminated Plaintiff's employment.

5 126. Defendants failed to pay Plaintiff all wages due and certain at the time of
6 termination.

7 127. The wages withheld from Plaintiff by Defendants remained due and owing for more
8 than thirty (30) days from the date of separation of employment.

9 128. Defendants' failure to pay wages, as alleged above, was willful in that Defendants
10 knew wages to be due but failed to pay them. This violation entitles Plaintiff to penalties under
11 Labor Code § 203, which provides that an employee's wages shall continue until paid for up to
12 thirty (30) days from the date they were due.

13 **ELEVENTH CAUSE OF ACTION**

14 **VIOLATION OF CALIFORNIA LABOR CODE §§ 2698, *et seq.***

15 129. Plaintiff incorporates by reference the allegations contained in the foregoing
16 paragraphs as though fully set forth herein.

17 130. Plaintiff brings this claim as a representative action on behalf of all current and
18 former aggrieved employees of Defendants.

19 131. Plaintiff is an aggrieved employee as defined under Labor Code § 2699(c) in that
20 he suffered the violations alleged in this Complaint and was employed by the alleged violators,
21 Defendants.

22 132. Plaintiff seeks penalties under Labor Code § 2699 for Defendants' violation of all
23 Labor Code provisions identified in this Complaint. These penalties shall be allocated as follows:
24 75 percent to the Labor and Workforce Development Agency (LWDA) and 25 percent to the
25 affected employees.

26 133. On or around January 5, 2022, Plaintiff gave written notice by online filing with
27 the LWDA and by certified mail to Defendant of the specific Labor Code provisions alleged to
28 have been violated, and paid the required filing fee. The LWDA did not provide notice of its

1 intent to investigate the alleged violations of the Labor Code provisions listed in Labor Code §
2 2699.5 that are identified in this Complaint within 65 calendar days of the postmark date of the
3 aforesaid notice. Therefore Plaintiff files this amended complaint to seek civil penalties under
4 PAGA.

5 **TWELFTH CAUSE OF ACTION**

6 **UNFAIR BUSINESS PRACTICES**

7 **Bus. & Prof. Code § 17200, *et seq.***

8 134. Plaintiff realleges and incorporates the foregoing paragraphs above as though fully
9 set forth herein.

10 135. California Business and Professions Code section 17200 *et seq.* (also referred to
11 herein as the “Unfair Business Practices Act,” “Unfair Competition Law,” or “UCL”), prohibits
12 unfair competition in the form of any unlawful, unfair, or fraudulent business acts or practices.

13 136. California Business and Professions Code §17204 allows a person injured by the
14 unfair business acts or practices to prosecute a civil action for violation of the UCL.

15 137. Defendants have committed acts of unfair competition as defined by the Unfair
16 Business Practices Act, by engaging in the unlawful, unfair and fraudulent business acts and
17 practices described in this Complaint, including but not limited to the violation of the Fair
18 Employment and Housing Act, Cal. Gov. Code § 12940(a) (race/color discrimination), Cal. Labor
19 Code §§ 232.5 (pertaining to retaliation for disclosing working conditions), Cal. Lab. Code §
20 1102.5 (pertaining to whistleblowing), and Cal. Labor Code § 6310 (pertaining to Cal/OSHA
21 retaliation).

22 138. The acts and practices alleged above have unlawfully deprived Plaintiff of the
23 rights due to him under the law while enabling Defendants to gain an unfair competitive
24 advantage over law-abiding employers and competitors.

25 139. As a direct and proximate result of the aforementioned acts and practices, Plaintiff
26 has suffered a loss of money and property in the form of wages and benefits that he would have
27 continued to receive as an employee of Defendants.
28

140. Plaintiff seeks an order of this Court awarding restitution, injunctive relief, and all other legal and equitable relief allowed under Business & Professions Code § 17200, *et seq.*, plus interest, attorneys' fees, and costs pursuant to, *inter alia*, Code of Civil Procedure § 1021.5.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for judgment as follows:

1. For all actual, consequential, and incidental damages, including but not limited to loss of earnings and employee benefits, according to proof;

2. For restitution for unfair competition pursuant to Business & Professions Code § 17200, including disgorgement of profits resulting from Defendants' unlawful business acts and practices, according to proof;

3. For preliminary, permanent, and mandatory injunctive relief prohibiting Defendants, its officers, agents, and all those acting in concert with it, from committing those further violations of law herein alleged;

4. For pre-judgment and post-judgment interest, according to proof;

5. For civil and statutory penalties, according to proof;

6. For punitive and exemplary damages, according to proof;

7. For attorneys' fees, according to proof;

8. For costs of suit incurred herein;

9. Plaintiff seeks jointly and severally against Defendants no less than \$5 million;
and

10. For such other relief that the Court may deem just and proper.

DATED: May 10, 2022

COUNSELONE, PC

By: 

Anthony J. Orshansky
Justin Kachadoorian
Alexandria Kachadoorian

Attorneys for Plaintiff Marche Meeks

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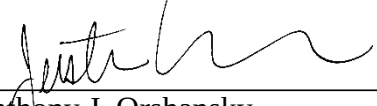
DEMAND FOR JURY TRIAL

Plaintiff hereby requests trial by jury on all claims and issues that are so triable.

DATED: May 10, 2022

COUNSELONE, PC

By: _____


Anthony J. Orshansky
Justin Kachadoorian
Alexandria Kachadoorian

Attorneys for Plaintiff Marche Meeks