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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

ENGELIE TORRES, individually and on behalf
of all others similarly situated,

Plaintiff,

v.

FOX BROADCASTING COMPANY, LLC, a
Delaware limited liability company, and DOES 1
to 100, inclusive,

Defendant.

CASE NO: 22STCV06823

CLASS ACTION

**PLAINTIFF'S FIRST AMENDED CLASS
ACTION COMPLAINT FOR:**

**(1) FAILURE TO REIMBURSE BUSINESS
EXPENSES (LABOR CODE § 2802); ,
(2) UCL VIOLATIONS (CAL. BUS. & PROF.
CODE §§ 17200-17204); AND
(3) PAGA PENALTIES (LABOR CODE § 2698
et seq.).**

DEMAND FOR JURY TRIAL

1 Plaintiff Engelie Torres (“Plaintiff”), on behalf of herself, the Aggrieved Employees, the
2 State of California, and all others similarly situated (hereinafter “Class Members”), complains and
3 alleges as follows:

4 **OVERVIEW OF CLAIMS**

5 1. Plaintiff brings this action on behalf of herself and all others similarly situated, as a
6 Class Action, as a PAGA Representative Action, and on behalf of the California general public as
7 an unfair competition claim, against FOX BROADCASTING COMPANY, LLC, and various Fox
8 affiliated entities, as listed below (“Defendants”) for their (1) failure to reimburse their current and
9 former employees for their work-related home office expenses in California since March 15, 2020
10 for which they have not been fully reimbursed; (2) unfair business practices based on the
11 foregoing, and (3) PAGA penalties based on the foregoing. As a result of the foregoing,
12 Defendants have violated California statutory laws as described below.

13 2. The “Class Period” is designated as the period from March 15, 2020 through March
14 31, 2022. Defendants’ violations of California’s reimbursement law and unfair competition laws,
15 as described more fully below, have been ongoing throughout the Class Period.

16 3. The “PAGA Period” is designated as the period from February 7, 2021, within the
17 one-year period prior to Plaintiff’s mailing of the LWDA notice letter through March 31, 2022.

18 **VENUE**

19 4. Venue is proper in this county under section 395.5 of the California Code of Civil
20 Procedure as the allegations herein took place within the County of Los Angeles. Further,
21 Defendants keep and maintain its and their main headquarters in Los Angeles, California. Many of
22 the putative Class Members were employed and/or performed work during the Class Period by
23 Defendants in Los Angeles County. Finally, many of the acts alleged herein including Defendants’
24 failure to reimburse Plaintiff Class Members and the Aggrieved Employees for a reasonable
25 portion of their home office expenses, occurred in Los Angeles County. Venue is therefore proper
26 in Los Angeles County.
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1 **JURISDICTION**

2 5. Defendants are within the jurisdiction of this Court. Defendants transact millions of
3 dollars of business by operating a world renown network of broadcasting, news, media and
4 entertainment company in California. Thus, Defendants have obtained the benefits of the laws of
5 the State of California. In addition, Plaintiff asserts no claims arising under federal law. Rather,
6 Plaintiff brings causes of action based solely on, and arising from, California law. The claims of
7 the class are also individual claims for violations of California law described herein. The total
8 amount owed to the class, exclusive of attorney fees, is estimated to be no more than \$2.9 million.

9 **THE PARTIES**

10 6. Plaintiff Engelie Torres is a resident of Los Angeles County, California.
11 Throughout the Class Period and the PAGA period, Defendant employed Plaintiff as a Senior
12 Financial Analyst. From at least March 15, 2020 to March 31, 2022 Defendants' employees,
13 including Plaintiff during her employment, were not reimbursed a reasonable portion of their home
14 office expenses, including their monthly home internet expenses, in the course of carrying out their
15 job duties while working from home during the pandemic in California.

16 7. Plaintiff seeks to represent a class defined as: *Plaintiff and all other California*
17 *residents who are or were employed by Defendant Fox Broadcasting Company LLC, and its*
18 *affiliated entities Fox Alternative Entertainment, LLC; Credible Labs Inc.; Credible Operations Inc.;*
19 *Fox Digital & Technology Group; Fox Sports en Espanol LLC; EHM Productions, Inc.; Fox Sports*
20 *Media Group; Fox Sports Productions LLC; Fox Cable Network Services, LLC (Legal); Fox*
21 *Corporation; Fox News Networks LLC; FSI Los Angeles, LLC; Fox Sports 1, LLC; FSI Remote*
22 *Production LLC; FSI Studio Production LLC; Fox Sports, Inc.; Fox Sports Interactive Medica, LLC;*
23 *Fox Enterprises Facilities LLC; MBLC Productions, Inc., Mar Vista Entertainment LLC, Outkick*
24 *Media LLC; Sports Media Services, LLC; Studio Ramsay Global, LLC; Fox Studio Lot LLC; Fox*
25 *Stations Sales, Inc.; Fox First Run, LLC; KCOP Television LLC; Fox Television Stations, LLC; and/or*
26 *Master Distribution Service, Inc. (collectively "Defendants") and who worked from home for*
27 *Defendants (or any one of them) when their offices were closed for at least one month from March*
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1 15, 2020 to March 31, 2022 (“the Class Members”). All such Class Members are and were subject
2 to Defendant’s unlawful reimbursement policy and practices, as described in further detail below.

3 8. Plaintiff represents the State of California and the following group of *employees*:
4 *Plaintiff and all other California residents who are or were employed by Defendants Fox*
5 *Broadcasting Company LLC, and its affiliated entities Fox Alternative Entertainment, LLC;*
6 *Credible Labs Inc.; Credible Operations Inc.; Fox Digital & Technology Group; Fox Sports en*
7 *Espanol LLC; EHM Productions, Inc.; Fox Sports Media Group; Fox Sports Productions LLC; Fox*
8 *Cable Network Services, LLC (Legal); Fox Corporation; Fox News Networks LLC; FS1 Los Angeles,*
9 *LLC; Fox Sports 1, LLC; FS1 Remote Production LLC; FS1 Studio Production LLC; Fox Sports, Inc.;*
10 *Fox Sports Interactive Media, LLC; Fox Enterprises Facilities LLC; MBLC Productions, Inc., Mar*
11 *Vista Entertainment LLC, Outkick Media LLC; Sports Media Services, LLC; Studio Ramsay Global,*
12 *LLC; Fox Studio Lot LLC; Fox Stations Sales, Inc.; Fox First Run, LLC; KCOP Television LLC; Fox*
13 *Television Stations, LLC; and/or Master Distribution Service, Inc. and who worked from home for*
14 *Defendants (or any one of them) when their offices were closed for at least one pay period from*
15 *February 7, 2021 to March 31, 2022 (the “Aggrieved Employees”). All such Aggrieved*
16 *Employees are and were subject to Defendants’ unlawful reimbursement policy, as described in*
17 *further detail below.*

18 9. Defendant Fox Broadcasting Company LLC is a Delaware limited liability
19 company with its principal place of business in Los Angeles, California. Defendant is a well-
20 known broadcast, media, news and entertainment company. Defendant was the employer of
21 Plaintiff, and some of the Class Members for all relevant time periods. Defendant Fox
22 Broadcasting Company LLC is affiliated with, or related to, a number of other Fox-related entities
23 who employed putative Class members, including: Fox Alternative Entertainment, LLC; Credible
24 Labs Inc.; Credible Operations Inc.; Fox Digital & Technology Group; Fox Sports en Espanol LLC;
25 EHM Productions, Inc.; Fox Sports Media Group; Fox Sports Productions LLC; Fox Cable Network
26 Services, LLC (Legal); Fox Corporation; Fox News Networks LLC; FS1 Los Angeles, LLC; Fox
27 Sports 1, LLC; FS1 Remote Production LLC; FS1 Studio Production LLC; Fox Sports, Inc.; Fox
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1 Sports Interactive Medica, LLC; Fox Enterprises Facilities LLC; MBLC Productions, Inc., Mar Vista
2 Entertainment LLC, Outkick Media LLC; Sports Media Services, LLC; Studio Ramsay Global, LLC;
3 Fox Studio Lot LLC; Fox Stations Sales, Inc.; Fox First Run, LLC; KCOP Television LLC; Fox
4 Television Stations, LLC; Master Distribution Service, Inc., each of which is organized under the laws
5 of the State of Delaware.

6 10. Plaintiff and the Class Members were employed by Defendants in California at
7 various times during the Class Period.

8 **FACTUAL ALLEGATIONS**

9 11. Defendants operate and, at all times during the Class Period, have done and do
10 business in California in the broadcast, media, news and entertainment industries. Defendants, in
11 the course of operating its and their businesses in California during the Class Period, employed
12 Plaintiff, the Class Members, and the Aggrieved Employees in positions that involved office work.

13 12. From at least March 15, 2020 and continuing into the present, the Class members, at
14 the direction of Defendants and/or with Defendants' knowledge and acquiescence, have incurred
15 home office expenses including, among other things, home internet service and home electricity
16 expenses in order to perform their necessary work-related duties, while working from home.

17 13. Plaintiff, Class Members and the Aggrieved Employees were thus expected by
18 Defendants to pay for, and have personally paid for, among other things, internet service,
19 electricity, and cell phones used by Plaintiff, Class members and the Aggrieved Employees in the
20 discharge of their job duties (the "home office expenses").

21 14. In sum, Defendants' expense-related policies and/or practices require and expect,
22 and/or with Defendants' knowledge thereof permit, Plaintiff, the Class Members and the
23 Aggrieved Employees to pay for home office expenses incurred in direct consequence of
24 discharging their necessary and business-related job duties on behalf of Defendants while working
25 from home, without affirmative and proactive monthly reimbursement in full by Defendants for
26 such expenses, as required by California law.

27 15. Defendants did not maintain an expense reimbursement policy and/or practice
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1 stating that Defendants would affirmatively, automatically and proactively reimburse Plaintiff,
2 Class Members and the Aggrieved Employees for a reasonable portion of their home office
3 expenses necessarily incurred in their discharge of their job duties while working from home, as
4 required or expected by Defendants, in accordance with Labor Code sections 2802(a) and (c).
5 California Labor Code section 2802 requires an employer to “indemnify his or her employee for all
6 necessary expenditures or losses incurred by that employee in direct consequence of the discharge
7 of his or her duties.” See Cal. Labor Code section 2802(a); *see also* 2802(c) where “necessary” is
8 defined to include all “reasonable” costs. “The elements of a claim under Section 2802 are: (i) the
9 employee made expenditures or incurred losses; (ii) the expenditures or losses were incurred in
10 direct consequence of the employee's discharge of his or her duties, or obedience to the directions
11 of the employer; and (iii) the expenditures or losses were reasonable and necessary.” *Marr v. Bank*
12 *of America*, 2011 U.S. Dist. LEXIS 24868 (N.D. March 8, 2011) (*citing Gattuso v. Harte-Hanks*
13 *Shoppers, Inc.*, 42 Cal.4th 554, 568 (2007). “In addition, the employer ‘must either know or have
14 reason to know that the employee has incurred [the] expense.’” *Id.* (*citing Stuart v. RadioShack*
15 *Corp.*, 641 F.Supp. 2d 901 (N.D.Cal. 2009). Where an employer has knowledge that employees
16 are incurring a reimbursable expense, the employer must “exercise due diligence to ensure each
17 employee is reimbursed.” *Marr*, at *1. The right of an employee to expense reimbursements is
18 not waivable. *See* Cal. Labor Code sections 2804 and 219(a). Any contract to waive them is null
19 and void. *Edwards v. Arthur Anderson*, 44 Cal. 4th 937, 951 (2008)

20 16. Furthermore, under Labor Code section 2802, employers must reimburse employees
21 for all reasonable work-related expenses, regardless of whether or not the employees incurred any
22 additional out-of-pocket expense from that work-related use. *See, Cochran v. Schwan's Home*
23 *Service, Inc.*, 228 Cal.App.4th 1137 (Cal. Aug. 12, 2014) (“We hold that when employees must
24 use their personal cell phones for work-related calls, Labor Code section 2802 requires the
25 employer to reimburse them. Whether the employees have cell phone plans with unlimited
26 minutes or limited minutes, the reimbursement owed is a reasonable percentage of their cell phone
27 bills.”). Thus, where employees are expected or mandated to use their internet at home for work,
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1 courts have held that they incurred home internet expenses in “direct consequence of the discharge
2 of his or her duties” and were entitled to reimbursement. *See Aguilar v. Zep, Inc.*, 2014 US Dist
3 LEXIS 120315, *54 (N.D. Cal. Aug. 27, 2014) (Hon. Edward Chen) (where outside sales reps
4 used home internet and computers for work, and even admitted that they would have incurred the
5 same expenses without work duties, the court nevertheless held that the employer was obligated to
6 reimburse some reasonable portion of these expenses); see also *Ritchie v. Blue Shield of*
7 *California*, 2014 WL 6982943, at *21 (N.D.Cal. Dec. 9, 2014) (Hon. Edward Chen)
8 (certifying class of home office claims processors with 2802 phone reimbursement claims for
9 landline reimbursements where company required claims processors working from home to have a
10 landline, but rejecting certification of claims for home office supplies as individualized).

11 17. In short, Defendants’ policies and/or practices require and expect, and/or with
12 Defendants’ knowledge thereof encourage, Plaintiff, the Class Members and the Aggrieved
13 Employees to pay for home office expenses, including home internet, home electricity expenses,
14 and cell phone expenses incurred in direct consequence of discharging their duties on behalf of
15 Defendants, while working from home during the pandemic, without reimbursement in full by
16 Defendants for such expenses. Defendants have maintained its policies and/or practices of not
17 reimbursing in full Plaintiff’s, the Class and the Aggrieved Employees’ necessarily incurred
18 business expenses, or substantially similar policies, throughout California and throughout the Class
19 period and PAGA period, specifically during the period when shelter in place and work from home
20 orders were in effect as a result of the COVID-19 pandemic.

21 18. Defendants are aware, was aware, or should have been aware that Plaintiff, the
22 Class and the Aggrieved Employees regularly incurred home office expenses, including home
23 internet and home electricity expenses, in the discharge of their duties as employees by virtue of
24 Defendants’ instructions to Plaintiff, the Class and the Aggrieved Employees to work from home
25 during the COVID-19 pandemic. Defendants nevertheless have, throughout the Class Period, and
26 specifically during work from home orders during the COVID-19 pandemic, failed and refused to
27 reimburse Plaintiff the Class and the Aggrieved Employees proactively, automatically and
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1 monthly for such home office expenses incurred by them in connection with their work from
2 home.

3 19. Plaintiff Class Members and the Aggrieved Employees have been harmed by
4 Defendants' unlawful home office expense policies and/or practices in that they have not been paid
5 for certain home office expenses incurred while employed by Defendants in California, thereby
6 diminishing their agreed-upon compensation, in substantial amounts to be proved at trial.

7 20. Plaintiff has fully and completely exhausted and completed her administrative
8 remedies under PAGA prior to proceeding with the PAGA claim. On February 7, 2022, Plaintiff
9 filed her PAGA Notice online with the Labor Workforce Development Agency ("LWDA") and
10 sent a letter by certified mail to Defendant Fox Broadcasting setting forth the facts and theories of
11 the violations alleged against Defendant Fox Broadcasting, as prescribed by Labor Code § 2698 *et*
12 *seq.* As required by PAGA, Plaintiff also submitted the \$75.00 filing fee with the LWDA by
13 regular mail. On August 17, 2022, Plaintiff amended her PAGA letter to add the identical claims
14 against all Defendants. Pursuant to Labor Code § 2699.3(a)(2)(A), Plaintiff has thus satisfied her
15 administrative pre-requisites since sixty-five (65) calendar days have elapsed since the postmark
16 date of the PAGA notice.

17
18 **CLASS ACTION ALLEGATIONS**

19 21. Plaintiff brings this action on behalf of herself and all others similarly situated as a
20 class action pursuant to Code of Civil Procedure § 382. Plaintiff seeks to represent a Class
21 composed of and defined as *Plaintiff and all other California residents who are or were employed*
22 *by Defendants (or any one of them) and who worked from home when their offices were closed due*
23 *to the pandemic for at least one month at any point from March 15, 2020 to March 31, 2022*
24 *("Class Members")*. All such Class Members were subject to Defendants' policy and practice of
25 not fully reimbursing employees' home office expenses.

26 22. This action has been brought and may properly be maintained as a class action
27 under Code of Civil Procedure § 382 because there is a well-defined community of interest in the
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1 litigation, the proposed Class is easily ascertainable, and Plaintiff is a proper representative of the
2 Class:

3 a. Numerosity: The potential members of the Class as defined are so
4 numerous that joinder of all the members of the Class is impracticable. The Class Members are
5 dispersed throughout California. Joinder of all members of the proposed classes is therefore not
6 practicable.

7 b. Commonality: There are questions of law and fact common to Plaintiff and
8 the Class that predominate over any questions affecting only individual members of the Class.
9 These common questions of law and fact include, without limitation:

10 i. Whether Plaintiff and Class Members incurred unreimbursed business
11 expenses in the discharge of their duties as employees working from home during the class period,
12 including but not limited to home office expenses, such as home internet expenses, in violation of
13 Labor Code § 2802;

14 ii. Whether Defendants knew and/or should have known that Plaintiff and
15 Class Members incurred unreimbursed home office expenses, including home internet expenses, in
16 the discharge of their duties as employees working from home during the Class Period;

17 iii. Whether Defendants' failure proactively, automatically and monthly to
18 reimburse the home office expenses incurred by Plaintiff and Class Members who went working
19 from home based on Defendants' interactions was the result of, and/or pursuant to, a business
20 policy or regular practice of Defendants insofar as Defendants had a policy not to affirmatively and
21 proactively reimburse home internet expenses, unless an employee submitted a request for
22 reimbursement;

23 iv. Whether Plaintiffs are entitled to restitution under Business and Professions
24 Code § 17200;

25 v. The proper formula(s) for calculating damages, interest, and restitution
26 owed to Plaintiff and the Class Members, under Labor Code Section 2802 and 17200;

27 vi. The nature and extent of class-wide damages.
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1 c. Typicality: Plaintiff's claims are typical of the claims of the Class. Both
2 Plaintiff and Class Members sustained injuries and damages, and were deprived of property rightly
3 belonging to them, arising out of and caused by Defendants' common course of conduct in
4 violation of law as alleged herein, in similar ways and for the same types of expenses.

5 d. Adequacy of Representation: Plaintiff is a member of the Class and will
6 fairly and adequately represent and protect the interests of the Class and Class Members.
7 Plaintiff's interests do not conflict with those of Class and Class Members. Counsel who represent
8 Plaintiff in this case are competent and experienced in litigating business expense class actions,
9 and will devote sufficient time and resources to the case and otherwise adequately represent the
10 Class and Class Members.

11 e. Superiority of Class Action: A class action is superior to other available
12 means for the fair and efficient adjudication of this controversy. Individual joinder of all Class
13 Members is not practicable, and questions of law and fact common to the Class predominate over
14 any questions affecting only individual members of the Class. Each Class Member has been
15 damaged or may be damaged in the future by reason of Defendants' unlawful policies and/or
16 practices of not fully and proactively exercising due diligence to reimburse business expenses.
17 Certification of this case as a class action will allow those similarly situated persons to litigate their
18 claims in the manner that is most efficient and economical for the parties and the judicial system.
19 Certifying this case as a class action is superior because it allows for efficient and full
20 disgorgement of the ill-gotten gains Defendants have enjoyed by maintaining its unlawful business
21 expense reimbursement policies and/or practices, and will thereby effectuate California's strong
22 public policy of protecting employees from deprivation or offsetting of compensation earned in
23 their employment. If this action is not certified as a Class Action, it will be impossible as a
24 practical matter for many or most Class Members to bring individual actions to recover monies
25 unlawfully withheld from their lawful compensation due from Defendants, due to the relatively
26 small amounts of such individual recoveries relative to the costs and burdens of litigation.

1 **FIRST CAUSE OF ACTION**

2 **FAILURE TO REIMBURSE FOR BUSINESS EXPENSES**

3 **[Cal. Labor Code § 2802(a) and (c)]**

4 **On Behalf of Plaintiff and the Class Against Defendants**

5 23. Plaintiff re-alleges and incorporates by reference each and every allegation set forth
6 in the preceding paragraphs.

7 24. The actionable period for this cause of action is from March 15, 2020 through the
8 present.

9 25. Defendants do not and did not maintain an expense reimbursement policy and/or
10 practice stating that Defendants would affirmatively and proactively reimburse Plaintiff and Class
11 Members for a reasonable portion of their home office expenses, including home internet
12 expenses, necessarily incurred in their discharge of their duties, while working from home at
13 Defendants' direction during the pandemic, as required by Labor Code sections 2802(a) and (c).

14 26. California Labor Code section 2802 requires an employer to "indemnify his or her
15 employee for all necessary expenditures or losses incurred by that employee in direct consequence
16 of the discharge of his or her duties." See Cal. Labor Code section 2802(a); *see also* 2802(c)
17 where "necessary" costs are defined to include all "reasonable" costs. In this case, home internet
18 expenses were reasonably and necessarily incurred by Class Members during the Class Period, as
19 were home electricity and cell phone expenses, as all these were necessary for Plaintiff and the
20 class to do their job while working from home.

21 27. "The elements of a claim under Section 2802 are: (i) the employee made
22 expenditures or incurred losses; (ii) the expenditures or losses were incurred in direct consequence
23 of the employee's discharge of his or her duties, or obedience to the directions of the employer; and
24 (iii) the expenditures or losses were reasonable and necessary." *Marr v. Bank of America*, 2011
25 U.S. Dist. LEXIS 24868 (N.D. March 8, 2011) (*citing Gattuso v. Harte-Hanks Shoppers, Inc.*, 42
26 Cal.4th 554, 568 (2007)). "In addition, the employer 'must either know or have reason to know that
27 the employee has incurred [the] expense.'" *Id.* (*citing Stuart v. RadioShack Corp.*, 641 F.Supp. 2d
28 901 (N.D.Cal. 2009)). Where an employer has knowledge that employees are incurring a

1 reimbursable expense, the employer must “exercise due diligence to ensure each employee is
2 reimbursed.” *Marr*, at *1. The right of an employee to expense reimbursements is not
3 waivable. *See* Cal. Labor Code sections 2804 and 219(a). Any contract to waive them is null and
4 void. *Edwards v. Arthur Anderson*, 44 Cal. 4th 937, 951 (2008)

5 28. Furthermore, under Labor Code section 2802, employers must reimburse employees
6 for all reasonable work-related expenses, regardless of whether or not the employees incurred any
7 additional out-of-pocket expense from that work-related use. *See, Cochran v. Schwan’s Home*
8 *Service, Inc.*, 228 Cal.App.4th 1137 (Cal. Aug. 12, 2014) (“We hold that when employees must
9 use their personal cell phones for work-related calls, Labor Code section 2802 requires the
10 employer to reimburse them. Whether the employees have cell phone plans with unlimited
11 minutes or limited minutes, the reimbursement owed is a reasonable percentage of their cell phone
12 bills.”). Thus, where employees are expected or mandated to use their internet at home for work,
13 courts have held that they incurred home internet expenses in “direct consequence of the discharge
14 of his or her duties” and were entitled to reimbursement. *See Aguilar v. Zep, Inc.*, 2014 US Dist
15 LEXIS 120315, *54 (N.D.Cal. Aug. 27, 2014) (Hon. Edward Chen) (where outside sales reps used
16 home internet and computers for work, and even admitted that they would have incurred the same
17 expenses without work duties, the court nevertheless held that the employer was obligated to
18 reimburse some reasonable portion of these expenses); *see also Ritchie v. Blue Shield of*
19 *California*, 2014 WL 6982943, at *21 (N.D.Cal. Dec. 9, 2014) (Hon. Edward Chen)
20 (certifying class of home office claims processors with 2802 phone reimbursement claims for
21 landline reimbursements where company required claims processors working from home to have a
22 landline, but rejecting certification of claims for home office supplies as individualized).

23 29. Defendants’ failure to affirmatively and proactively exercise due diligence to
24 reimburse the work-related home office expenses, including monthly home internet expenses, cell
25 phone and electricity expenses of Plaintiff, Class Members violated the non-waivable rights
26 secured to Plaintiff, Class Members by Labor Code §2802. *See* Labor Code §2804. Plaintiff and
27 similarly situated Class Members are entitled to reimbursement for these necessary expenditures,
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1 plus interest and attorneys' fees and costs, under Labor Code § 2802(c).

2 **SECOND CAUSE OF ACTION**

3 **UNFAIR COMPETITION LAW VIOLATIONS**
4 **[Bus. & Prof. Code § 17200 et seq.]**
5 **On Behalf of Plaintiff and the Class Against Defendants**

6 30. Plaintiff re-alleges and incorporates by reference each and every allegation set forth
7 in the preceding paragraphs.

8 31. Section 17200 of the California Business & Professions Code prohibits any
9 unlawful, unfair, or fraudulent business practices. Business & Professions Code § 17204 allows
10 "any person who has suffered injury in fact and has lost money or property" to prosecute a civil
11 action for violation of the UCL. Such a person may bring such an action on behalf of himself and
12 others similarly situated who are affected by the unlawful, unfair, or fraudulent business practice.

13 32. Under section 17208 of the California Business and Professions Code, the statute of
14 limitations for a claim under Section 17200 is four years. However, the actionable period for this
15 cause of action is March 15, 2020, when the pandemic began and class members began working
16 from home, through the present.

17 33. Section 90.5(a) of the Labor Code states that it is the public policy of California to
18 enforce vigorously minimum labor standards in order to ensure employees are not required to work
19 under substandard and unlawful conditions, and to protect employers who comply with the law
20 from those who attempt to gain competitive advantage at the expense of their workers by failing to
21 comply with minimum labor standards.

22 34. Beginning from March 15, 2020 and through March 31, 2022, Defendants have
23 committed unlawful, unfair, and/or fraudulent business acts and practices as defined by the UCL,
24 by failing to affirmatively and proactively reimburse and indemnify Plaintiff and similarly situated
25 Class Members for employment-related home office expenses, incurred while working from home
26 per Defendants' instructions in violation of Labor Code § 2802.

27 35. As a direct and proximate result of Defendants' unlawful, unfair, and/or fraudulent
28 acts and practices described herein, Defendants have received and continues to hold unlawfully

1 obtained monies belonging to Plaintiff, the Class in the form of unreimbursed employee home
2 office expenses that reduced or offset compensation earned by Plaintiff and Class Members.

3 36. As a direct and proximate result of Defendants' unlawful business practices,
4 Plaintiffs the Class Members have suffered economic injuries including, but not limited to out-of-
5 pocket home office expenses. Defendants have profited from its unlawful, unfair, and/or fraudulent
6 acts and practices in the amount of those home office expenses and interest accrued thereon.

7 37. Plaintiff and similarly situated Class Members are entitled to monetary relief
8 pursuant to Business & Professions Code §§ 17203 and 17208 for all unreimbursed business
9 expenses, and interest thereon, from at least March 15, 2020 through to the date of such restitution,
10 at rates specified by law. Defendants should be required to disgorge all the profits and gains it has
11 reaped and restore such profits and gains to Plaintiff Class Members from whom they were
12 unlawfully taken.

13 38. Beginning from March 15, 2020 through March 31, 2022, Defendants committed,
14 and continues to commit, acts of unfair competition, as defined in sections 17200 *et seq.* of the
15 California Business and Professions Code by, among other things, failing to reimburse Plaintiff,
16 the Class members for a reasonable portion of their home office expenses as required by California
17 law, and therefore was substantially injurious to Plaintiff and the Class members.

18 39. Defendants engaged in unfair competition in violation of sections 17200 *et seq.* of
19 the California Business & Professions Code by violating Section 2802 of the Labor Code.

20 40. Defendants' course of conduct, act, and practice in violation of the California law
21 mentioned above constitutes independent violation of sections 17200 *et seq.* of the California
22 Business and Professions Code.

23 41. The unlawful, unfair and fraudulent business practices and acts of Defendants, as
24 described above, have injured Plaintiff, the Class Members in that they were denied reimbursement
25 for a reasonable percentage of their home office expenses, incurred while working from home per
26 Defendants' instructions and therefore was substantially injurious to Plaintiff, the Class Members.

42. Plaintiff and similarly situated Class Members are entitled to enforce all applicable penalty provisions of the Labor Code pursuant to Business & Professions Code § 17202.

43. Plaintiff has assumed the responsibility of enforcement of the laws and public policies specified herein by suing on behalf of herself and other similarly situated Class Members previously or presently employed by Defendants in California. Plaintiff's success in this action will enforce important rights affecting the public interest. Plaintiff will incur a financial burden in pursuing this action in the public interest.

THIRD CAUSE OF ACTION
LABOR CODE PRIVATE ATTORNEY GENERAL ACT
[Cal. Labor Code §§ 2698-2699.5]
On Behalf of Plaintiff and the Aggrieved Employees Against Defendants

44. Plaintiff, on behalf of herself and all Aggrieved Employees, re-alleges and incorporates by reference each and every allegation set forth in the preceding paragraphs.

45. Based on the above allegations incorporated by reference, Defendants have violated Labor Code § 2802 by failing to reimburse Plaintiff and the Aggrieved Employees their reasonable and necessary business expenses, specifically including their home internet and home office expenses incurred in the discharge of their duties while working from home since February 7, 2021.

46. As a result of the acts alleged above, Plaintiff seeks penalties under Labor Code § 2699, et. seq., because of Defendants' violations of Labor Code § 2802.

47. Plaintiff seeks to recover the PAGA civil penalties through a representative action as permitted by PAGA and the California Supreme Court in *Arias v. Superior Court* (2009), 46 Cal.4th 969. Therefore, class certification hereby of the PAGA claims is not required, but Plaintiff may choose to seek certification of the PAGA claims.

48. Under Labor Code §§ 2699(f)(2) and 2699.5, for each such violation, Plaintiff and all other Aggrieved Employees are entitled to penalties in an amount to be shown at the time of trial subject to the following formula:

\$100 for the initial violation per employee per pay period; and

1 \$200 for each subsequent violation per employee per pay period.

2 These penalties shall be allocated seventy-five percent (75%) to the Labor and Workforce
3 Development Agency (LWDA) and twenty-five percent (25%) to the affected employees.

4
5 **JURY DEMAND**

6 49. Plaintiff hereby demands trial by jury of her and the Class's claims against
7 Defendant for violations of Section 2802, while the UCL and PAGA claims will be tried to the
8 Court directly in a bench trial.

9
10 **PRAYER FOR RELIEF**

11 Wherefore, Plaintiff, on behalf of herself and the members of the Class, prays for judgment
12 against Defendants as follows:

13 1. An Order this action may proceed and be maintained as a class action;

14 2. On the First Cause of Action:

15 a. That the Court find and declare that Defendants' business expense policies
16 and/or practices violate California law, including Labor Code § 2802, by failing to affirmatively
17 and proactively reimburse all business expenses, including home internet expenses, incurred by
18 Plaintiff and Class Members in the discharge of their duties while working from home per
19 Defendants' direction in California as employees of Defendants;

20 b. That the Court award to Plaintiff, and all Class Members all unreimbursed
21 business expenses, and interest thereon, that they are owed, pursuant to Labor Code § 2802, and
22 attorneys' fees and costs, pursuant to Labor Code § 2802(c), in an amount to be proved at trial;

23 3. On the Second Cause of Action:

24 a. That the Court find and declare that Defendants have violated the UCL and
25 committed unfair and unlawful business practices by failing to affirmatively and proactively
26 reimburse Plaintiff and similarly situated Class Members for their home office expenses incurred
27 by them in the course of their job duties while working from home per Defendants' for the benefit
28

1 of Defendants, their employers, during the Class Period;

2 b. Restitution, including, but not limited to, the relief permitted by section
3 2802 of the California Labor Code;

4 c. That Defendants be ordered to pay restitution to Plaintiff, and the Class
5 Members due to Defendant's UCL violations under the First Cause of Action pursuant to Business
6 and Professions Code §§ 17200-17205, in the amount of their unreimbursed business expenses and
7 interest thereon;

8 4. On the Third Cause of Action:

9 a. A civil penalty against Defendants in the amount of \$100 for the initial
10 violation per employee per pay period and \$200 for each subsequent violation per employee per pay
11 period as specified in section 2699(f)(2) of the California Labor Code for Plaintiff and the
12 Aggrieved Employees during all of the pay periods in the PAGA Period;

13 b. An award of reasonable attorney's fees against Defendants as specified in
14 Labor Code § 2699(g)(1), for all the work performed by the undersigned counsel in connection with
15 the PAGA claims;

16 c. An award of all costs incurred by the undersigned counsel for Plaintiff in
17 connection with Plaintiff's and the Aggrieved Employees' PAGA claim against Defendants as
18 provided for in Labor Code § 2699(g)(1);

19
20 5. All other relief as this Court deems proper.

21
22 Dated: August 17, 2022

Respectfully Submitted,

23 ACKERMANN & TILAJEF, P.C.
24 EMPLOYMENT RIGHTS LAW GROUP, APC

25 
26 By: Craig Ackermann, Esq.
27 Amir Seyedfarshi, Esq.
28 Counsel for Plaintiff and the Putative Class