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**SUPERIOR COURT OF THE STATE OF CALIFORNIA**

**IN AND FOR THE COUNTY OF SAN DIEGO**

LY HAI, on behalf of himself, those similarly  
situated, and/or aggrieved California-based  
nonexempt employees,

Plaintiff,

vs.

SUNROAD HS AUTO, INC., AND DOES 1  
THROUGH 100, INCLUSIVE,

Defendant.

Case No: 37-2022-00025788-CU-OE-CTL

**DECLARATION OF JEAN-CLAUDE  
LAPUYADE, ESQ. IN SUPPORT OF  
PLAINTIFFS' MOTION TO APPROVE  
PAGA SETTLEMENT**

Date: March 28, 2025

Time: 9:10 a.m.

Judge: Hon. Judy S. Bae

Dept: C-62

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1 I, JEAN-CLAUDE LAPUYADE, declare as follows:

2 1. I am the managing partner of the law firm of JCL Law Firm, APC, co-lead counsel of  
3 record for Plaintiffs Ly Hai, Tyler Wayne Sneed, Mohammad Tahbaz, Shawn Farden, Jorge Aguirre,  
4 Roman Mayne, and Christianna Yousif (“Plaintiffs”) in this matter. As such, I am fully familiar with  
5 the facts, pleadings, and history of the matter. The following facts are within my own personal  
6 knowledge, and if called as a witness, I could testify competently to the matters stated herein.

7 2. This declaration is being submitted in support of the Motion for Approval of PAGA  
8 Settlement with Defendants Sunroad Auto, LLC, Sunroad HS Auto, Inc., Sunroad CV Auto, Inc.,  
9 Sunroad MV Auto, Inc., and Sunroad EC Auto, LLC f.k.a. Sunroad BCV Auto, Inc. (“Defendants”).

10 3. A true and correct copy of the fully executed Joint Stipulation of Settlement of PAGA  
11 Action and Release of PAGA Claims (“Agreement”) is attached hereto as **Exhibit #1**.

12 4. A true and correct copy of Plaintiff Tyler Wayne Sneed’s December 22, 2021, Notice of  
13 Violations filed with the Labor and Workforce Development Agency (“PAGA Notice”) is attached  
14 hereto as **Exhibit #2**.

15 5. A true and correct copy of Plaintiff Mohammad Tahbaz’s September 22, 2022, Notice of  
16 Violations filed with the Labor and Workforce Development Agency (“PAGA Notice”) is attached  
17 hereto as **Exhibit #3**.

18 6. A true and correct copy of Plaintiffs Tyler Wayne Sneed and Jorge Aguirre’s April 18,  
19 2023, Amended Notice of Violations filed with the Labor and Workforce Development Agency  
20 (“PAGA Notice”) is attached hereto as **Exhibit #4**.

21 7. A true and correct copy of the proof of filing with the LWDA of Motion for Approval of  
22 PAGA Settlement, is attached hereto as **Exhibit #5**. Included with the Motion is a copy of the  
23 Agreement.

24 8. A true and correct copy of the JCL Law Firm, APC, “Time and Billing Journal” as of  
25 March 3, 2025, is attached hereto as **Exhibit #6**.

26 9. A true and correct copy of the JCL Law Firm, APC, “Transaction Summary” as of March  
27 3, 2025, is attached hereto as **Exhibit #7**.

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10. A true and correct copy of the JCL Law Firm, APC, Firm Resume is attached hereto as **Exhibit #8.**

## **I. INTRODUCTION**

11. An objective evaluation of the proposed settlement confirms that the relief negotiated on behalf of the Aggrieved Employees and the LWDA is fair, reasonable, and valuable. The Settlement is a product of informed, adversarial, and non-collusive negotiations between experienced counsel. As discussed below, the proposed Settlement satisfies all criteria for PAGA settlement approval. Accordingly, Plaintiffs and PAGA Counsel respectfully request this Court grant approval of the Agreement. PAGA Counsel's Qualifications are set forth in the Firm Resume attached hereto as **Exhibit #8.**

## **II. PROCEDURAL AND FACTUAL BACKGROUND**

### **A. Plaintiffs' Exhaustion of Administrative Remedies Under PAGA And Civil Action Against Defendants**

12. On December 22, 2021, Plaintiff Tyler Wayne Sneed, on behalf of himself and on behalf of other Aggrieved Employees, served Defendants Sunroad Auto LLC, Sunroad CV Auto, LLC, and the LWDA with a Notice of Violations ("Plaintiff Sneed's PAGA Notice") outlining claims against Defendants for alleged violations of the California Labor Code, including claims for failure to provide compliant meal and rest periods; failure to accurately compensate for missed meal and rest periods; failure to pay all minimum, regular, and overtime wages; failure to correctly calculate the regular rate of pay, failure to maintain true and accurate records, failure to reimburse business expenses, failure to provide accurate itemized wage statements; and failure to timely pay wages due during, and upon termination of employment.

13. On April 25, 2022, Plaintiff Ly Hai provided written notice to Defendant Sunroad HS Auto, Inc. and the LWDA of the Labor Code violations alleged to have been committed by Sunroad HS Auto, Inc. ("Hai PAGA Letter").

14. On September 22, 2022, Plaintiff Mohammad Tahbaz provided written notice to Defendants and the LWDA of the Labor Code violations alleged to have been committed by Sunroad HS Auto, Inc. ("Tahbaz PAGA Letter") (LWDA Case No. LWDA-CM-909488-22).

1           15. On April 18, 2023, Plaintiffs Tyler Wayne Sneed and Jorge Aguirre provided a  
2 supplementary written notice to Defendants and to the LWDA of the Labor Code violations alleged to  
3 have been committed by Defendants (“Aguirre PAGA Letter”) (LWDA Case No. LWDA-CM-858919-  
4 21).

5           16. On June 27, 2023, Plaintiff Shawn Farden provided written notice to Defendants and to  
6 the LWDA of the Labor Code violations alleged to have been committed by Defendants (“Farden  
7 PAGA Letter”) (LWDA Case No. LWDA-CM-964812-23).

8           17. On July 7, 2023, Plaintiff Roman Mayne provided written notice to Defendants and to  
9 the LWDA of the Labor Code violations alleged to have been committed by Defendants (“Mayne  
10 PAGA Letter”) (LWDA Case No. LWDA-CM-966814-23).

11           18. On October 15, 2024, Plaintiffs Shawn Farden and Christianna Yousif provided  
12 supplementary written notice to Defendants and to the LWDA of the Labor Code violations alleged to  
13 have been committed by Defendants (“Yousif PAGA Letter”) (LWDA Case No. LWDA-CM-1056438-  
14 24).

15           19. The 65-day “waiting period” on Plaintiffs’ right to file a civil action under PAGA, *see*  
16 Cal. Lab. Code § 2699.3(a)(2)(A), lapsed without the LWDA notifying Plaintiffs that it intended to  
17 investigate the claims in the PAGA Notices. To date, the LWDA still has not advised Plaintiffs of any  
18 intent to take action with respect to the claims in the PAGA Notices.

19           20. On February 28, 2022, Plaintiff Tyler Wayne Sneed filed a representative action  
20 complaint against Defendants in the Superior Court for San Diego, Case Number 37-2022-00007661-  
21 CU-OE-CTL. The complaint alleged a single cause of action for violation of the Private Attorneys  
22 General Act § 2698, *et seq* (“PAGA”).

23           21. On June 30, 2022, Plaintiff Ly Hai filed a class and representative action complaint  
24 against Defendants in the Superior Court for San Diego, Case Number 37-2022-00025788-CU-OE-  
25 CTL, alleging six causes of action for (1) Failure to Provide Meal Periods; (2) Failure to Authorize or  
26 Permit Rest Periods; (3) Failure to Timely Pay Final Wages; (4) Failure to Provide Itemized Wage  
27 Statements; (5) Unfair Competition Law; and (6) Civil Penalties Pursuant to PAGA.

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1           22.    On November 22, 2022, Plaintiff Ly Hai dismissed his individual and class claims  
2 without prejudice, moving forward with a single cause of action for violations of PAGA.

3           23.    On October 17, 2024, Plaintiff Ly Hai filed a First Amended Complaint, adding all  
4 Plaintiffs and Defendants to the Hai Matter.

5           24.    On January 21, 2025, Plaintiff Ly Hai filed a joint Stipulation to File a Second Amended  
6 Complaint to correct an error on one of the named Defendants. On the same date, Plaintiff Ly Hai filed  
7 a Joint Stipulation to Approve PAGA Settlement and Release Agreement. However, the Court rejected  
8 the stipulations and requested that the Parties file a noticed motion, instead of a joint stipulation.  
9 Plaintiffs re-filed the joint Stipulation to File a Second Amended Complaint on March 5, 2025.

10          25.    Defendants provided Plaintiffs with sufficient information to properly evaluate  
11 Defendants' potential liability exposure. Among the data and documents Defendants produced  
12 included, but was not limited to, a 20% sample of the Aggrieved Employees time and payroll data and  
13 more than 1,000 pages of wage and hour policy material. Defendant also disclosed the total number of  
14 Aggrieved Employees and aggregate number pay periods worked by the Aggrieved Employees during  
15 the PAGA Period. In sum Plaintiffs' counsel analyzed more than 300,000 unique cells of time and  
16 payroll data and more than 1,000 pages of policy material concerning the Aggrieved Employees.

17          26.    On February 5, 2024, the Parties participated in an all-day mediation with Chris Barnes,  
18 Esq., an experienced mediator of wage and hour class and representative actions. Though the mediation  
19 did not conclude in a settlement, the Parties continued to engage in arms-length informal settlement  
20 discussions, and ultimately agreed on a settlement that was memorialized in the form of a Memorandum  
21 of Understanding ("MOU"). The Parties subsequently drafted and negotiated a long-form settlement  
22 which is the subject of the instant motion. The Settlement was negotiated in light of all known facts and  
23 circumstances and the uncertainty associated with litigation – including the risk of Plaintiff not being  
24 able to maintain representative claims and establishing manageability, the difficulty of proving  
25 Plaintiff's claims in a manageable trial, the merits of Defendants' potential defenses, and the significant  
26 delay and potential appellate issues inherent to litigation – and was reached after extensive arm's length  
27 negotiations.

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1           27. The Settlement is intended to fully and finally resolve the Released PAGA Claims  
2 asserted by Plaintiffs on behalf of themselves, the LWDA, and the State of California. This is only a  
3 Settlement of the PAGA claims for civil penalties and is not a class settlement and does not release the  
4 individual claims, if any, of the Aggrieved Employees. This Settlement does not release any claim that  
5 is not a PAGA claim.<sup>1</sup>

6           28. Pursuant to California Labor Code Section 2699(1), Plaintiffs are providing copies of the  
7 Settlement Agreement and this motion to the LWDA concurrently with the filing of the instant motion  
8 for settlement approval as set forth in the accompanying proof of service. Additionally, Plaintiffs will  
9 submit to the LWDA a copy of the Court's judgment and order approving the Settlement Agreement  
10 within ten (10) days after entry of judgment or order.

### 11                                   **III. TERMS OF THE PAGA SETTLEMENT**

12           29. The PAGA settlement is subject to Court approval consistent with Labor Code §  
13 2699(1)(2). The Settlement Agreement negotiated by the Parties provides for a Gross Settlement  
14 Amount payment in the amount of Four Hundred Eighty Thousand Dollars and Zero Cents  
15 (\$480,000.00) to resolve the PAGA claims. The Gross Settlement Amount will be used to pay  
16 Individual PAGA Payments, the LWDA PAGA Payment, Plaintiffs' Attorneys Fees and Costs, PAGA  
17 Representative Service Payments, and the Administrator's Expenses. This Gross Settlement Amount is  
18 an all-in amount without any reversion to Defendants, with no claim forms required. Agreement at §§  
19 1.11 and 4.1.

### 20                                   **IV. THE COURT SHOULD APPROVE THE PAGA SETTLEMENT**

21           30. The Gross Settlement Amount of \$480,000.00 is fair and reasonable and, therefore,  
22 should be approved. Here, without including derivative penalties, Defendants' liability exposure is  
23 estimated at approximately \$2,950,950 in PAGA Penalties.

24           31. If derivative penalties are included (or "stacked"), Defendants' maximum liability  
25 exposure is estimated at approximately \$5,997,350. Plaintiffs estimated Defendants' exposure as  
26 follows:  
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28           <sup>1</sup> As explained by the Supreme Court in *ZB, N.A.*, 8 Cal. 5th 175 at 196: "Nonparty employees are bound by the judgment in an action under the PAGA, but only with respect to recovery of civil penalties."

| <b>Claim</b>                                                                                                                                                 | <b>Penalty Amount<sup>2</sup></b> | <b>Number of Pay Periods w/ Alleged Violation</b> | <b>Alleged Violation Rate</b> | <b>Total Penalties</b> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|---------------------------------------------------|-------------------------------|------------------------|
| <b><i>Meal Period Violations</i></b><br>Cal. Labor Code §§ 226.7, 512 and 558                                                                                | \$50 <sup>3</sup>                 | 11,443                                            | 37.6% of PAGA Pay Periods     | \$572,150              |
| <b><i>Rest Period Violations</i></b><br>Cal. Labor Code §§ 226.7, 512 and 558                                                                                | \$50                              | 11,443                                            | 37.6% of PAGA Pay Periods     | \$572,150              |
| <b><i>Unpaid Wages Violations</i></b><br>Cal. Labor Code §§ 201, 202, 203, 204, 246, 1194, 1197, 1997.1, 1198 and 558                                        | \$50                              | 7,616                                             | 25% of PAGA Pay Periods       | \$380,800              |
| <b><i>Wage Statement Violations</i></b><br>Cal. Labor Code §§ 226 and 226.2                                                                                  | \$100                             | 30,464                                            | 100% of PAGA Pay Periods      | \$3,046,400            |
| <b><i>Miscalculated Regular Rate of Pay for Purposes of Overtime, Meal Premiums, and Redeemed Sick Pay</i></b><br>Cal. Labor Code §§ 246, 201, 202, 203, 204 | \$50                              | 13,285                                            | 43.6% of PAGA Pay Periods     | \$664,250              |
| <b><i>Failure to Reimburse for Mandatory Business Expenses</i></b><br>Cal. Labor Code § 2802                                                                 | \$100                             | 7,616                                             | 25% of PAGA Pay Periods       | \$761,600              |

<sup>2</sup> In *Bernstein v. Virgin America, Inc.* (2021) 3 F.4th 1127, 1144, the court decided that “[u]ntil the employer has been notified that it is violating a Labor Code provision ... the employer cannot be presumed to be aware that its continuing underpayment of employees is a ‘violation’ subject to penalties.” Therefore, Plaintiff used only penalties for initial violations.

<sup>3</sup> The \$50 penalty rate was used for several reasons in this instance. First, Pursuant to California Labor Code section 558(a)(1), an employer is subject to a penalty of \$50 for violations of a Labor Code section regulating hours and days of work, including meal period and rest period violations. Thus, because section 558(a)(1) specifically provides for a civil penalty, Plaintiffs used a \$50 penalty per violation for the meal and rest break claim. Second, Defendants argued that increased civil penalties for subsequent violations do not apply unless the Plaintiffs can present evidence that the Labor Commission or a court notified the employer that it was in violation of the Labor Code. *Bernstein v. Virgin America, Inc.* (2021) 3 F.4th 1127, 1144 citing *Amaral v. Cintas Corp. No. 2* (2008) 163 Cal.App.4th 1157, 1209 [“Until the employer has been notified that it is violating a Labor Code provision ... the employer cannot be presumed to be aware that its continuing underpayment of employees is a ‘violation’ subject to penalties.”].) Separately, Defendants also argued that courts have considerable discretion to reduce the penalty awards under PAGA. See, e.g. *Carrington v. Starbucks Corp.* (2018) 30 Cal.App.5th 504 (reducing the maximum PAGA penalty amount by 90%, at \$5 per pay period). Accordingly, it is unlikely that Plaintiffs would recover full penalty amounts even if they prevailed in establishing the underlying Labor Code violations.

1                   **i.     Estimated Liability for Unpaid Wages**

2           32.   Plaintiffs alleges that Defendants failed to pay all wages due to Plaintiff and the  
3 Aggrieved Employees. First, Plaintiffs allege that Defendants’ compensation system failed to separately  
4 compensate commission-based for all non-productive time. Specifically, Plaintiffs allege that, some  
5 employees were paid an hourly wage only when their commission were not sufficient to meet minimum  
6 wage requirements. Additionally, Plaintiffs and other Aggrieved Employees allege that Defendants  
7 regularly required them to work off-the-clock. Specifically, Plaintiffs allege that they regularly worked  
8 through meal breaks and performed work before and/or after they clocked out. Defendants argue that  
9 Plaintiffs and Aggrieved Employees were paid for all of their time worked. Further, Defendants argue  
10 that they never required Plaintiffs or other Aggrieved Employees to work off-the-clock, and their  
11 policies prohibit such off-the-clock work. Considering Defendants’ defenses, Plaintiffs estimate  
12 Defendants’ exposure for this claim to be approximately \$380,800.

13                   **ii.   Estimated Liability for Miscalculation of Regular Rate of Pay for Purposes**  
14                   **of Overtime, Meal Premiums, and Redeemed Sick Pay**

15           33.   Plaintiffs alleged that Defendants miscalculated the regular rate of pay for purposes of  
16 calculating overtime, meal premiums, and redeemed sick pay because Defendants failed to include non-  
17 discretionary incentive compensation when calculating the rates for these pay categories. Specifically,  
18 Plaintiffs’ expert found additional compensation identified as “P-SPIFF,  
19 “B-BONUS,” “C-COMMISSION,” and “I-RETRO BONUS,” among others. Plaintiffs contend that  
20 these forms of additional compensation paid to sales associates that were not properly included in the  
21 regular rate of pay calculation for purposes of calculating and paying overtime, meal premiums, and  
22 sick pay. The regular rate of pay, which can change from pay period to pay period, includes adjustments  
23 to the straight time rate, reflecting, among other things, non-discretionary bonuses and awards, shift  
24 differentials and the per-hour value of any non-hourly compensation the employee has earned. *Alvarado*  
25 *v. Dart Container Corp. of California* (2018) 4 Cal.5th 542, 552-554. For overtime work, “an employee  
26 must receive a 50 percent premium on top of his or her regular rate of pay[.]” *Id.* at 553. Further,  
27 California Labor Code section 246(1)(1) expressly mandates that sick pay for non-exempt employees  
28 be based on either “the regular rate of pay for the workweek in which the employee uses paid sick time”

1 or the regular rate of pay in the 90 days preceding the use of the sick leave. Conversely, Defendants  
2 denied liability and asserted they paid the correct rate of pay for purposes of overtime wages, meal  
3 period premiums, and sick pay. Defendants also argued that certain bonuses were discretionary and did  
4 not need to be included in the regular rate calculation for payment of overtime wages, meal period  
5 premiums, and sick pay, and that certain employees were exempt from overtime based on the inside  
6 sales exemption. Lastly, Defendants argue that this claim did not affect all Aggrieved Employees.

7 34. Plaintiffs estimated that Defendants' exposure for this claim was approximately  
8 \$664,250. This number was calculated by multiplying the number of pay periods with a violation of  
9 overtime, meal period premium, and/or sick pay regular rate calculations by a violation rate of \$50 per  
10 pay period.

11 **iii. Estimated Penalties for Meal Break Violations**

12 35. Plaintiffs also alleged that Defendants' time records reflected non-compliant meal  
13 periods. Specifically, Plaintiff alleges that Defendants regularly violated the law by failing to provide  
14 meal periods, providing late meal periods, providing short meal periods, and/or requiring employees to  
15 work through their meal periods.

16 36. A review of Defendants' time records evidenced very modest meal period violation on  
17 10.6% of all eligible shifts. However, this violation rate equated to a meal period violation in 37.6% of  
18 all pay periods.

19 37. Conversely, Defendants asserted that it maintained facially compliant meal period  
20 policies and practices throughout the PAGA Period, and that any non-compliant meal break was the  
21 result of voluntary waiver of the same by the employee. Thus, Defendants argued that there was no  
22 potential liability for Plaintiffs' alleged meal period violations. Further, Defendants' payroll records  
23 evidenced 11,447 meal period penalty premiums pay to the Aggrieved Employees during the PAGA  
24 Period.

25 38. Plaintiffs estimated the penalties for this claim at \$572,150. This number was calculated  
26 by multiplying the number of total pay periods where there was a meal period violation by a violation  
27 rate of \$50. The \$50 penalty rate was used for the same reasons as stated above.

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1                   **iv. Estimated Penalties for Rest Period Violations**

2           39. Plaintiffs also alleged that Defendants failed to provide compliant rest periods.  
3 Specifically, Plaintiffs alleged that because of their rigorous work schedules, Plaintiffs and Aggrieved  
4 Employees were not able to take timely and duty-free rest periods.

5           40. Because rest periods are not recorded, Plaintiffs could not identify a violation rate.  
6 Plaintiffs therefore made the reasonable assumption that rest period violations were committed at a rate  
7 similar to that of meal period violations.

8           41. Based on an estimated 37.6% of PAGA Pay Periods containing a violation, Plaintiffs  
9 contended that their claim for rest period violations was potentially worth approximately \$572,150.  
10 This was calculated by multiplying the number of total pay periods with a rest period violation by a  
11 violation rate of \$50 dollars. The \$50 penalty rate was used for a number of reasons in this instance.  
12 First, Defendants argued that increased civil penalties for subsequent violations do not apply unless the  
13 Plaintiffs can present evidence that the Labor Commission or a court notified the employer that it was  
14 in violation of the Labor Code. *Bernstein v. Virgin America, Inc.* (2021) 3 F.4th 1127, 1144 citing  
15 *Amaral v. Cintas Corp. No. 2* (2008) 163 Cal.App.4th 1157, 1209 [“Until the employer has been notified  
16 that it is violating a Labor Code provision ... the employer cannot be presumed to be aware that its  
17 continuing underpayment of employees is a ‘violation’ subject to penalties.”].)

18           42. Defendants argued that Plaintiffs’ rest break claim would have mainly relied on the  
19 testimony of Aggrieved Employees, making it a riskier claim. Establishing liability likely would have  
20 entailed competing testimony stating either rest breaks were taken, or rest breaks were voluntarily  
21 waived. *See, e.g., Ordonez v. Radio Shack, Inc.* (C.D. Cal. Jan. 17, 2013) 2013 WL 210223, at \*11  
22 (“Because of the competing testimony before the Court, plaintiff’s evidence that defendant may have  
23 an illegal, written rest break policy is insufficient for this Court to find that common issues  
24 predominate.”); *Villa v. United Site Servs. of California, Inc.* (N.D. Cal. Nov. 13, 2012) 2012 WL  
25 5503550, at \*8 (“Indeed, Plaintiff’s own evidence confirms that the written policy does not generate  
26 uniform practices.”).

27                   **v. Estimated Penalties for Unreimbursed Business Expenses**

28           43. Plaintiffs alleged that Defendants required Plaintiffs and other sales associates to use their

1 personal cellular phones to communicate with fellow employees and to receive work-related calls,  
2 emails, and text messages. However, Plaintiffs contend Defendants did not reimburse Plaintiffs and  
3 other sales associates for these expenses. California employers who require employees to incur personal  
4 business expenses for work purposes must reimburse the employee for the cost incurred. (See Cal.  
5 Labor Code § 2802(a), providing that “an employer shall indemnify his or her employee for all  
6 necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his  
7 or her duties, or of his or her obedience to the directions of the employer...”). Defendants denied any  
8 liability for this claim. Defendants argued that any cell phone use was not mandatory. Defendants  
9 further argue that they provided a stipend for cell phone / data use for employees who needed to use  
10 their cell phone for work.

11 44. Plaintiffs estimated that Defendants’ exposure for this claim was approximately \$761,600  
12 in penalties. This was calculated by multiplying the total number of pay periods by a violation rate of  
13 \$100 per pay period.

14 **vi. Estimated Derivative Penalties for Wage Statement Violations**

15 45. Plaintiffs alleged that Defendants failed to provide accurate itemized wage statements  
16 that include all items required by Labor Code § 226(a)(1-9). Specifically, Plaintiffs allege that  
17 Defendants violated Labor Code sections 226(a)(2) and 226(a)(9) by failing to list the total hours  
18 worked by the employee and the applicable hourly rates in effect during the pay period. Additionally,  
19 as a result of the failure to pay employees for all time worked, and failure to pay for all premiums owed,  
20 the wage statements issued by Defendants do not indicate the correct number of hours worked, the  
21 amount of gross wages earned, or net wages earned during each pay period. Plaintiffs’ expert estimated  
22 that Defendant could be liable for \$3,046,400 in *derivative* PAGA penalties as a result of wage  
23 statement violations.

24 46. Considering the above, the Gross Settlement Amount is approximately 8% of  
25 Defendants’ potential PAGA exposure if stacking of penalties is permitted. Without stacking, the Gross  
26 Settlement Amount is approximately 16.26%. The Gross Settlement Amount compares favorably to  
27 the likely recovery of PAGA penalties through continued litigation. Defendants’ maximum exposure to  
28 PAGA penalties is not a realistic outcome of the litigation because it fails to account for the risks of

1 continued litigation including, but not limited to, Defendants’ defenses. *See, Zayerz v. Kiewit*  
2 *Infrastructure West*, 2018 U.S. Dist. LEXIS 14918, \*14 (C.D. Cal. January 18, 2018). For instance,  
3 Defendants argued that it can only be assessed civil penalties for actual violations of the Labor Code.  
4 *See* Lab. Code § 2699(f)(2). In other words, to recover any civil penalties, Plaintiffs would be required  
5 to prove the underlying Labor Code violations. (*Cardenas v. McLane Foodservice, Inc.*, 2011 U.S. Dist.  
6 LEXIS 13126, \*10 (C.D. Cal. 2011) [“Given the statutory language [of PAGA], a plaintiff cannot  
7 recover on behalf of individuals whom the plaintiff has not proven suffered a violation of the Labor  
8 Code by the defendant.”].) To do this, Plaintiffs would need to prove each Aggrieved Employee was  
9 subject to the alleged Labor Code violation, which would be difficult to do, since Defendants deny any  
10 liability or wrongdoing of any kind associated with the claims alleged in this action.

11 47. Thus, Defendants contended that Plaintiffs would be required to “prove Labor Code  
12 violations with respect to each and every individual on whose behalf Plaintiff seek to recover civil  
13 penalties under PAGA.” *Hibbs-Rines v. Seagate Technologies*, 2009 WL 513496, \*4 (N.D. Cal. Mar.  
14 2, 2009). When “determining whether the employer committed Labor Code violations with respect to  
15 each employee” is impractical, the PAGA action can be dismissed. *Wesson v. Staples the Off.*  
16 *Superstore*, 2021 WL 4099059, \*11 (Cal. Ct. App. Sept. 9, 2021).

17 48. Finally, the maximum penalty figure does not consider that Courts have complete  
18 discretion to “award a lesser amount than the maximum civil penalty amount specified [by PAGA] if,  
19 based on the facts and circumstances of the particular case, to do otherwise would result in an award  
20 that is unjust, arbitrary and oppressive, or confiscatory.” (Cal. Lab. Code § 2699(e)(2)). In fact, Courts  
21 routinely exercise their authority to reduce PAGA penalties by 85% to 95%. *See e.g. Carrington v.*  
22 *Starbucks Corp.*, 30 Cal. App. 5th 504, 529 (2018) (reducing PAGA penalties to \$5 per pay period;  
23 “Although the trial court may have disagreed with Starbucks regarding the issue of liability, it clearly  
24 took the circumstances proffered by Starbucks into consideration when it imposed the penalty ... only  
25 \$5 per initial violation”); *Kaanaana v. Barrett Bus. Servs., Inc.*, 29 Cal App 5th 778, 788 (2018), review  
26 granted on other grounds (noting that the trial court “exercised its discretion to reduce the [PAGA]  
27 penalties to 13 percent of the full amount [requested, because] [o]n average, plaintiffs were deprived of  
28 13 percent of the 30-minute meal period”); *Fleming v. Covidien, Inc.*, 2011 WL 7563047, \*4 (C.D. Cal.

2011) (exercising discretion to reduce the maximum amount of PAGA civil penalties for plaintiffs' section 226 claims from \$2,800,000 to \$500,000 because the employees suffered no injuries as a result of the erroneous wage statements and made no complaints about the errors or omissions in the wage statements, thus reducing the maximum penalty by 82%); *see also*, *Gola v. University of San Francisco*, 90 Cal. App. 5th 548 (2023), *as modified* (May 9, 2023), *reh'g denied* (May 15, 2023), *review denied* (July 12, 2023), *and disapproved of by Naranjo v. Spectrum Sec. Servs., Inc.*, 15 Cal. 5th 1056, 547 P.3d 980 (2024) (concluding after a full-blown bench trial that a penalty of 15% of the maximum PAGA penalties was the appropriate penalty). The gross amount obtained by PAGA Counsel is reasonable in light of Defendants' arguments.

49. Given Defendants' defenses to the claimed Labor Code violations at issue, the risks and costs of continued litigation, Plaintiffs and PAGA Counsel believe that the Gross Settlement Amount is fair and reasonable. This settlement was negotiated by experienced counsel at arm's length.

50. The LWDA has been provided with notice of this motion and the PAGA settlement, and the decision of LWDA to accept the PAGA settlement and not oppose the motion should be given considerable weight. Moreover, the LWDA is a sophisticated government entity that can assert and protect its own rights.

51. Although PAGA requires that a court approve the proposed PAGA settlement, Labor Code § 2699(1) does not require that a court approve any other elements of the proposed settlement. Because there are no class allegations for which Plaintiffs seek approval, the approval provisions applicable to class settlements under Cal. Code Civil Proc. § 382 do not apply. Accordingly, the Court only needs to approve the settlement of the civil penalties sought in the PAGA claim. Nevertheless, as explained herein, the settlement terms for attorneys' fees and costs are reasonable.

**V. THE PAGA COUNSEL FEES AND EXPENSES PAYMENT ARE FAIR AND REASONABLE**

52. PAGA Counsel seek approval of the Attorneys' Fees and Costs, comprised of attorneys' fees in the amount of \$168,000 (35% of the Gross Settlement Amount) and reimbursement of litigation costs not to exceed \$25,000.<sup>4</sup> PAGA does not have any requirements for reviewing attorneys' fees, and

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<sup>4</sup> As detailed *infra*, at the time of filing this motion, Plaintiffs' Counsel incurred \$20,309.99 litigating this matter. Plaintiffs will provide the Court with a final amount of litigation costs at the time of hearing on this motion.

1 Plaintiffs' position is that the payment of attorneys' fees and costs in this Settlement is a matter of  
2 contract for a contingent representation. Nevertheless, should this Court review the requested attorneys'  
3 fees, the requested fees and costs are reasonable for experience wage and hour counsel.

4 53. The requested Attorneys' Fees and Costs of \$193,000, comprised of \$168,000 for  
5 attorneys' fees and reimbursement of litigation expenses of up to \$25,000 is fair, reasonable, and  
6 justified by the result achieved. Agreement at § 4.2(a).

7 54. PAGA Counsel negotiated a recovery of Four Hundred Eighty Thousand Dollars and  
8 Zero Cents (\$480,000.00), and this result justifies the requested fees equal to one third of this recovery.  
9 This percentage is within the standard contingent recovery percentage of one-third, and this percentage  
10 is what was expressly approved by the Supreme Court in *Laffitte v. Robert Half Int'l Inc.*, 1 Cal.5th  
11 480, 504, (2016). At the time this case was brought, the result was far from certain. Defendants'  
12 defenses to the merits of the case created difficulties with proof and complex legal issues for PAGA  
13 Counsel to overcome. Here, several defenses asserted by Defendants present serious threats to the  
14 claims of Plaintiffs and the Aggrieved Employees. Defendants asserted that their employment practices  
15 complied with all applicable labor laws. If successful, Defendants' factual and legal defenses would  
16 eliminate *any recovery* to the Aggrieved Employees. While Plaintiffs believe that these defenses could  
17 be overcome, Defendants maintain that these defenses have merit and therefore present a serious risk  
18 to recovery. The Settlement was possible because PAGA Counsel was able to persuade Defendants that  
19 there was an appreciable risk that Plaintiffs would prevail on the factual and legal issues underlying  
20 liability and overcome difficulties in proof as to monetary relief.

21 55. Plaintiffs are represented by competent and experienced counsel to pursue their claims. I  
22 establish the JCL Law Firm, APC ("Firm"), in 2010. The Firm is a boutique plaintiff firm representing  
23 aggrieved employees and consumers throughout California in wage and hour class actions. The Firm  
24 currently consists of myself, Jean-Claude Lapuyade (Partner/Owner), Sydney Castillo-Johnson  
25 (Associate Attorney), Perssia Razma (Associate Attorney), John L. Nitti (Associate Attorney), Tesla  
26 Stone (Senior Paralegal and Office Manager), Jennifer Heming (Paralegal), Andrew Ward (Law Clerk),  
27 Sara Christensen (Legal Assistant), Libia Ramirez (Secretary), and Allysa Castillo (Legal Assistant).

28 56. I am qualified to represent the Plaintiffs, the State of California, and the Aggrieved

1 Employees. I have extensive experience with wage and hour class and representative actions litigation  
2 like this matter, and employment matters in general. Additionally, I have extensive complex mass tort  
3 litigation experience and complex construction product liability experience. I can, will, and have  
4 adequately represented the interests of the Plaintiffs, the State of California, and the Aggrieved  
5 Employees throughout this action.

6 57. I have represented consumers and employees in California class actions, and complex  
7 multi-party product liability actions exclusively for more than 17 years. I have been in practice as a  
8 plaintiffs' civil litigation attorney since April 2007.

9 58. My credentials are reflected in the JCL Law Firm, APC, Firm Resume, a true and correct  
10 copy of which is attached hereto as **Exhibit #8**. Some of the major cases the Firm has undertaken are  
11 also set forth in **Exhibit #8**.

12 59. The JCL Law Firm's rates are comparable to those judicially approved for other  
13 plaintiff's firms, such as Baron & Budd (rates ranging from \$775 for the requested partner to \$390-  
14 \$630 for non-partners), Western Comden Casselman & Essensten (rates ranging from \$670-\$750 for  
15 partners and \$300-\$500 for associates), and Blood Hurst & Rearden (\$510-\$695 for partners). See  
16 *Aarons v. BMW of North America*, No. 11-7667-PSG, 2014 U.S. Dist. LEXIS 118442, \*40-41 (C.D.  
17 Cal. Apr. 29, 2014). Other Southern California courts have approved hourly rates in the requested range.  
18 *See e.g., Kearney v. Hyundai Motor Am.*, 2013 U.S. Dist. LEXIS 91636, \*24 (C.D. Cal. June 28, 2013)  
19 (approving hourly rates of \$650 -\$800 for senior attorneys in consumer class action); *Parkinson v.*  
20 *Hyundai Motor America*, 796 F.Supp.2d 1160, 1172 (C.D. Cal. 2010)(approving hourly rates between  
21 \$445 and \$675); *Faigman v. AT&T Mobility, LLC*, 2011 U.S. Dist. LEXIS 15825, \*2 (N.D. Cal. Feb.  
22 15, 2011)(Approving hourly rates of \$650 an hour for partners and \$500 for associates); *Richard v.*  
23 *Ameri-Force Mgmt. Servs., Inc.*, No 37-2008-00096019 (San Diego Superior Court, August 27,  
24 2010)(\$695 to \$750 an hour for partners and \$495 for associates); *Barrera v. Gamestop*, No. CV 09-  
25 1399 (C.D. Cal. Nov. 29, 2010)(\$700 for partners and \$475 for associates); *Anderson v. Nextel Retail*  
26 *Stores, LLC*, No. CV 07-4480 (C.D. Cal. June 20, 2010)(\$655- \$750 for partners and \$300 – 515 for  
27 associates); *Luquetta v. Regents of Cal.*, CGC-05-443007 (San Francisco Sup. Ct.) (approving 2012  
28 partner rates between \$550 and \$850 per hour); and *Holoway v. Best Buy Co.*, C-05-5056-PJH

(MEJ)(N.D. Cal.)(approving 2011 partner rates between \$825 and \$700, and associates hourly rates between \$355 and \$405 an hour).

60. Moreover, my billing rate has been approved within the last twelve months by California Superior Court judges. (*See generally Klein v. RedZone Security, Inc.*, Riverside Superior Court Case No. CVRI2202841 (August 15, 2024) Hon. Harold W. Hopp B. approved a \$700 billing rate and appointed Jean Claude Lapuyade, Esq. of the JCL Law Firm, APC, as Class Counsel; *Galindo v. PAQ, Inc., et al.*, San Joaquin Superior Court Case No: STK-CV-UOE-2022-1799 (September 17, 2024) Hon. Blanca A. Banuelos approved a \$700 billing rate and appointed Jean Claude Lapuyade, Esq. of the JCL Law Firm, APC, as Class Counsel.)

61. As of March 3, 2025, The JCL Law Firm, APC incurred a total lodestar of \$71,832.50 for 103.4 hours worked by attorneys and staff successfully litigating this matter. I have reviewed my firm's lodestar in this matter and believe the charges are reasonable and were reasonably necessary to the conduct of the case. Detailed Time and Billing Journals for the JCL Law Firm are attached hereto as Exhibit #6.

62. Additionally, the attorneys and staff at co-counsel the Zakay Law Group, APLC ("ZLG"), billed \$38,631.50 for 75.6 hours successfully litigating this action. A true and accurate copy of the ZLG time and billing entries is attached to the Declaration of Shani O. Zakay, Esq., which is filed concurrently herewith.

63. Collectively, PAGA Counsel spent a total of 285 hours successfully litigating this matter for a total combined loadstar of \$212,919. Thus, the Attorneys' Fee request is equal to Class Counsel's loadstar with a negative 0.78 multiplier.

64. PAGA Counsel's loadstar is summarized by firm below:

| <u>FIRM</u>           | <u>Hours</u> | <u>Total</u> |
|-----------------------|--------------|--------------|
| JCL Law Firm, APC.    | 103.4        | \$71,832.50  |
| Zakay Law Group, APLC | 75.60        | \$38,631.50  |
| Blackstone Law, APC   | 106.4        | \$102,455.00 |
| Total                 | 285          | \$212,919    |

1           65.     Prior to incurring costs for filing of this motion, PAGA Counsel collectively expended  
2 \$20,309.99 prosecuting this action (JCL Law Firm, APC - \$10,211.22, Zakay Law Group, APLC -  
3 \$7,761.57, Blackstone Law, APC - \$2,337.20).

4           66.     PAGA Counsel's out-of-pocket expenses are the types of expenses normally charged to  
5 paying clients including the following: filing fees; copying; postage; factual and legal research charges;  
6 mediation fees; and expert costs which were all incurred during, and were necessary for the successful  
7 prosecution of, the litigation and, therefore, should be reimbursed.

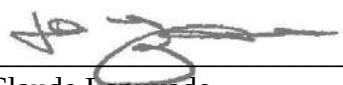
8 **VI. PLAINTIFFS' ENHANCEMENT AWARDS ARE FAIR AND REASONABLE**

9           67.     The Settlement provides for a Representative Service Payment of \$7,500 for each  
10 Plaintiff. The Service Award payment is fair and reasonable compensation for the Plaintiffs' efforts  
11 bringing the action, assisting PAGA Counsel with the litigation and settlement, regularly conferring  
12 with PAGA Counsel on the status of their case and the strategies for prosecuting the claims and agreeing  
13 to provide Defendants a broad general release of all claims arising out of their employment. Plaintiffs  
14 willingly came forward to protect and advance the rights of the Aggrieved Employees on important  
15 legal disputes affecting California employees. By way of example, Plaintiffs assumed the serious risk  
16 of liability for Defendants' costs and potentially fees if the case was unsuccessful. Nevertheless,  
17 Plaintiffs knowingly and voluntarily undertook the risk to vindicate the rights of the Aggrieved  
18 Employees.

19           68.     Plaintiffs' efforts in bringing the lawsuit conferred a monetary benefit to 1,268 Aggrieved  
20 Employees. Accordingly, Plaintiffs and PAGA Counsel respectfully request the Court approve the  
21 Representative Service Payment in accordance with the Settlement Agreement.

22  
23           I declare under penalty of perjury under the laws of the State of California that the foregoing is  
24 true and correct. Executed this 6th day of March 2025, at San Diego, California.

25 **JCL LAW FIRM, APC**

26 By:   
27 Jean-Claude Lapuyade  
28 Attorney for Plaintiff

# **EXHIBIT 1**

**PRIVATE ATTORNEYS GENERAL ACT (LABOR CODE § 2698 ET SEQ.)**  
**SETTLEMENT AGREEMENT**

***Tyler Wayne Sneed v. Sunroad Auto LLC; et al.***

**San Diego County Superior Court**

**Case No. 37-2022-00007661-CU-OE-CTL**

***Ly Hai v. Sunroad HS Auto, Inc.; et al.***

**San Diego County Superior Court**

**Case No. 37-2022-00025788-CU-OE-CTL**

***Mohammad Tahbaz v. Sunroad Auto LLC; et al.***

**California Labor and Workforce Development Agency**

**Case No. LWDA-CM-909488-22**

***Jorge Aguirre, et al. v. Sunroad CV Auto, Inc.; et al.***

**California Labor and Workforce Development Agency**

**Case No. LWDA-CM-858919-21**

***Shawn Farden v. Sunroad HS Auto, Inc.; et al.***

**California Labor and Workforce Development Agency**

**Case No. LWDA-CM-964812-23**

***Roman Mayne v. Sunroad MV Auto, Inc.; et al.***

**California Labor and Workforce Development Agency**

**Case No. LWDA-CM-966814-23**

***Shawn Farden and Christianna Yousif v. Sunroad Auto Holding Corp. and Sunroad***

***BCV Auto, Inc. dba BMW of El Cajon; et al.***

**California Labor and Workforce Development Agency**

**Case No. LWDA-CM-1056438-24**

IT IS HEREBY STIPULATED AND AGREED by and among the undersigned Parties (defined below) to this settlement agreement (“Agreement” or “Settlement”), subject to the approval of the Court, that the settlement of this Action (defined below) shall be effectuated upon and subject to the following terms and conditions. Capitalized terms used herein shall have the meanings set forth in Article I or elsewhere herein.

This Agreement is made by and between Defendants Sunroad Auto LLC; Sunroad HS Auto, Inc.; Sunroad CV Auto, Inc.; Sunroad MV Auto, Inc.; and Sunroad EC Auto, LLC (formerly known as Sunroad BCV Auto, Inc.) (collectively, “Defendants”), on the one hand, and Plaintiffs Tyler Wayne Sneed, Ly Hai, Mohammad Tahbaz, Shawn Farden, Jorge Aguirre, Roman Mayne, and Christianna Yousif (collectively, “Plaintiffs”), on behalf of themselves, the Aggrieved Employees (defined below), and the State of California, on the other hand. (Defendants and Plaintiffs are individually referred to herein as a “Party” and collectively referred to as the “Parties”). The Parties enter into this Agreement and Release of Liability under the Private Attorneys General Act of 2004 as follows:

The Parties agree all claims asserted in the Action (defined below), shall be, and hereby is, ended, settled, resolved, and concluded by agreement of Defendants to pay the total sum of Four Hundred Eighty Thousand Dollars and Zero Cents (\$480,000.00) (“Gross Settlement” or “Gross Settlement Amount”) for settlement of the Released PAGA Claims (defined below) on the terms outlined in this Agreement, subject to court approval, which sum shall be all-inclusive meaning it will cover payments to Plaintiffs, Plaintiffs’ attorneys’ fees and costs, settlement administration

fees, and payments to the State of California and the Aggrieved Employees, and under no condition will Defendants be obligated to pay additional sums for resolution of the Claims, except as provided in Section 10 below. The Parties further agree this Agreement is a compromise of disputed claims and nothing in this Agreement shall be construed as an admission of liability.

## 1. DEFINITIONS

In addition to other terms defined in this Agreement, the terms below have the following meaning in this Agreement:

1.1. “Action” collectively means the Plaintiffs’ lawsuits and PAGA Letters alleging wage and hour violations against Defendants captioned:

- (1) Plaintiff Tyler Wayne Sneed’s Private Attorneys General Act of 2004 (“PAGA”) civil action filed February 28, 2022, in the Superior Court of the State of California, County of San Diego entitled, *Tyler Wayne Sneed v. Sunroad Auto LLC, et al.*, Case No. 37-2022-00007661-CU-OE-CTL;
- (2) Plaintiff Ly Hai’s PAGA civil action filed June 30, 2022, in the Superior Court of the State of California, County of San Diego entitled, *Ly Hai v. Sunroad HS Auto, Inc., et al.*, Case No. 37-2022-00025788-CU-OE-CTL, which will be amended to be a Consolidated PAGA Action to consolidate the claims in all lawsuits and PAGA Letters referenced herein, all Released PAGA Claims (defined below), and those theories discussed at mediation;
- (3) Plaintiff Mohammad Tahbaz’s September 22, 2022, letter providing notice pursuant to PAGA (“PAGA Letter”) filed with the California Labor and Workforce Development Agency (“LWDA”), Case No. LWDA-CM-909488-22;
- (4) Plaintiff Jorge Aguirre’s April 18, 2023, PAGA Letter filed with the LWDA, Case No. LWDA-CM-858919-21;
- (5) Plaintiff Shawn Farden’s June 27, 2023, PAGA Letter filed with the LWDA, Case No. LWDA-CM-964812-23;
- (6) Plaintiff Roman Mayne’s July 7, 2023, PAGA Letter filed with the LWDA, Case No. LWDA-CM-966814-23; and
- (7) Plaintiffs Shawn Farden’s and Christianna Yousif’s October 15, 2024, PAGA Letter filed with the LWDA.

1.2. “Administrator” means Apex Class Action, LLC, the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid, and as approved by the Court in connection with the Plaintiffs’ Motion for Approval of the PAGA Settlement.

1.4. “Aggrieved Employee Data” means Aggrieved Employee identifying information in Defendants’ possession including each Aggrieved Employee’s full name, last-known mailing address, Social Security number, dates of employment, and number of PAGA Pay Periods.

- 1.5. “Aggrieved Employee Address Search” means the Administrator’s investigation and search for current Aggrieved Employee mailing addresses using all reasonably available sources, methods and means, including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with the Aggrieved Employees.
- 1.6. “Attorneys’ Fees and Costs” mean PAGA Counsel’s Fees in the amount equal to 35% of the Gross Settlement Amount, subject to approval by the Court, and PAGA Counsel’s reasonable litigation expenses, subject to approval by the Court, incurred to prosecute the Action.
- 1.7. “Court” means the Superior Court of California, County of San Diego.
- 1.8. “Defendants” means Sunroad Auto LLC; Sunroad HS Auto, Inc.; Sunroad CV Auto, Inc.; Sunroad MV Auto, Inc.; and Sunroad EC Auto, LLC (formerly known as Sunroad BCV Auto, Inc.).
- 1.9. “Defense Counsel” means Tim L. Johnson, Jesse C. Ferrantella and Cameron J. Davila of Ogletree, Deakins, Nash, Smoak & Stewart, P.C.
- 1.10. “Effective Date” means the date upon which both the following have occurred: (i) approval of the Settlement is granted by the San Diego County Superior Court, or other court assuming jurisdiction, and (ii) the Judgment is final. The Judgment is final on the day the Court enters Judgment approving the PAGA Settlement.
- 1.11. “Gross Settlement Amount” means Four Hundred Eighty Thousand Dollars and Zero Cents (\$480,000.00) which is the total amount to be paid by Defendants as provided by this Agreement except as provided in Section 10 below. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, Plaintiffs’ Attorneys Fees and Costs, PAGA Representative Service Payments, and the Administrator’s Expenses. This Gross Settlement Amount is an all-in amount without any reversion to Defendants, with no claim forms required.
- 1.12. “Individual PAGA Payment” means each Aggrieved Employee’s *pro rata* share of the PAGA Employees’ Share, to be calculated according to the number of PAGA Pay Periods the Aggrieved Employee worked during the PAGA Period.
- 1.13. “Judgment” or “Approval Order” means the order and judgment entered by the Court based upon the Approval of the PAGA Settlement.
- 1.14. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.15. “LWDA PAGA Payment” means 75% of the PAGA Penalties to be paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.16. “Operative Complaint” means the amended Consolidated Complaint to be filed in the

case entitled: *Ly Hai v. Sunroad HS Auto, Inc., et al.*, Case No. 37-2022-000025788-CU-OE-CTL, which will serve to consolidate all lawsuits and PAGA Letters filed by Plaintiffs, to incorporate all Released PAGA Claims and all legal theories discussed at mediation into one consolidated operative complaint.

- 1.17. “PAGA” means the Private Attorneys General Act of 2004, codified at California Labor Code §§ 2698. et seq.
- 1.18. “PAGA Employees’ Share” means 25% of the PAGA Penalties allocated to be paid in Individual PAGA Payments to the Aggrieved Employees.
- 1.19. “PAGA Letter(s)” means the Plaintiffs’ letters and supplemental letters to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a). This includes LWDA Case Nos. LWDA-CM-858919-21, LWDA-CM-880351-22, LWDA-CM-909488-22, LWDA-CM-964812-23, and LWDA-CM-966814-23.
- 1.20. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendants for at least one day during the PAGA Period. Defendants represent that the total number of PAGA Pay Periods is approximately 39,283.
- 1.21. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees and 75% to the LWDA, in settlement of the Released PAGA claims.
- 1.22. “PAGA Penalties Amount” means the Gross Settlement Amount, less the following payments, in the amounts approved by the Court: PAGA Representative Service Payments, PAGA Counsel’s Attorneys’ Fees and Costs, and the Administration Expenses Payment.
- 1.23. “PAGA Period” means one year prior to each of the respective PAGA Letters, which varies depending on the dealership at issue and the date of the respective PAGA letter:
  - Sunroad Auto LLC – December 20, 2020, to the PAGA Period End Date
  - Sunroad HS Auto, Inc. – April 25, 2021, to the PAGA Period End Date
  - Sunroad CV Auto, Inc. – April 18, 2022, to the PAGA Period End Date
  - Sunroad MV Auto, Inc. – July 7, 2022, to the PAGA Period End Date
  - Sunroad EC Auto, LLC (formerly known as Sunroad BCV Auto, Inc.) – February 6, 2023, the PAGA Period End Date.
- 1.24. “PAGA Period End Date” means May 10, 2024., or when the total aggregate of PAGA Periods increase 10% above 39,283 (i.e. 43,211), whichever occurs sooner. If the PAGA Pay Periods of the PAGA Settlement Members exceeds 39,283 by more than 10%, Defendants have the option to: 1) increase the Gross Settlement Amount in proportion to the percentage the actual PAGA Pay Periods exceed the 10% threshold, in order to settle those additional pay periods.
- 1.25. “PAGA Representative Service Payments” means the Court-approved payments to all Plaintiffs in the amount of \$7,500 each, in consideration for a broader release of

claims and in recognition of their service on behalf of the Aggrieved Employees and State of California.

- 1.26. “PAGA Settlement Members” and/or “Aggrieved Employees” means all current and former non-exempt employees employed by Defendants Sunroad Auto, LLC; Sunroad HS Auto, Inc., Sunroad CV Auto, Inc.; Sunroad MV Auto, Inc.; and Sunroad EC Auto, LLC (formerly known as Sunroad BCV Auto, Inc.), either directly or as a joint employer, and who worked in California during the PAGA Period. No employee may opt out of being a PAGA Settlement Member.
- 1.27. “PAGA Settlement Notice” means the notice attached hereto as **Exhibit A**, that is to be mailed together with the Individual PAGA Payments, with no claims process required.
- 1.28. “Parties” means Plaintiffs and Defendants.
- 1.29. “Plaintiffs” means Tyler Wayne Sneed; Mohammad Tahbaz; Ly Hai; Shawn Farden; Jorge Aguirre; Roman Mayne; and Christianna Yousif, individually and in their capacities as representatives of the State of California on behalf of other aggrieved employees.
- 1.30. “Plaintiffs’ Attorneys” or “PAGA Counsel” means Shani O. Zakay of Zakay Law Group, APLC, Jean-Claude Lapuyade of JCL Law Firm, and Jonathan Genish and Barbara DuVan-Clarke of Blackstone Law, APC.
- 1.31. “Released PAGA Claims” means all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the factual allegations stated in the Action, the Operative Complaint, and any amendments thereto, which occurred during the PAGA Period, including but not limited to, all claims for: 1) failure to pay all minimum or other wages (including commission, non-productive time, and piece-rate wages); 2) failure to pay all overtime and double time wages; 3) meal period violations and claims for meal period premium pay; 4) rest period violations and claims for rest period premium pay; 5) failure to properly pay paid sick leave / paid time off; 6) failure to pay all wages during employment and upon termination; 7) failure to furnish accurate itemized wage statements; 8) failure to maintain accurate payroll records; and 9) failure to reimburse business expenses all in violation of Labor Code §§ 201, 201.3, 202, 203, 204, 210, 218.5, 218.6, 226, 226.2, 226.3, 226.7, 227.3, 233, 246 through 248.7, 256, 510, 512, 558, 1174(d), 1174.5, 1194, 1197, 1197.1, 1197.14, 1198, 1199, 2802, and 2804. The Released PAGA Claims do not include other PAGA claims, claims for wrongful termination, discrimination, unemployment insurance, disability and worker’s compensation, or PAGA Claims outside of the PAGA Period.
- 1.32. “Released Parties” means: Defendants and each of their former and present insurers, brands, concepts, affiliates, subsidiaries, parent companies, predecessors, successors, assigns, employees, officers, directors, agents, attorneys, administrators, representatives, heirs, estates, powers-of-attorney, and any individual or entity that could be jointly liable with Defendants.

1.33. “Settlement” means the disposition of the Action and all related claims effectuated by this Agreement and the Judgment.

## **2. RECITALS**

- 2.1. On December 22, 2021, Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff Tyler Wayne Sneed provided written notice to Defendants Sunroad Auto LLC; Sunroad Auto Holding Corporation; Sunroad Holding Corporation; Sunroad Dealerships Corporation; Sunroad CV Auto, LLC; Sunroad EC Auto, LLC; Sunroad HG Auto, LLC; and Sunroad KF Auto and to the LWDA of the Labor Code violations alleged to have been committed by those Defendants (“Sneed PAGA Letter”). The LWDA has not, at any time, indicated the intention to investigate the alleged violations referenced in the Sneed PAGA Letter.
- 2.2. On February 28, 2022, Plaintiff Tyler Wayne Sneed filed a Representative Action Complaint against Defendants Sunroad Auto LLC; Sunroad Auto Holding Corporation; Sunroad Holding Corporation; Sunroad Dealerships Corporation; Sunroad CV Auto, LLC; Sunroad EC Auto, LLC; Sunroad HG Auto, LLC; and Sunroad KF Auto, LLC in the Superior Court of the State of California, County of San Diego, alleging one cause of action for Civil Penalties Pursuant to Labor Code § 2699, et seq. for violations of Labor Code §§ 201, 201.3, 202, 203, 204, 210, 218.5, 218.6, 226, 226.3, 226.7, 246, 510, 512, 558, 1174(d), 1174.5, 1194, 1197, 1197.1, 1197.14, 1198, 1199, 2802, and 2804. (“Sneed Action”).
- 2.3. Plaintiff Tyler Wayne Sneed alleged claims for failure to provide compliant meal and rest periods; failure to allow employees to take duty-free meal and rest periods; failure to separately compensate for all non-productive time; failure to pay all minimum, regular, and overtime wages; failure to correctly calculate the regular rate of pay, failure to maintain true and accurate records; failure to reimburse business expenses; failure to provide accurate itemized wage statements; and failure to timely pay wages during, and upon termination of employment.
- 2.4. On April 25, 2022, Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff Ly Hai provided written notice to Defendant Sunroad HS Auto, Inc. and to the LWDA of the Labor Code violations alleged to have been committed by Sunroad HS Auto, Inc. (“Hai PAGA Letter”). The LWDA has not, at any time, indicated the intention to investigate the alleged violations referenced in the Hai PAGA Letter.
- 2.5. On June 30, 2022, Plaintiff Ly Hai filed a Class and Representative Action Complaint against Defendant Sunroad HS Auto, Inc. in the Superior Court of the State of California, County of San Diego, alleging six causes of action for (1) Failure to Provide Meal Periods; (2) Failure to Authorize or Permit Rest Periods; (3) Failure to Timely Pay Final Wages; (4) Failure to Provide Itemized Wage Statements; (5) Unfair Competition Law; and (6) Civil Penalties Pursuant to PAGA. (“Hai Action”).

- 2.6. On September 22, 2022, Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff Mohammad Tahbaz provided written notice to Defendants and to the LWDA of the Labor Code violations alleged to have been committed by Defendants (“Tahbaz PAGA Letter”). The LWDA has not, at any time, indicated the intention to investigate the alleged violations referenced in the Tahbaz PAGA Letter.
- 2.7. On September 30, 2022, each Defendant named in the Sneed Action filed an Answer to the Sneed Action and asserted arbitration as a defense.
- 2.8. On September 19, 2022, defendant Sunroad HS Auto, Inc. filed an Answer to the Hai Action and asserted arbitration as a defense.
- 2.9. On November 22, 2022, Ly Hai dismissed his individual and class claims without prejudice.
- 2.10. On April 18, 2023, Pursuant to Labor Code section 2699.3, subd.(a), Plaintiffs Tyler Wayne Sneed and Jorge Aguirre provided a supplementary written notice to Defendants and to the LWDA of the Labor Code violations alleged to have been committed by Defendants (“Aguirre PAGA Letter”). The LWDA has not, at any time, indicated the intention to investigate the alleged violations referenced in the Aguirre PAGA Letter.
- 2.11. On June 27, 2023, Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff Shawn Farden provided written notice to Defendants and to the LWDA of the Labor Code violations alleged to have been committed by Defendants (“Farden PAGA Letter”). The LWDA has not, at any time, indicated the intention to investigate the alleged violations referenced in the Farden PAGA Letter.
- 2.12. On July 7, 2023, Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff Roman Mayne provided written notice to Defendants and to the LWDA of the Labor Code violations alleged to have been committed by Defendants (“Mayne PAGA Letter”). The LWDA has not, at any time, indicated the intention to investigate the alleged violations referenced in the Mayne PAGA Letter.
- 2.13. On October 15, 2024, Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff Shawn Farden and Christianna Yousif provided supplementary written notice to Defendants and to the LWDA of the Labor Code violations alleged to have been committed by Defendants (“Yousif PAGA Letter”). The LWDA has not, at any time, indicated the intention to investigate the alleged violations referenced in the Yousif PAGA Letter.

### **Mediation and Settlement**

- 2.14. Defendants deny the allegations in the Action and the Operative Complaint, deny any failure to comply with the laws identified in the Action and the Operative Complaint and deny any and all liability for the causes of action alleged. Defendants represent that all Plaintiffs have signed arbitration agreements requiring individual arbitration.
- 2.15. The Parties subsequently agreed to engage in mediation, which took place on February 7, 2024, with experienced wage-and-hour and representative action mediator, Chris

Barnes, Esq. The Parties engaged in formal and informal discovery before the mediation. The Parties also engaged in extensive settlement negotiations at the mediation, which involved substantial offers and counteroffers between the Parties. While the matter did not settle at the mediation, continued negotiations assisted by Mr. Barnes resulted in this Settlement.

- 2.16. Counsel for all Parties have thoroughly investigated the facts relating to the claims alleged in the Action and the Operative Complaint and made a thorough study of the legal principles applicable to the claims asserted against Defendants. Plaintiffs' Counsel concluded the Settlement is fair, reasonable, and adequate, given all known facts and circumstances, including the defenses asserted by Defendants, potential adverse findings regarding liability, and numerous potential appellate issues.
- 2.17. Following the mediation, each side, represented by its respective counsel, was able to agree to settle the Action which settlement in principle was memorialized in the form of a Mediator's Proposal. Once executed, this Agreement replaces and supersedes the Mediator's Proposal and any other agreements, understandings, or representations between the Parties.
- 2.18. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission by Defendants that the claims in the Action of Plaintiffs or the Aggrieved Employees have merit or that Defendants bear any liability to Plaintiffs or the Aggrieved Employees on those claims or any other claims, or as an admission by Plaintiffs that Defendants' defenses in the Action have merit. Defendants denied and continue to deny, every claim and contention alleged in the Action, and have always maintained that they never engaged in any unlawful acts regarding the matters alleged in the Action.
- 2.19. If for any reason the Settlement does not become effective, Defendants reserve all available defenses to the claims in the Action and reserve the right to compel Plaintiffs' individual PAGA claims to arbitration or seek a stay and/or dismissal of the representative PAGA claims. If the court does not grant approval of the Settlement, the Parties will stipulate that the case will be returned to its status as of February 5, 2024.
- 2.20. As part of this Settlement Agreement, the Parties agreed to stipulate to the filing of an amended Consolidated Complaint that consolidates all of Plaintiffs' alleged PAGA claims into the Hai Action. The amended Consolidated Complaint also will serve to clarify the basis for all claims, causes of action, and theories of liability addressed during the mediation. Plaintiffs will also serve a supplemental letter to the LWDA enclosing the amended Consolidated Action Complaint.
- 2.21. To accomplish the foregoing, the Parties shall stipulate to allow Plaintiffs to file a First Amended (Consolidated) Complaint in the matter entitled: *Ly Hai v. Sunroad HS Auto, Inc., et al., Case No. 37-2022-000025788-CU-OE-CTL*. The First Amended (Consolidated) Complaint shall be the operative complaint in the Action (the "Operative Complaint"). Once the consolidated Operative Complaint is accepted, all other pending actions shall be dismissed. Defendants need not file a response to the Operative Complaint, but shall be deemed to have denied the allegations and asserted the same

defenses (including arbitration) as asserted in the initial answers filed in the Sneed Action and Hai Action.

NOW, THEREFORE, in consideration of the mutual covenants, promises, and conditions set forth, the Parties agree:

### **3. NON-ADMISSION OF LIABILITY**

Based on the factual and legal issues involved, the expense and time necessary to prosecute the Action through trial, the risks, uncertainty, and costs of further prosecution, the difficulty of proof necessary to establish a manageable group for purposes of liability, and the relative benefits to the PAGA Settlement Members of an expeditious resolution to the Action, the Parties have concluded that the terms set forth in this Settlement are fair, reasonable, adequate, and in the best interests of the PAGA Settlement Members.

By entering into this Settlement, Defendants deny any liability for any of the claims in the Action, and any other potential or unknown claims based on wage and hour violations under California or federal law. Neither this Settlement, nor any document referred to or contemplated herein, nor any action taken to carry out this Settlement, may be construed as, or may be used as, an admission, concession, or indication by or against Defendants of any unlawful conduct, fault, wrongdoing or liability whatsoever. Defendants specifically deny that they have engaged in any unlawful or wrongful conduct against Plaintiffs or the PAGA Settlement Members.

### **4. MONETARY TERMS**

4.1. Gross Settlement Amount. Except as otherwise provided by Section 10 below, Defendants shall pay a monetary settlement payment in a total amount not to exceed \$480,000 ("Gross Settlement Amount"). The Gross Settlement Amount is the maximum monetary amount Defendants can be required to pay under this Settlement. The Gross Settlement Amount includes the Individual PAGA Payments to the Aggrieved Employees, the PAGA Representative Service Payments to Plaintiffs, the LWDA PAGA Payment, Attorneys' Fees and Costs, and the Administration Expenses Payment. Defendants have no obligation to pay the Gross Settlement Amount prior to the Effective Date of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. The Gross Settlement Amount shall be all-in and none of the Gross Settlement Amount will revert to Defendants.

4.2. Payments from the Gross Settlement Amount. Subject to the terms and conditions of this Agreement, the Administrator will make the following payments out of the Gross Settlement Amount, in the amounts specified by the Court in the order granting Approval of the PAGA Settlement.

(a) To PAGA Counsel: A PAGA Counsel Fees Payment of not more than 35% of the Gross Settlement Amount which is currently estimated to be \$168,000.00 and PAGA Counsel Litigation Costs of not more than \$25,000. Defendants will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. Plaintiffs and/or PAGA Counsel will file an application or motion for PAGA

Counsel Attorneys' Fees and Costs. If the Court approves a PAGA Counsel Fees Payment and/or PAGA Counsel Litigation Costs in an amount less than the amounts requested, the Administrator will allocate the remainder to the PAGA Penalties Amount. Released Parties shall have no liability to PAGA Counsel or any other Plaintiffs' Counsel arising from any claim to any portion of the Attorneys' Fees and Costs. The Administrator will pay the PAGA Counsel Attorneys' Fees and Costs using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Attorneys' Fees and Costs and holds Defendants harmless, and indemnifies Defendants, from any dispute or controversy regarding any division or sharing of any of these Payments.

- (b) Plaintiffs: Plaintiff's PAGA Representative Service Payment to PAGA Representatives Tyler Wayne Sneed, Ly Hai, Mohammad Tahbaz, Shawn Farden, Jorge Aguirre, Roman Mayne, and Christianna Yousif of not more than \$7,500 each (in addition to any Individual PAGA Payment that Plaintiffs are entitled to receive as a PAGA Settlement Member). Defendants will not oppose Plaintiffs' request for PAGA Representative Service Payments that do not exceed this amount. If the Court approves PAGA Representative Service Payments in an amount less than the amount requested, the Administrator will retain the remainder in the PAGA Penalties Amount. The Administrator will pay the PAGA Representative Service Payments using IRS Form 1099. Plaintiffs assume full responsibility and liability for employee taxes owed on the PAGA Representative Service Payments.
- (c) To the Administrator: An Administration Expenses Payment not to exceed \$8,500.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses Payment is less, or the Court approves payment in an amount less than \$8,500.00, the Administrator will allocate the remainder to the PAGA Penalties Amount.
  - i. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

## **5. SETTLEMENT FUNDING**

- 5.1. Aggrieved Employee Data. Within twenty-one (21) days of the Effective Date, Defendants will simultaneously deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employees' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement.
- 5.2. Funding of the Gross Settlement Amount. Defendants shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 28 days after the Effective Date. Within 15 days after the Defendants fully fund the Gross Settlement Amount, the Settlement Administrator shall distribute the PAGA Penalties Amount to the LWDA and to the PAGA Settlement Members. Payments to PAGA Settlement Members shall be made via U.S. Mail to their last known addresses.

- 5.3. Formula for Calculating Individual PAGA Payments from the PAGA Employees' Share. The portion of the PAGA Employees' Share to be paid to each PAGA Settlement Member shall be determined based on the following pay period formula:

The payment to PAGA Settlement Members will be based on the number of pay periods worked by each PAGA Settlement Member during the PAGA Period. The Administrator will calculate each Individual PAGA Payment by (a) dividing the PAGA Employees' Share (which is 25% of the PAGA Penalties Amount) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period. The resulting pay period value will then be multiplied by the number of PAGA Pay Periods worked by each PAGA Settlement Member to calculate their individual payment ("Individual PAGA Payment"). Defendants' records shall be determinative for purposes of calculating the number of pay periods worked and any payments to PAGA Settlement Members.

- 5.4. Distribution of PAGA Penalties Amount. The Settlement Administrator shall pay an amount equivalent to 75% of the PAGA Penalties Amount to the LWDA (i.e., the LWDA PAGA Payment), or as otherwise directed by the Court. A copy of the check that the Settlement Administrator mails to the LWDA shall be provided to Plaintiffs' Counsel within five days of mailing.

The Settlement Administrator shall also distribute the Individual PAGA Payments to each PAGA Settlement Member, or as otherwise directed by the Court, by postmarked First Class U.S. Mail. The Settlement Administrator shall maintain a list of the postmarked dates for the original mailing of each Individual PAGA Payment to the PAGA Settlement Members and a list of PAGA Settlement Members who did not receive the Individual PAGA Payments, if any, due to the inability to locate a valid address.

All Individual PAGA Payment checks will remain valid and negotiable for 180 days from the date of their issuance. After 180 days, any uncashed checks will be void and the Administrator shall transmit the funds represented by such uncashed checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee whose check remains uncashed.

The Settlement Administrator will prepare and issue IRS Form 1099s to PAGA Settlement Members who received an Individual PAGA Payment. The payment of Individual PAGA Payments shall not obligate Defendants to confer any additional benefits or make any additional payments to the Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

- 5.5. Tax Treatment. PAGA Settlement Members will assume any tax obligations or consequences that may arise from the receipt of their Individual PAGA Payments. PAGA Settlement Members release any and all claims they have or may have against Defendants or Released Parties for any claims, demands, deficiencies, levies, assessments, executions, judgments, penalties, taxes, indemnification, and any other recoveries related to any payments made under this Settlement or any compensation provided at any time

by Defendants or any of the Released Parties. The PAGA Settlement Members shall not contact Defendants, any of the Released Parties, or Defense Counsel.

**6. RELEASE OF CLAIMS.** Effective on the date when Defendants fully fund the entire Gross Settlement Amount, Plaintiffs, Aggrieved Employees, the State of California, and the LWDA will release claims against all Released Parties as follows:

6.1. Plaintiffs' Release. In addition to the claims released under Sections 6.2 below, Plaintiffs and Plaintiffs' former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns, agree to a general release of any and all claims, transactions, or occurrences against the Released Parties—which will include without limitation any and all claims which in any way relate to Plaintiffs' employment with Defendants or alleged employment with all other Defendants, under State or Federal law, in tort, common law, statute, contract, or equity, whether pled in the Operative Complaint or not, including but not limited to any claims under the Fair Labor Standards Act ("FLSA"), Title VII, Americans with Disabilities Act ("ADA"), Fair Employment and Housing Act ("FEHA"), Age Discrimination in Employment Act ("ADEA"), Family Medical Leave Act ("FMLA") and/or California Family Rights Act ("CFRA"); Private Attorneys General Act ("PAGA"), California Labor Code, or any Industrial Welfare Commission Wage Order, based on any act, omission, event, occurrence, or nonoccurrence from the beginning of time to the date of execution hereof ("Plaintiffs' Release"). Plaintiffs' Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, or workers' compensation benefits that arose at any time. Plaintiffs acknowledge that Plaintiffs may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now know or believe to be true but agree, nonetheless, that Plaintiffs' Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs' discovery of them.

(a) Plaintiffs' Waiver of Rights Under Civil Code Section 1542. For purposes of Plaintiffs' Release, Plaintiffs expressly waive and relinquish the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her would have materially affected his or her settlement with the debtor or Released Party.

6.2. Release of PAGA Claims by the LWDA and PAGA Settlement Members. All Aggrieved Employees (i.e. PAGA Settlement Members), the State of California, and the LWDA are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all of the Released PAGA Claims. The Parties agree that the settlement of this Action shall be effective as a full and final accord and satisfaction, settlement of, and as a bar to, the claims for civil penalties resulting from the Labor Code violations alleged, or that could have been alleged, against Defendants arising out of the facts, circumstances, and primary rights in the Operative Complaint. The Parties further

agree the settlement of this Action shall be binding on Plaintiffs, the PAGA Settlement Members, the LWDA, the State of California, Defendants, and the Released Parties. Because of this release, the PAGA Settlement Members cannot sue under, or recover in any other action brought under PAGA, California Labor Code §§ 2698 *et seq.*, for any violations of the Released Claims that took place during the PAGA Period. This includes PAGA claims that occurred during the PAGA Period for: for 1) failure to pay all minimum or other wages (including commission and piece-rate wages); 2) failure to pay all overtime and double time wages; 3) meal period violations and claims for meal period premium pay; 4) rest period violations and claims for rest period premium pay; 5) failure to properly pay paid sick leave / paid time off; 6) failure to pay all wages during employment and upon termination; 7) failure to furnish accurate itemized wage statements; 8) failure to maintain accurate payroll records; and 9) failure to reimburse business expenses, all in violation of Labor Code §§ 201, 201.3, 202, 203, 204, 210, 218.5, 218.6, 226, 226.2, 226.3, 226.7, 227.3, 233, 246 through 248.7, 256, 510, 512, 558, 1174(d), 1174.5, 1194, 1197, 1197.1, 1197.14, 1198, 1199, 2802, and 2804.

- 6.3. Release by PAGA Counsel. PAGA Counsel release on behalf of their present and former attorneys, employees, agents, successors and assigns the Released Parties from all claims for Attorneys' Fees and Costs incurred in connection with the Action and the PAGA Period facts stated in the Operative Complaint and the PAGA Letters.

## **7. MOTION OR APPLICATION FOR APPROVAL OF PAGA SETTLEMENT**

- 7.1. The Parties agree to jointly prepare and file an application or motion for approval of this Settlement.
- 7.2. Plaintiffs' Responsibilities. Plaintiffs' Counsel will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code Section 2699, subd. (f)(2) including (i) a draft proposed Order Granting Approval of PAGA Settlement and Judgment; (ii) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Aggrieved Employee Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees or the LWDA; and the nature and extent of any financial relationship with Plaintiffs, PAGA Counsel or Defense Counsel; (iii) a signed declaration from PAGA Counsel attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)), and all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator.

## **8. SETTLEMENT ADMINISTRATION**

- 8.1. Selection of Administrator. The Parties have jointly selected the Administrator to serve in that role and verified that, as a condition of appointment, the Administrator agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Administrator's

duties will include preparing, printing, and mailing the PAGA Settlement Notice to all PAGA Settlement Members; conducting a National Change of Address database search to update PAGA Settlement Members' addresses before mailing the PAGA Settlement Notice; re-mailing PAGA Settlement Notices that are returned to the PAGA Settlement Member's new address; calculating Individual PAGA Payments; issuing the checks to effectuate the payments due under the Settlement; issuing the tax reports required under this Settlement; and otherwise administering the Settlement pursuant to this Agreement. The Parties and their Counsel represent that they have no interest in or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

8.2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings (if any) and providing reports to state and federal tax authorities.

8.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

8.4. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

**9. CONTINUING JURISDICTION OF THE COURT.** The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or the Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

9.1. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the PAGA Counsel Attorney's Fees and Costs, the Parties, and their respective counsel, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If another Party appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to appeals regarding matters that do not affect the amount of the PAGA Penalties Amount.

**10. PAGA SIZE MODIFICATION AND ESCALATOR CLAUSE.** Based on their records, Defendants estimate there are 1,268 Aggrieved Employees who worked 39,283 pay periods during the PAGA Period. If the PAGA Pay Periods exceed 39,283 by more than 10%, Defendants have the option to either: 1) pay a pro-rata amount over the Gross Settlement Amount to address any additional pay periods above the 10% threshold and settle those additional PAGA Pay Periods. (For example, if the actual number of PAGA Pay Periods is 11% higher than 39,283, the Gross Settlement Amount will be increased by 1%), or 2) alternatively, Defendants will have the option to end the PAGA Period on the date when PAGA Pay Periods do not exceed the 10% threshold.

## 11. ADDITIONAL PROVISIONS

### 11.1. No Admission of Liability or Representative Action Manageability for Other Purposes.

This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended to be, nor should be construed as, an admission by Defendants that any of the allegations in the Operative Complaint have merit or that Defendants have any liability for any claims asserted in the Action; nor should this Agreement be intended or construed as an admission by Plaintiffs that Defendants' defenses in the Action have merit. The Parties agree that agreeing to representative treatment is for purposes of this Settlement only. If, for any reason the Court does not approve this Settlement, Defendants reserve all available defenses to the claims in the Action, and Plaintiffs reserve the right to contest Defendants' defenses. The Settlement, this Agreement, and the Parties' willingness to settle the Action, will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

### 11.2. No Publicity. Plaintiffs and PAGA Counsel will not contact the media about the

Settlement or respond to any inquiries by the media regarding the Settlement, other than to state that the matter was amicably settled, and the Court did not find Defendants liable. Plaintiffs and Plaintiffs' Counsel shall not publicize or refer to the fact or amount of the Settlement on their websites, social media, any other marketing materials, or legal publications. Plaintiffs and Plaintiffs' Counsel will not state on their websites, social media, any other marketing materials, or legal publications, that Defendants engaged in any act contrary to California law, or denied payment owed to its employees, or otherwise committed any violations of the California Labor Code or any other local, state, or federal law, otherwise disparage Defendants, or otherwise identify Defendants. Defendants may report the Settlement or results of this lawsuit if required to do so by public disclosure regulatory requirements, or with respect to any financial or other disclosures, which in their judgment are necessary. Plaintiffs may disclose publicly available information about the Settlement in future filings with the court regarding adequacy of counsel.

### 11.3. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all mediator's proposal, memorandum of understanding, oral representations, warranties, covenants, or inducements made to or by any Party.

### 11.4. Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Defendants, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

### 11.5. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement if necessary, and/or submitting supplemental evidence and supplementing points and authorities, as requested by the Court. In the event the Parties

are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution. If the Court believes the amount of Administration Expenses; Attorneys' Fees, Attorneys' Costs; or PAGA Representative Service Payment(s) should be modified, the other terms of the Settlement will remain in effect and any such reduction will not affect the remaining terms, other than adjusting the PAGA Penalties Amount. A reduction to the Attorneys' Fees, Attorneys' Expenses; or PAGA Representative Service Payment is not a ground for rescinding the Agreement.

- 11.6. No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Parties in this Settlement.
- 11.7. No Tax Advice. Neither Plaintiffs, PAGA Counsel, Defendants nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 11.8. Modification of Agreement. Before its approval by the Court, this Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives. After Court approval, this Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 11.9. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties. Plaintiffs represent covenant, and warrant they have not directly or indirectly, assigned, transferred, or encumbered any claim, demand, action, cause of action, or right released in the Released Claims in this Settlement. This Settlement shall be binding upon Plaintiffs, Defendants, the PAGA Settlement Members, and the State of California.
- 11.10. Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 11.11. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 11.12. Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 11.13. Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the

Aggrieved Employee Data or other data provided to PAGA Counsel by Defendants in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the Administrator discharges its obligation to pay out all Settlement funds, Plaintiffs shall destroy all paper and electronic versions of the Aggrieved Employee Data received from Defendants unless, prior to the Administrator's payment of all Settlement funds, Defendants make a written request to PAGA Counsel for the return, rather than the destruction, of the Aggrieved Employee Data.

11.14. Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

11.15. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

11.16. Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email, addressed as follows:

*To Plaintiffs and the PAGA Settlement Members:*

Shani O. Zakay  
Zakay Law Group, APLC  
5440 Morehouse Drive, Suite 3600  
San Diego, CA 92121  
Tel.: (619) 255-9047  
E-Mail: shani@zakaylaw.com

Barbara DuVan-Clarke  
Blackstone Law, APC  
8383 Wilshire Blvd., Suite 745  
Beverly Hills, CA 90211  
Tel: (310) 622-4278  
E-Mail: bdc@blackstonepc.com

Jean-Claude Lapuyade  
JCL Law Firm, A.P.C.  
5440 Morehouse Drive, Suite 3600  
San Diego, California 92121  
E-Mail: jlapuyade@jcl-lawfirm.com

To Defendants:

Tim L. Johnson  
Jesse C. Ferrantella  
Cameron J. Davila  
Ogletree, Deakins, Nash, Smoak & Stewart, P.C  
4660 La Jolla Village Drive, Suite 900  
San Diego, CA 92122  
Tel: 858-652-3100  
Fax: 858-652-3101  
E-Mail: tim.johnson@ogletree.com  
jesse.ferrantella@ogletree.com

11.17. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

11.18. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that, upon the signing of this Agreement, pursuant to CCP section 583.330, the date to bring a case to trial under CCP section 583.310 shall be extended for the entire period of this settlement process, beginning on the date of execution of this Agreement, through the date of distribution of the Settlement funds.

11.19. Fair Settlement. The Parties, Class Counsel and Defense Counsel believe and warrant that this Agreement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at this Agreement through arms-length negotiations, taking into account all relevant factors, both current and potential.

## 12. EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel hereby execute this Agreement.

Dated: 11/04/2024

  
Tyler Sneed (Nov 4, 2024 18:15 PST)

Plaintiff Tyler Sneed

Dated: \_\_\_\_\_

Plaintiff Ly Hai

Dated: \_\_\_\_\_

Plaintiff Shawn Farden

Dated: 11/06/2024

  
jorge aguirre (Nov 6, 2024 14:26 PST)

Plaintiff Jorge Aguirre

To Defendants:

Tim L. Johnson  
Jesse C. Ferrantella  
Cameron J. Davila  
Ogletree, Deakins, Nash, Smoak & Stewart, P.C  
4660 La Jolla Village Drive, Suite 900  
San Diego, CA 92122  
Tel: 858-652-3100  
Fax: 858-652-3101  
E-Mail: tim.johnson@ogletree.com  
jesse.ferrantella@ogletree.com

11.17. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

11.18. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that, upon the signing of this Agreement, pursuant to CCP section 583.330, the date to bring a case to trial under CCP section 583.310 shall be extended for the entire period of this settlement process, beginning on the date of execution of this Agreement, through the date of distribution of the Settlement funds.

11.19. Fair Settlement. The Parties, Class Counsel and Defense Counsel believe and warrant that this Agreement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at this Agreement through arms-length negotiations, taking into account all relevant factors, both current and potential.

## 12. EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel hereby execute this Agreement.

Dated: 11/04/2024

  
Tyler Sneed (Nov 4, 2024 18:15 PST)

Plaintiff Tyler Sneed

Dated: 11/13/2024



Plaintiff Ly Hai

Dated: 11/06/2024



Plaintiff Shawn Farden

Dated: \_\_\_\_\_

Plaintiff Jorge Aguirre

Dated: 11/06/2024

Roman Mayne

Plaintiff Roman Mayne

Dated: 11/4/2024

mohammad tahbaz

mohammad tahbaz (Nov 4, 2024 21:00 PST)

Plaintiff Mohammad Tahbaz

Dated: 11/06/2024

Christianna Yousif

Plaintiff Christianna Yousif

Dated: \_\_\_\_\_

\_\_\_\_\_  
[name]  
For Defendant Sunroad Auto LLC

Dated: \_\_\_\_\_

\_\_\_\_\_  
[name]  
For Defendant Sunroad HS Auto, Inc.

Dated: \_\_\_\_\_

\_\_\_\_\_  
[name]  
For Defendant Sunroad CV Auto, Inc.

Dated: \_\_\_\_\_

\_\_\_\_\_  
[name]  
For Defendant Sunroad MV Auto, Inc.

Dated: \_\_\_\_\_

\_\_\_\_\_  
[name]  
For Defendant Sunroad EC Auto, LLC  
(formerly known as Sunroad BCV Auto, Inc.)

Approved as to Form

Dated: \_\_\_\_\_

\_\_\_\_\_  
Shani O. Zakay  
Zakay Law Group, APLC  
Attorney for Plaintiffs

Dated: \_\_\_\_\_

Plaintiff Roman Mayne

Dated: 11/4/2024

mohammad tahbaz  
mohammad tahbaz (Nov 4, 2024 21:00 PST)

Plaintiff Mohammad Tahbaz

Dated: \_\_\_\_\_

Plaintiff Christianna Yousif

Dated: \_\_\_\_\_

\_\_\_\_\_[name]  
For Defendant Sunroad Auto LLC

Dated: \_\_\_\_\_

\_\_\_\_\_[name]  
For Defendant Sunroad HS Auto, Inc.

Dated: \_\_\_\_\_

\_\_\_\_\_[name]  
For Defendant Sunroad CV Auto, Inc.

Dated: \_\_\_\_\_

\_\_\_\_\_[name]  
For Defendant Sunroad MV Auto, Inc.

Dated: \_\_\_\_\_

\_\_\_\_\_[name]  
For Defendant Sunroad EC Auto, LLC  
(formerly known as Sunroad BCV Auto, Inc.)

Approved as to Form

Dated: 11/6/2024

  
\_\_\_\_\_  
Shani O. Zakay  
Zakay Law Group, APLC  
Attorney for Plaintiffs

Dated: \_\_\_\_\_

Plaintiff Roman Mayne

Dated: \_\_\_\_\_

Plaintiff Mohammad Tahbaz

Dated: \_\_\_\_\_

Plaintiff Christianna Yousif

Dated: 11/5/2024



Karl Winters, Chief Financial Officer  
For Defendant Sunroad Auto LLC

Dated: 11/5/2024



Karl Winters, Chief Financial Officer  
For Defendant Sunroad HS Auto, Inc.

Dated: 11/5/2024



Karl Winters, Chief Financial Officer  
For Defendant Sunroad CV Auto, Inc.

Dated: 11/5/2024



Karl Winters, Chief Financial Officer  
For Defendant Sunroad MV Auto, Inc.

Dated: 11/5/2024



Karl Winters, Chief Financial Officer  
For Defendant Sunroad EC Auto, LLC  
(formerly known as Sunroad BCV Auto, Inc.)

Approved as to Form

Dated: \_\_\_\_\_

Shani O. Zakay  
Zakay Law Group, APLC  
Attorney for Plaintiffs

Dated: \_\_\_\_\_

Barbara Duvan-Clarke  
Blackstone Law, APC  
Attorney for Plaintiffs

Dated: \_\_\_\_\_

Jean-Claude Lapuyade  
JCL Law Firm, A.P.C.  
Attorney for Plaintiffs

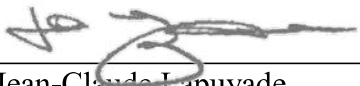
Dated: 11/12/2024

  
Tim L. Johnson  
Jesse C. Ferrantella  
Cameron J. Davila  
Ogletree, Deakins, Nash, Smoak & Stewart, P.C  
Attorney for Defendants

Dated: \_\_\_\_\_

\_\_\_\_\_  
Barbara Duvan-Clarke  
Blackstone Law, APC  
Attorney for Plaintiffs

Dated: 11/6/2024

  
\_\_\_\_\_  
Jean-Claude Lapuyade  
JCL Law Firm, A.P.C.  
Attorney for Plaintiffs

Dated: \_\_\_\_\_

\_\_\_\_\_  
Tim L. Johnson  
Jesse C. Ferrantella  
Cameron J. Davila  
Ogletree, Deakins, Nash, Smoak & Stewart, P.C.  
Attorney for Defendants

Dated: 11/18/2024



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Barbara Duvan-Clarke  
Blackstone Law, APC  
Attorney for Plaintiffs

Dated: \_\_\_\_\_

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Jean-Claude Lapuyade  
JCL Law Firm, A.P.C.  
Attorney for Plaintiffs

Dated: \_\_\_\_\_

---

Tim L. Johnson  
Jesse C. Ferrantella  
Cameron J. Davila  
Ogletree, Deakins, Nash, Smoak & Stewart, P.C  
Attorney for Defendants

# **EXHIBIT 2**



5440 Morehouse Drive, Suite 3600  
San Diego, CA 92121  
Tel: 619-599-8292  
Fax: 619-599-8291  
Toll Free: 1-888-498-6999  
[www.jcl-lawfirm.com](http://www.jcl-lawfirm.com)  
Jean-Claude Lapuyade, Esq.  
jlapuyade@jcl-lawfirm.com

December 22, 2021

**Via Online Filing to LWDA and Certified Mail to Defendants**  
**Labor and Workforce Development Agency**  
Online Filing

**SUNROAD AUTO, LLC**  
**SUNROAD AUTO HOLDING CORPORATION**  
**SUNROAD DEALERSHIPS CORPORATION**  
**SUNROAD CV AUTO, LLC**  
**SUNROAD HG AUTO, LLC**  
**SUNROAD KF AUTO, LLC**  
c/o BLAKE L. FILLMORE  
4445 EASTGATE MALL, SUITE 400  
SAN DIEGO CA 92121  
***Via Certified U.S. Mail with Return Receipt***  
***No. 7021 2720 0000 9972 6198***

**SUNROAD HOLDING CORPORATION**  
**SUNROAD EC AUTO, LLC**  
c/o BLAKE L. FILLMORE  
8620 SPECTRUM CENTER BLVD.  
SUITE 1100  
SAN DIEGO CA 92123  
***Via Certified U.S. Mail with Return Receipt***  
***No. 7021 2720 0000 9972 6204***

**Re: Notice of Violations of California Labor Code Sections 201, 201.3, 202, 203, 204, 210, 218.5, 218.6, 226, 226.2, 226.3, 226.7, 246, 510, 512, 558, 1174(d), 1174.5, 1194, 1197, 1197.1, 1197.14, 1198, 1199, 2802, and 2804, Violation of Applicable Industrial Welfare Commission Wage Order(s), and Pursuant to California Labor Code Section 2699.5**

Dear Sir/Madam:

Our offices represent Plaintiff TYLER WAYNE SNEED ("Plaintiff"), and other aggrieved employees in a proposed lawsuit against Defendants SUNROAD AUTO, LLC ("Defendant Sunroad Auto"), SUNROAD AUTO HOLDING CORPORATION ("Defendant Sunroad Auto Holding"), SUNROAD HOLDING CORPORATION ("Defendant Sunroad Holding Corporation"), SUNROAD DEALERSHIPS CORPORATION ("Defendant Sunroad Dealerships"), SUNROAD CV AUTO, LLC ("Defendant Sunroad CV"), SUNROAD EC AUTO, LLC ("Defendant Sunroad EC"), SUNROAD HG AUTO, LLC ("Defendant Sunroad HG"), and SUNROAD KF AUTO, LLC ("Defendant Sunroad KF") (collectively, "Defendants"). Plaintiff has been employed by Defendants in California since January 2016 as a non-exempt employee, paid on an hourly basis, and entitled to payment of all wages and the legally required meal and rest breaks. Plaintiff also worked at times for Defendants as a commission-based sales employee entitled to be separately compensated for his non-productive time, including rest periods. Defendants, however, unlawfully failed to record and pay Plaintiff and other aggrieved employees for all of their time worked, and for all of their meal breaks and rest breaks. Further, Defendants failed to timely pay Plaintiff and other aggrieved employees for earned wages.

As a consequence of the aforementioned violations, Plaintiff further contends that Defendants failed to provide accurate wage statements to him, and other aggrieved employees, in violation of California Labor Code section 226(a). Said conduct, in addition to the foregoing Labor Code §§ 201, 201.3, 202, 203, 204, 210, 218.5, 218.6, 226, 226.2, 226.3, 226.7, 246, 510, 512, 558, 1174(d), 1174.5, 1194, 1197, 1197.1, 1197.14, 1198, 1199, 2802, and 2804, violates the applicable Industrial Welfare Commission Wage Order(s), and is therefore actionable under California Labor Code section 2699.3.

**Plaintiff seeks to represent a group of aggrieved employees defined as all non-exempt, exempt, piece-rate based and/or commission-based employees who worked for Defendant Sunroad Auto and/or Defendant Sunroad Auto Holding and/or Defendant Sunroad Holding Corporation and/or Defendant Sunroad Dealerships and/or Defendant Sunroad CV and/or Defendant Sunroad EC and/or Defendant Sunroad HG and/or Defendant Sunroad KF in California during the relevant claim period.**

A true and correct copy of the proposed Complaint by Plaintiff against Defendants, which (1) identifies the alleged violations, (2) details the facts and theories which support the alleged violations, (3) details the specific work performed by Plaintiff, (4) sets forth the people/entities, dates, classifications, violations, events, and actions which are at issue to the extent known to Plaintiff, and (5) sets forth the illegal practices used by Defendants, is attached hereto. This information provides notice to the Labor and Workforce Development Agency of the facts and theories supporting the alleged violations for the agency's reference. Plaintiff therefore incorporates the allegations of the attached Complaint into this letter as if fully set forth herein. If the agency needs any further information, please do not hesitate to ask.

To the extent that entities and/or individuals are named and charged with violations of the Labor Code—making them liable on an individual basis as permitted by numerous Labor Code Sections including, but not limited to 558, 558.1, and 1197.1—Plaintiff reserves any and all rights to add, substitute, or change the name of employer entities and/or individuals responsible for the violations at issue.

Any further amendments and changes to this notice shall relate back to the date of this notice. Consequently, Defendants are on notice that Plaintiff continues his investigation, with the full intent to amend and/or change this notice, to add any undiscovered violations of any of the provisions of the California Labor Code—to the extent that are applicable to this case—and to change and/or add the identities of any entities and/or individuals responsible for the violations contained herein.

This notice is provided to enable Plaintiff to proceed with the Complaint against Defendants as authorized by California Labor Code section 2695, *et seq.* The lawsuit consists of other aggrieved employees. As counsel, our intention is to vigorously prosecute the claims as alleged in the Complaint, and to procure civil penalties as provided by the Private Attorney General Statute of 2004 on behalf of Plaintiff and all aggrieved California employees.

Your earliest response to this notice is appreciated. If you have any questions or concerns, please do not hesitate to contact me at the above number and address.

Very truly yours,  
JCL LAW FIRM, APC

A handwritten signature in dark ink, appearing to read 'JC Lapuyade', with a stylized flourish extending to the right.

Jean-Claude Lapuyade, Esq.

**ZAKAY LAW GROUP, APLC**

Shani O. Zakay (State Bar #277924)  
Jackland K. Hom (State Bar #327243)  
5440 Morehouse Drive, Suite 3600  
San Diego, CA 92121  
Telephone: (619)255-9047  
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[shani@zakaylaw.com](mailto:shani@zakaylaw.com)  
[jackland@zakaylaw.com](mailto:jackland@zakaylaw.com)

**JCL LAW FIRM, APC**

Jean-Claude Lapuyade (State Bar #248676)  
Eduardo Garcia (State Bar #290572)  
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[egarcia@jcl-lawfirm.com](mailto:egarcia@jcl-lawfirm.com)

Attorneys for Plaintiff

**SUPERIOR COURT OF THE STATE OF CALIFORNIA**

**IN AND FOR THE COUNTY OF SAN DIEGO**

TYLER WAYNE SNEED, an individual, on  
behalf of himself and on behalf of all persons  
similarly situated,

Plaintiff,

v.

SUNROAD AUTO, LLC, a California Limited  
Liability Company; SUNROAD AUTO  
HOLDING CORPORATION, a California  
Corporation; SUNROAD HOLDING  
CORPORATION, a California Corporation;  
SUNROAD DEALERSHIPS  
CORPORATION, a California Corporation;  
SUNROAD CV AUTO, LLC, a Delaware  
Limited Liability Company; SUNROAD EC  
AUTO, LLC, a Delaware Limited Liability  
Company; SUNROAD HG AUTO, LLC, a  
California Limited Liability Company;  
SUNROAD KF AUTO, LLC, a California  
Limited Liability Company; and DOES 1-50,  
Inclusive,

Defendants.

Case No:

**CLASS ACTION COMPLAINT FOR:**

- 1) UNFAIR COMPETITION IN VIOLATION  
OF CAL. BUS. & PROF. CODE §17200 *et*  
*seq*;
- 2) FAILURE TO PAY MINIMUM WAGES  
IN VIOLATION OF CAL. LAB. CODE §§  
1194, 1197 & 1197.1;
- 3) FAILURE TO PAY OVERTIME WAGES  
IN VIOLATION OF CAL. LAB. CODE §§  
510 *et seq*;
- 4) FAILURE TO PROVIDE REQUIRED  
MEAL PERIODS IN VIOLATION OF  
CAL. LAB. CODE §§ 226.7 & 512 AND  
THE APPLICABLE IWC WAGE ORDER;
- 5) FAILURE TO PROVIDE REQUIRED  
REST PERIODS IN VIOLATION OF  
CAL. LAB. CODE §§ 226.7 & 512 AND  
THE APPLICABLE IWC WAGE ORDER;
- 6) FAILURE TO PROVIDE ACCURATE  
ITEMIZED STATEMENTS IN

VIOLATION OF CAL. LAB. CODE § 226;  
7) FAILURE TO PROVIDE WAGES WHEN  
DUE IN VIOLATION OF CAL. LAB.  
CODE §§ 201, 202 AND 203;  
8) FAILURE TO REIMBURSE  
EMPLOYEES FOR REQUIRED  
EXPENSES IN VIOLATION OF  
CALIFORNIA LABOR CODE §2802.

**DEMAND FOR A JURY TRIAL**

Plaintiff TYLER WAYNE SNEED (“PLAINTIFF”), an individual, on behalf of himself and all other similarly situated current and former employees, alleges on information and belief, except for his own acts and knowledge which are based on personal knowledge, the following:

**THE PARTIES**

1. Defendant SUNROAD AUTO LLC (“Defendant Sunroad Auto”) is a California Limited Liability Company that at all relevant times mentioned herein conducted and continues to conduct substantial and regular business in the state of California.

2. Defendant SUNROAD AUTO HOLDING CORPORATION (“Defendant Sunroad Auto Holding”) is a California Corporation that at all relevant times mentioned herein conducted and continues to conduct substantial and regular business in the state of California,

3. Defendant SUNROAD HOLDING CORPORATION (“Defendant Sunroad Holding Corporation”) is a California Corporation that at all relevant times mentioned herein conducted and continues to conduct substantial and regular business in the state of California.

4. Defendant SUNROAD DEALERSHIPS CORPORATION (“Defendant Sunroad Dealerships”) is a California Corporation that at all relevant times mentioned herein conducted and continues to conduct substantial and regular business in the state of California.

5. Defendant SUNROAD CV AUTO, LLC (“Defendant Sunroad CV”) is a Delaware Limited Liability company that at all relevant times mentioned herein conducted and continues to conduct substantial and regular business in the state of California.

6. Defendant SUNROAD EC AUTO, LLC (“Defendant Sunroad EC”) is a Delaware Limited Liability company that at all relevant times mentioned herein conducted and continues to conduct substantial and regular business in the state of California.

1           7. Defendant SUNROAD HG AUTO, LLC (“Defendant Sunroad HG”) is a  
2 California Limited Liability Company that at all relevant times mentioned herein conducted and  
3 continues to conduct substantial and regular business in the state of California.

4           8. Defendant SUNROAD KF AUTO, LLC (“Defendant Sunroad KF”) is a California  
5 Limited Liability Company that at all relevant times mentioned herein conducted and continues  
6 to conduct substantial and regular business in the state of California.

7           9. Defendant Sunroad Auto, Defendant Sunroad Auto Holding, Defendant Sunroad  
8 Holding Corporation, Defendant Sunroad Dealerships, Defendant Sunroad CV, Defendant  
9 Sunroad EC, Defendant Sunroad HG and Defendant Sunroad KF were the joint employers of  
10 PLAINTIFF as evidenced by the contracts signed and by the company the PLAINTIFF performed  
11 work for respectively, and are therefore jointly responsible as employers for the conduct alleged  
12 herein. PLAINTIFF further alleges there has existed a unity of interest and ownership between  
13 Defendant Sunroad Auto, Defendant Sunroad Auto Holding, Defendant Sunroad Holding  
14 Corporation, Defendant Sunroad Dealerships, Defendant Sunroad CV, Defendant Sunroad EC,  
15 Defendant Sunroad HG and Defendant Sunroad KF such that any individuality and separateness  
16 between the entities has ceased and all Defendants are collectively referred to herein as  
17 “DEFENDANT” and/or “DEFENDANTS.” DEFENDANTS owns and operate car dealerships in  
18 California, including in the county of San Diego.

19           10. The true names and capacities, whether individual, corporate, subsidiary,  
20 partnership, associate or otherwise of defendants DOES 1 through 50, inclusive, are presently  
21 unknown to PLAINTIFF who therefore sues these Defendants by such fictitious names pursuant  
22 to Cal. Civ. Proc. Code § 474. PLAINTIFF will seek leave to amend this Complaint to allege the  
23 true names and capacities of Does 1 through 50, inclusive, when they are ascertained.  
24 PLAINTIFF is informed and believes, and based upon that information and belief alleges, that  
25 the Defendants named in this Complaint, including DOES 1 through 50, inclusive, (hereinafter  
26 collectively “DEFENDANTS” and/or “DEFENDANT”) are responsible in some manner for one  
27 or more of the events and happenings that proximately caused the injuries and damages  
28 hereinafter alleged.

1           11. PLAINTIFF alleges DOES 1-50 are the partners, agents, owners, or managers of  
2 DEFENDANTS at all relevant times. PLAINTIFF alleges there has existed a unity of interest  
3 and ownership between DEFENDANTS such that any individuality and separateness between  
4 the entities has ceased. Defendant Sunroad Auto, Defendant Sunroad Auto Holding, Defendant  
5 Sunroad Holding Corporation, Defendant Sunroad Dealerships, Defendant Sunroad CV,  
6 Defendant Sunroad EC, Defendant Sunroad HG and Defendant Sunroad KF, and DOES 1-50 are  
7 therefore alter egos of each other. Adherence to the fiction of the separate existence of  
8 DEFENDANTS would permit an abuse of the corporate privilege, and would promote injustice  
9 by protecting DEFENDANTS from liability for the wrongful acts committed by them.

10           12. The agents, servants, and/or employees of the Defendants and each of them acting  
11 on behalf of the DEFENDANTS acted within the course and scope of his, her or its authority as  
12 the agent, servant and/or employee of the Defendants, and personally participated in the conduct  
13 alleged herein on behalf of the Defendants with respect to the conduct alleged herein.  
14 Consequently, the acts of each Defendant are legally attributable to the other Defendants and all  
15 Defendants are jointly and severally liable to PLAINTIFF and the other members of the  
16 CALIFORNIA CLASS, for the loss sustained as a proximate result of the conduct of the  
17 Defendants' agents, servants and/or employees.

18           13. PLAINTIFF alleges that Defendant Sunroad Auto, Defendant Sunroad Auto  
19 Holding, Defendant Sunroad Holding Corporation, Defendant Sunroad Dealerships, Defendant  
20 Sunroad CV, Defendant Sunroad EC, Defendant Sunroad HG and Defendant Sunroad KF are  
21 the alter egos of each other for the following reasons:

- 22           a. On the California Secretary of State's website  
23 (<https://businesssearch.sos.ca.gov/>) Defendant Sunroad Auto, Defendant  
24 Sunroad Auto Holding, Defendant Sunroad Holding Corporation, Defendant  
25 Sunroad Dealerships, Defendant Sunroad CV, Defendant Sunroad EC,  
26 Defendant Sunroad HG and Defendant Sunroad KF have the same entity  
27 address and/or mailing address and/or Agent for Service of Process; and,  
28

1           b. On information and belief, Defendant Sunroad Auto, Defendant Sunroad Auto  
2           Holding, Defendant Sunroad Holding Corporation, Defendant Sunroad  
3           Dealerships, Defendant Sunroad CV, Defendant Sunroad EC, Defendant  
4           Sunroad HG and Defendant Sunroad KF utilize the same standardized  
5           employment forms and issue the same employment policies.

6           14. PLAINTIFF alleges that DEFENDANTS' various separate entities are used by an  
7           individual or individuals, or by another entity, to accomplish inequitable purposes, including to  
8           limit liability for the unlawful acts of DEFENDANTS.

9           15. PLAINTIFF alleges that there is such a unity of interest and ownership between  
10          DEFENDANTS' various corporate entities that own DEFENDANTS' car dealerships and the  
11          individual or individuals, or organization controlling these corporate entities that their separate  
12          personalities no longer exist.

13          16. PLAINTIFF further alleges that the failure to disregard the various corporate  
14          entities would promote injustice.

15          17. DEFENDANTS were PLAINTIFF's employers or persons acting on behalf of  
16          PLAINTIFF's employer, within the meaning of California Labor Code § 558, who violated or  
17          caused to be violated, a section of Part 2, Chapter 1 of the California Labor Code or any provision  
18          regulating hours and days of work in any order of the Industrial Welfare Commission and, as  
19          such, are subject to civil penalties for each underpaid employee, as set forth in Labor Code § 558,  
20          at all relevant times.

21          18. DEFENDANTS were PLAINTIFF's employers or persons acting on behalf of  
22          PLAINTIFF's employer either individually or as an officer, agent, or employee of another person,  
23          within the meaning of California Labor Code § 1197.1, who paid or caused to be paid to any  
24          employee a wage less than the minimum fixed by California state law, and as such, are subject to  
25          civil penalties for each underpaid employee.

26          19. PLAINTIFF has been employed by DEFENDANTS in California since January of  
27          2016, paid in part an hourly wage, commission-based compensation, non-discretionary bonuses,  
28          and entitled to minimum wages, overtime pay and legally compliant meal and rest periods.

1           20. PLAINTIFF brings this Class Action on behalf of himself and a California class,  
2 defined as all current and former non-exempt, exempt, piece-rate based, and/or commission-based  
3 employees employed by Defendant Sunroad Auto and/or Defendant Sunroad Auto Holding and/or  
4 Defendant Sunroad Holding Corporation and/or Defendant Sunroad Dealerships and/or  
5 Defendant Sunroad CV and/or Defendant Sunroad EC and/or Defendant Sunroad HG and/or  
6 Defendant Sunroad KF in California (“CALIFORNIA CLASS”) at any time during the period  
7 beginning four (4) years prior to the filing of this Complaint and ending on the date as determined  
8 by the Court (the “CLASS PERIOD”). The amount in controversy for the aggregate claim of the  
9 CALIFORNIA CLASS Members is under five million dollars (\$5,000,000.00).

10           21. PLAINTIFF brings this Class Action on behalf of himself and a CALIFORNIA  
11 CLASS in order to fully compensate the CALIFORNIA CLASS for their losses incurred during  
12 the CLASS PERIOD caused by DEFENDANT’s uniform policy and practice which failed to  
13 lawfully compensate these employees. DEFENDANT’s uniform policy and practice alleged  
14 herein was an unlawful, unfair and deceptive business practice whereby DEFENDANT retained  
15 and continues to retain wages due PLAINTIFF and the other members of the CALIFORNIA  
16 CLASS. PLAINTIFF and the other members of the CALIFORNIA CLASS seek an injunction  
17 enjoining such conduct by DEFENDANT in the future, relief for the named PLAINTIFF and the  
18 other members of the CALIFORNIA CLASS who have been economically injured by  
19 DEFENDANT’s past and current unlawful conduct, and all other appropriate legal and equitable  
20 relief.

21           22. DEFENDANTS’ uniform policies and practices alleged herein were unlawful,  
22 unfair and deceptive business practices whereby DEFENDANTS retained and continues to retain  
23 wages due PLAINTIFF and the other members of the CALIFORNIA CLASS.

24           23. PLAINTIFF and the other members of the CALIFORNIA CLASS seek an  
25 injunction enjoining such conduct by DEFENDANTS in the future, relief for the named  
26 PLAINTIFF and the other members of the CALIFORNIA CLASS who have been economically  
27 injured by DEFENDANTS’ past and current unlawful conduct, and all other appropriate legal and  
28 equitable relief.

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1 the CALIFORNIA CLASS against DEFENDANTS, the CLASS PERIOD should be adjusted  
2 accordingly.

3 **A. Meal and Rest Period Violations**

4 27. Pursuant to the Industrial Welfare Commission Wage Orders and the California  
5 Labor Codes, an employer shall not employ an employee for a work period of more than five (5)  
6 hours per day without providing the employee with a meal period of not less than thirty (30)  
7 minutes, except that if the total work period per day of the employee is no more than six (6) hours,  
8 the meal period may be waived by mutual consent of both the employer and employee. An  
9 employer shall not employ an employee for a work period of more than ten (10) hours per day  
10 without providing the employee with a second meal period of not less than thirty (30) minutes,  
11 except that if the total hours worked is no more than twelve (12) hours, the second meal period  
12 may be waived by mutual consent of the employer and the employee only if the first meal period  
13 was not waived. If an employer fails to provide an employee with a mandated meal period, the  
14 employer shall pay the employee one (1) hour of pay at the employee's regular rate of  
15 compensation for each workday that the meal period is not provided.

16 28. From time-to-time during the CALIFORNIA CLASS PERIOD, as a result of  
17 understaffing and their rigorous work schedule, PLAINTIFF and other CALIFORNIA CLASS  
18 members were from time to time unable to take thirty (30) minute off duty meal breaks and were  
19 not fully relieved of duty for meal periods. PLAINTIFF and other CALIFORNIA CLASS  
20 Members were from time to time required to perform work as ordered by DEFENDANT for more  
21 than five (5) hours during a shift without receiving an off-duty meal break. Further,  
22 DEFENDANT from time-to-time failed to provide PLAINTIFF and CALIFORNIA CLASS  
23 members with a second off-duty meal period from time to time in which these employees were  
24 required by DEFENDANT to work ten (10) hours of work from time to time. PLAINTIFF and  
25 the other CALIFORNIA CLASS Members therefore forfeited meal breaks without additional  
26 compensation and in accordance with DEFENDANT's strict corporate policy and practice.

27 29. Further, pursuant to the Industrial Welfare Commission Wage Orders,  
28 DEFENDANT was required to pay PLAINTIFF and CALIFORNIA CLASS members for all their

1 time worked, meaning the time during which an employee is subject to the control of an employer,  
2 including all the time the employee suffered or permitted to work. DEFENDANT required  
3 PLAINTIFF and CALIFORNIA CLASS members to work without paying them for all the time  
4 they were under the DEFENDANT's control. Specifically, DEFENDANT required PLAINTIFF  
5 to work while clocked out during what was supposed to be PLAINTIFF's off duty meal break due  
6 to PLAINTIFF's rigorous work schedule and DEFENDANT's understaffing. PLAINTIFF was  
7 from time to time interrupted by work assignments while clocked out for what should have been  
8 PLAINTIFF's off-duty meal break. As a result, the PLAINTIFF and other CALIFORNIA CLASS  
9 members forfeited minimum wage and overtime compensation by regularly working without their  
10 time being accurately recorded and without compensation at the applicable minimum wage and  
11 overtime rates. DEFENDANT's uniform policy and practice not to pay PLAINTIFF and other  
12 CALIFORNIA CLASS Members for all time worked is evidenced by DEFENDANT's business  
13 records.

14         30. Pursuant to the Industrial Welfare Commission Wage Orders and the California  
15 Labor Codes, an employer shall authorize and permit all employees to take a rest periods, which  
16 so far as practical shall be in the middle of each work period. Generally, an employer must provide  
17 ten (10) minutes of paid rest for every four hours or major fraction thereof. If an employer fails  
18 to provide an employee a rest period, the employer shall pay the employee one (1) hour of pay at  
19 the employee's regular rate of pay for each workday that the rest period is not provided.

20         31. Additionally, during the CALIFORNIA CLASS PERIOD, PLAINTIFF and other  
21 CALIFORNIA CLASS members were from time-to-time required to work in excess of four (4)  
22 hours without being provided duty-free, uninterrupted, ten (10) minute rest period. Further, for  
23 the same reasons, these employees were denied their first rest periods of at least ten (10) minutes  
24 for some shifts worked of at least two (2) to four (4) hours, a first and second rest period of at  
25 least ten (10) minutes for some shifts worked of between six (6) and eight (8) hours, and a first,  
26 second and third rest period of at least ten (10) minutes for some shifts worked of ten (10) hours  
27 or more from time to time. As a result, PLAINTIFF and the other CALIFORNIA CLASS  
28 Members were from time to time required to remain on the premises, on-duty and on-call during

1 their rest periods. PLAINTIFF and other CALIFORNIA CLASS Members were also not provided  
2 with one-hour wages in lieu thereof.

3 **B. Regular Rate Violation – Overtime, Double Time, Meal and Rest Period Premiums, and**  
4 **Sick Pay**

5 32. State law provides that employees must be paid overtime at one-and-one-half times  
6 their “regular rate of pay.” PLAINTIFF and other CALIFORNIA CLASS were compensated at  
7 an hourly rate plus a piece-rate, and/or non-discretionary incentive pay that was tied to specific  
8 elements of an employee’s performance and/or commissions.

9 33. DEFENDANTS’ non-discretionary commission and bonus program provided the  
10 CALIFORNIA CLASS, including PLAINTIFF, with commissions and/or bonus compensation  
11 when the employees met the various performance goals set by DEFENDANT. However, when  
12 calculating the regular rate of pay, in those pay periods where PLAINTIFF and the CALIFORNIA  
13 CLASS worked overtime and earned non-discretionary bonus and/or commission wages,  
14 DEFENDANT failed to accurately include the non-discretionary bonus compensation and/or  
15 commission wages as part of the employees’ “regular rate of pay.”.

16 34. Management and supervisors described the bonus and commissions programs and  
17 commission compensation program to potential and new employees as part of the compensation  
18 package for new and used car salespersons including PLAINTIFF and the CALIFORNIA  
19 CLASS. As a matter of law, the incentive and commission compensation received by  
20 PLAINTIFFS and other CALIFORNIA CLASS members must be included and correctly  
21 calculated into the “regular rate of pay” for purposes of overtime compensation and sick pay.  
22 DEFENDANT’s failure to do so has resulted in DEFENDANT’s systematic underpayment of  
23 overtime compensation and sick pay to PLAINTIFF and other CALIFORNIA CLASS members.  
24 Specifically, California Labor Code Section 246 mandates that paid sick time for non-employees  
25 shall be calculated in the same manner as the regular rate of pay for the workweek in which the  
26 employee uses paid sick time, whether or not the employee actually works overtime in that  
27 workweek. DEFENDANTS’ conduct, as articulated herein, by failing to include the incentive  
28 compensation as part of the “regular rate of pay” for purposes of sick pay compensation was in

violation of Cal. Lab. Code § 246 the underpayment of which is recoverable under Cal. Labor Code Sections 201, 202, 203 and/or 204.

35. In violation of the applicable sections of the California Labor Code and the requirements of the Industrial Welfare Commission ("IWC") Wage Order, DEFENDANTS as a matter of company policy, practice and procedure, intentionally and knowingly failed to compensate PLAINTIFF and the other members of the CALIFORNIA CLASS at the correct rate of pay for all overtime, meal and rest period premiums, and sick pay. This uniform policy and practice of DEFENDANTS is intended to purposefully avoid the payment of the correct overtime and, meal and rest period premiums, and sick pay as required by California law which allowed DEFENDANTS to illegally profit and gain an unfair advantage over competitors who complied with the law. To the extent equitable tolling operates to toll claims by the CALIFORNIA CLASS members against DEFENDANTS, the CLASS PERIOD should be adjusted accordingly.

**C. Commission and Piece-Rate Violations**

36. From time-to-time during the CALIFORNIA CLASS PERIOD, PLAINTIFF and the CALIFORNIA CLASS were paid in part on a commission and/or piece-rate basis. In those instances where PLAINTIFF and the CALIFORNIA CLASS were paid in part on a commission and/or piece-rate basis, PLAINTIFF and the CALIFORNIA CLASS were entitled to be separately compensated for all non-productive time at an hourly rate that is no less than the applicable minimum wage. Notwithstanding, in those instances where PLAINTIFF and the CALIFORNIA CLASS were paid in part on a commission and/or piece-rate basis, DEFENDANT failed to separately compensate PLAINTIFF and the CALIFORNIA CLASS for all non-productive time, including but not limited to, paid rest periods, at an hourly rate that is no less than the applicable minimum wage. As a result, PLAINTIFF and the CALIFORNIA CLASS forfeited minimum wages and overtime wages by DEFENDANT'S failure to separately compensate their non-productive time at an hourly rate that is no less than the applicable minimum wage.

**D. Unreimbursed Business Expenses**

37. DEFENDANTS as a matter of corporate policy, practice, and procedure, intentionally, knowingly, and systematically failed to reimburse and indemnify the PLAINTIFF

1 and the CALIFORNIA CLASS for required business expenses incurred by the PLAINTIFF and  
2 other CALIFORNIA CLASS Members in direct consequence of discharging their duties on behalf  
3 of DEFENDANTS. Under California Labor Code Section 2802, employers are required to  
4 indemnify employees for all expenses incurred in the course and scope of their employment. Cal.  
5 Lab. Code § 2802 expressly states that “an employer shall indemnify his or her employee for all  
6 necessary expenditures or losses incurred by the employee in direct consequence of the discharge  
7 of his or her duties, or of his or her obedience to the directions of the employer, even though  
8 unlawful, unless the employee, at the time of obeying the directions, believed them to be  
9 unlawful.”

10 38. In the course of their employment, DEFENDANTS required PLAINTIFF and  
11 other CALIFORNIA CLASS Members to use their personal cell phones, personal vehicles, and  
12 incur rideshare expenses as a result of and in furtherance of their job duties as employees for  
13 DEFENDANT. But for the use of their own personal cell phones, personal vehicles, and rideshare  
14 expenses, PLAINTIFF and the CALIFORNIA CLASS Members could not complete their  
15 essential job duties, including but not limited to, sending and receiving work-related  
16 communications from DEFENDANTS, and delivering vehicles to DEFENDANTS’ customers.  
17 However, DEFENDANTS unlawfully failed to reimburse PLAINTIFF and other CALIFORNIA  
18 CLASS Members for their use of their personal cell phones, personal vehicles, and incurred  
19 rideshare expenses. As a result, in the course of their employment with DEFENDANTS, the  
20 PLAINTIFF and other CALIFORNIA CLASS Members incurred unreimbursed business  
21 expenses, but were not limited to, costs related to the use of their personal cellular phones,  
22 personal vehicles, and rideshare expenses, all on behalf of and for the benefit of DEFENDANTS.

23 **E. Wage Statement Violations**

24 39. California Labor Code Sections 226 and 226.2 require an employer to furnish its  
25 employees an accurate itemized statement in writing showing (1) gross wages earned, (2) total  
26 hours worked, (3) the number of piece-rate units earned and any applicable piece-rate, (4) all  
27 deductions, (5) net wages earned, (6) the inclusive dates of the period for which the employee is  
28 paid, (7) the name of the employee and only the last four digits of the employee’s social security

1 number or an employee identification number other than a social security number, (8) the name  
2 and address of the legal entity that is the employer, (9) all applicable hourly rates in effect during  
3 the pay period and the corresponding number of hours worked at each hourly rate by the  
4 employee; (10) the total hours of compensable rest and recovery periods, the rate of compensation,  
5 and the gross wages paid for those periods during the pay period, and (11) the total hours of other  
6 nonproductive time, the rate of compensation, and the gross wages paid for that time during the  
7 pay period.

8         40. From time-to-time during the CALIFORNIA CLASS PERIOD, DEFENDANT  
9 furnished PLAINTIFF and the CALIFORNIA CLASS written wage statements that failed to  
10 accurately show (1) gross wages earned, (2) total hours worked, (3) the number of piece-rate units  
11 earned and any applicable piece-rate, (4) net wages earned, (5) all applicable hourly rates in effect  
12 during the pay period and the corresponding number of hours worked at each hourly rate by the  
13 employee; (6) the total hours of compensable rest and recovery periods, the rate of compensation,  
14 and the gross wages paid for those periods during the pay period, and (7) the total hours of other  
15 nonproductive time, the rate of compensation, and the gross wages paid for that time during the  
16 pay period.

17         41. In addition to the violations described above, DEFENDANTS, from time to time,  
18 failed to provide PLAINTIFF and the CALIFORNIA CLASS Members with wage statements  
19 that comply with Cal. Lab. Code § 226.

20         42. As a result, DEFENDANTS issued PLAINTIFF and the CALIFORNIA CLASS  
21 with wage statements that violate Cal. Lab. Code §§ 226 and 226.2. Further, DEFENDANTS'  
22 violations are knowing and intentional, were not isolated or due to an unintentional payroll error  
23 due to clerical or inadvertent mistake.

#### 24                                 **THE CALIFORNIA CLASS**

25         43. PLAINTIFF brings the First Cause of Action for Unfair, Unlawful and Deceptive  
26 Business Practices pursuant to Cal. Bus. & Prof. Code §§ 17200, et seq. (the "UCL") as a Class  
27 Action, pursuant to Cal. Code of Civ. Proc. § 382, on behalf of all current and former non-exempt,  
28 exempt, exempt, piece-rate based, and/or commission-based employees employed by Defendant

1 Sunroad Auto and/or Defendant Sunroad Auto Holding and/or Defendant Sunroad Holding  
2 Corporation and/or Defendant Sunroad Dealerships and/or Defendant Sunroad CV and/or  
3 Defendant Sunroad EC and/or Defendant Sunroad HG and/or Defendant Sunroad KF in California  
4 (“CALIFORNIA CLASS”) at any time during the period beginning four (4) years prior to the  
5 filing of this Complaint and ending on the date as determined by the Court (the “CLASS  
6 PERIOD”). The amount in controversy for the aggregate claim of CALIFORNIA CLASS  
7 Members is under five million dollars (\$5,000,000.00).

8 44. To the extent equitable tolling operates to toll claims by the CALIFORNIA  
9 CLASS against DEFENDANT, the CALIFORNIA CLASS PERIOD should be adjusted  
10 accordingly.

11 45. PLAINTIFF and the other CALIFORNIA CLASS Members have uniformly been  
12 deprived of wages and penalties from unpaid wages earned and due, including but not limited to  
13 unpaid minimum wages, unpaid overtime compensation, unpaid meal and rest period premiums,  
14 and illegal meal and rest period policies. Defendant further failed to reimburse for business  
15 expenses, failed to compensate for off-the-clock work, failed to provide accurate itemized wage  
16 statements, and failed to maintain required records, and interest, statutory and civil penalties,  
17 attorney’s fees, costs, and expenses.

18 46. The members of the class are so numerous that joinder of all class members is  
19 impractical.

20 47. Common questions of law and fact regarding DEFENDANTS’ conduct, including  
21 but not limited to, the off-the-clock work, unpaid mean and rest period premiums, failing to  
22 provide legally compliant meal and rest periods, failed to reimburse for business expenses, failure  
23 to provide accurate itemized wage statements accurate, and failure to ensure they are paid at least  
24 minimum wage and overtime, exist as to all members of the class and predominate over any  
25 questions affecting solely any individual members of the class. Among the questions of law and  
26 fact common to the class are:

- 27 i. Whether DEFENDANTS maintained legally compliant meal period policies  
28 and practices;

- ii. Whether DEFENDANTS maintained legally compliant rest period policies and practices;
- iii. Whether DEFENDANTS failed to pay PLAINTIFF and the CALIFORNIA CLASS Members accurate premium payments for missed meal and rest periods;
- iv. Whether DEFENDANTS failed to pay PLAINTIFF and the CALIFORNIA CLASS Members accurate overtime wages;
- v. Whether DEFENDANTS failed to pay PLAINTIFF and the CALIFORNIA CLASS Members at least minimum wage for all hours worked;
- vi. Whether Defendants failed to compensate PLAINTIFF and the CALIFORNIA CLASS Members for required business expenses;
- vii. Whether DEFENDANTS issued legally compliant wage statements;
- viii. Whether DEFENDANTS committed an act of unfair competition by systematically failing to record and pay PLAINTIFF and the other members of the CALIFORNIA CLASS for all time worked;
- ix. Whether DEFENDANTS committed an act of unfair competition by systematically failing to record all meal and rest breaks missed by PLAINTIFF and other CALIFORNIA CLASS Members, even though DEFENDANTS enjoyed the benefit of this work, required employees to perform this work and permits or suffers to permit this work;
- x. Whether DEFENDANTS committed an act of unfair competition in violation of the UCL, by failing to provide the PLAINTIFF and the other members of the CALIFORNIA CLASS with the legally required meal and rest periods.

48. PLAINTIFF is a member of the CALIFORNIA CLASS and suffered damages as a result of DEFENDANTS' conduct and actions alleged herein.

49. PLAINTIFF's claims are typical of the claims of the class, and PLAINTIFF has the same interests as the other members of the class.

1           50. PLAINTIFF will fairly and adequately represent and protect the interests of the  
2 CALIFORNIA CLASS Members.

3           51. PLAINTIFF retained able class counsel with extensive experience in class action  
4 litigation.

5           52. Further, PLAINTIFF's interests are coincident with, and not antagonistic to, the  
6 interests of the other CALIFORNIA CLASS Members.

7           53. There is a strong community of interest among PLAINTIFF and the members of  
8 the CALIFORNIA CLASS to, inter alia, ensure that the combined assets of DEFENDANTS are  
9 sufficient to adequately compensate the members of the CALIFORNIA CLASS for the injuries  
10 sustained.

11           54. The questions of law and fact common to the CALIFORNIA CLASS Members  
12 predominate over any questions affecting only individual members, including legal and factual  
13 issues relating to liability and damages.

14           55. A class action is superior to other available methods for the fair and efficient  
15 adjudication of this controversy because joinder of all class members is impractical. Moreover,  
16 since the damages suffered by individual members of the class may be relatively small, the  
17 expense and burden of individual litigation makes it practically impossible for the members of the  
18 class individually to redress the wrongs done to them. Without class certification and  
19 determination of declaratory, injunctive, statutory and other legal questions within the class  
20 format, prosecution of separate actions by individual members of the CALIFORNIA CLASS will  
21 create the risk of:

- 22           i. Inconsistent or varying adjudications with respect to individual members of the  
23 CALIFORNIA CLASS which would establish incompatible standards of  
24 conduct for the parties opposing the CALIFORNIA CLASS; and/or,  
25           ii. Adjudication with respect to individual members of the CALIFORNIA  
26 CLASS which would as a practical matter be dispositive of the interests of the  
27 other members not party to the adjudication or substantially impair or impeded  
28 their ability to protect their interests.

1           56. Class treatment provides manageable judicial treatment calculated to bring an  
2 efficient and rapid conclusion to all litigation of all wage and hour related claims arising out of  
3 the conduct of DEFENDANTS.

4                                   **FIRST CAUSE OF ACTION**

5                                   **Unlawful Business Practices**

6                                   **(Cal. Bus. And Prof. Code §§ 17200, *et seq.*)**

7                                   **(Alleged By PLAINTIFF and the CALIFORNIA CLASS against all Defendants)**

8           57. PLAINTIFF, and the other members of the CALIFORNIA CLASS, reallege and  
9 incorporate by this reference, as though fully set forth herein, the prior paragraphs of this  
10 Complaint.

11          58. DEFENDANT is a “person” as that term is defined under Cal. Bus. and Prof. Code  
12 § 17021.

13          59. California Business & Professions Code §§ 17200, *et seq.* (the “UCL”) defines  
14 unfair competition as any unlawful, unfair, or fraudulent business act or practice. Section 17203  
15 authorizes injunctive, declaratory, and/or other equitable relief with respect to unfair competition  
16 as follows:

17                   Any person who engages, has engaged, or proposes to engage in  
18                   unfair competition may be enjoined in any court of competent  
19                   jurisdiction. The court may make such orders or judgments,  
20                   including the appointment of a receiver, as may be necessary to  
21                   prevent the use or employment by any person of any practice which  
22                   constitutes unfair competition, as defined in this chapter, or as may  
23                   be necessary to restore to any person in interest any money or  
24                   property, real or personal, which may have been acquired by means  
25                   of such unfair competition.

26                   Cal. Bus. & Prof. Code § 17203.

27          60. By the conduct alleged herein, DEFENDANT has engaged and continues to engage  
28 in a business practice which violates California law, including but not limited to, the applicable  
Industrial Wage Order(s), the California Code of Regulations and the California Labor Code  
including Sections 201, 202, 203, 204, 206.5, 226.7, 246, 510, 512, 558, 1194, 1197, 1197.1, 1198  
& 2802, for which this Court should issue declaratory and other equitable relief pursuant to Cal.  
Bus. & Prof. Code § 17203 as may be necessary to prevent and remedy the conduct held to

1 constitute unfair competition, including restitution of wages wrongfully withheld.

2         61. By the conduct alleged herein, DEFENDANT's practices were unlawful and unfair  
3 in that these practices violate public policy, were immoral, unethical, oppressive, unscrupulous or  
4 substantially injurious to employees, and were without valid justification or utility for which this  
5 Court should issue equitable and injunctive relief pursuant to Section 17203 of the California  
6 Business & Professions Code, including restitution of wages wrongfully withheld.

7         62. By the conduct alleged herein, DEFENDANT's practices were deceptive and  
8 fraudulent in that DEFENDANT's uniform policy and practice failed to pay all minimum and  
9 overtime wages due, failed to provide the legally mandated meal and rest periods, failed to pay  
10 the required amount of compensation for missed meal and rest periods, and failed to reimburse  
11 necessary business expenses incurred due to a systematic business practice that cannot be  
12 justified, pursuant to the applicable Cal. Lab. Code, and Industrial Welfare Commission  
13 requirements in violation of Cal. Bus. Code §§ 17200, et seq., and for which this Court should  
14 issue injunctive and equitable relief, pursuant to Cal. Bus. & Prof. Code § 17203, including  
15 restitution of wages wrongfully withheld.

16         63. By the conduct alleged herein, DEFENDANT's practices were also unlawful,  
17 unfair and deceptive in that DEFENDANT's employment practices caused PLAINTIFF and the  
18 other members of the CALIFORNIA CLASS to be underpaid during their employment with  
19 DEFENDANT.

20         64. By the conduct alleged herein, DEFENDANT's practices were also unlawful,  
21 unfair and deceptive in that DEFENDANT's uniform policies, practices and procedures failed to  
22 provide all legally required meal and rest breaks to PLAINTIFF and the other members of the  
23 CALIFORNIA CLASS as required by Cal. Lab. Code §§ 226.7 and 512.

24         65. Therefore, PLAINTIFF demands on behalf of himself and on behalf of each  
25 CALIFORNIA CLASS member, one (1) hour of pay for each workday in which an off-duty meal  
26 period was not timely provided for each five (5) hours of work, and/or one (1) hour of pay for  
27 each workday in which a second off-duty meal period was not timely provided for each ten (10)  
28 hours of work.

1           66. PLAINTIFF further demands on behalf of himself and each member of the  
2 CALIFORNIA CLASS one (1) hour of pay for each workday in which a rest period was not given  
3 and a premium was not timely provided as required by law.

4           67. By and through the unlawful and unfair business practices described herein,  
5 DEFENDANT has obtained valuable property, money and services from PLAINTIFF and the  
6 other members of the CALIFORNIA CLASS, including earned wages for all time worked, and  
7 has deprived them of valuable rights and benefits guaranteed by law and contract, all to the  
8 detriment of these employees and to the benefit of DEFENDANT so as to allow DEFENDANT  
9 to unfairly compete against competitors who comply with the law.

10          68. All the acts described herein as violations of, among other things, the Industrial  
11 Welfare Commission Wage Orders, the California Code of Regulations, and the California Labor  
12 Code, were unlawful and in violation of public policy, were immoral, unethical, oppressive and  
13 unscrupulous, were deceptive, and thereby constitute unlawful, unfair and deceptive business  
14 practices in violation of Cal. Bus. & Prof. Code §§ 17200, et seq.

15          69. PLAINTIFF and the other members of the CALIFORNIA CLASS were entitled to,  
16 and do, seek such relief as may be necessary to restore to them the money and property which  
17 DEFENDANT has acquired, or of which PLAINTIFF and the other members of the  
18 CALIFORNIA CLASS have been deprived, by means of the above described unlawful and unfair  
19 business practices, including earned but unpaid wages for all time worked.

20          70. PLAINTIFF and the other members of the CALIFORNIA CLASS are further  
21 entitled to, and do, seek a declaration that the described business practices are unlawful, unfair  
22 and deceptive, and that injunctive relief should be issued restraining DEFENDANT from  
23 engaging in any unlawful and unfair business practices in the future.

24          71. PLAINTIFF and the other members of the CALIFORNIA CLASS have no plain,  
25 speedy and/or adequate remedy at law that will end the unlawful and unfair business practices of  
26 DEFENDANT. Further, the practices herein alleged presently continue to occur unabated. As a  
27 result of the unlawful and unfair business practices described herein, PLAINTIFF and the other  
28 members of the CALIFORNIA CLASS have suffered and will continue to suffer irreparable legal

1 and economic harm unless DEFENDANT is restrained from continuing to engage in these  
2 unlawful and unfair business practices.

3 **SECOND CAUSE OF ACTION**

4 **Failure To Pay Minimum Wages**

5 **(Cal. Lab. Code §§ 1194, 1197 and 1197.1.)**

6 **(Alleged By PLAINTIFF and the CALIFORNIA CLASS against all Defendants)**

7 72. PLAINTIFF, and the other members of the CALIFORNIA LABOR SUB-CLASS,  
8 reallege and incorporate by this reference, as though fully set forth herein, the prior paragraphs of  
9 this Complaint.

10 73. PLAINTIFF and the other members of the CALIFORNIA CLASS bring a claim for  
11 DEFENDANT's willful and intentional violations of the California Labor Code and the Industrial  
12 Welfare Commission requirements for DEFENDANT's failure to accurately calculate and pay  
13 minimum wages.

14 74. Pursuant to Cal. Lab. Code § 204, other applicable laws and regulations, and public  
15 policy, an employer must timely pay its employees for all hours worked.

16 75. Cal. Lab. Code § 1197 provides the minimum wage for employees fixed by the  
17 commission is the minimum wage to be paid to employees, and the payment of a less wage than  
18 the minimum so fixed is unlawful.

19 76. Cal. Lab. Code § 1194 establishes an employee's right to recover unpaid wages,  
20 including minimum wage compensation and interest thereon, together with the costs of suit.

21 77. As set forth above, during the CLASS PERIOD, DEFENDANT maintained a  
22 uniform wage practice of paying PLAINTIFF and the other members of the CALIFORNIA  
23 CLASS without regard to the correct amount of time they worked. As set forth herein,  
24 DEFENDANT's uniform policy and practice was to unlawfully and intentionally deny timely  
25 payment of wages due to PLAINTIFF and the other members of the CALIFORNIA CLASS.

26 78. DEFENDANT's uniform pattern of unlawful wage and hour practices manifested,  
27 without limitation, applicable to the CALIFORNIA CLASS as a whole, as a result of  
28 implementing a uniform policy and practice that denied accurate compensation to PLAINTIFF

1 and the other members of the CALIFORNIA CLASS regarding minimum wage pay.

2 79. In committing these violations of the California Labor Code, DEFENDANT  
3 inaccurately calculated the correct time worked and consequently underpaid the actual time  
4 worked by PLAINTIFF and other members of the CALIFORNIA CLASS. DEFENDANT acted  
5 in an illegal attempt to avoid the payment of all earned wages, and other benefits in violation of  
6 the California Labor Code, the Industrial Welfare Commission requirements and other applicable  
7 laws and regulations.

8 80. As a direct result of DEFENDANT's unlawful wage practices as alleged herein,  
9 PLAINTIFF and the other members of the CALIFORNIA CLASS did not receive the correct  
10 minimum wage compensation for their time worked for DEFENDANT.

11 81. During the CLASS PERIOD, PLAINTIFF and the other members of the  
12 CALIFORNIA CLASS were paid less for time worked that they were entitled to, constituting a  
13 failure to pay all earned wages.

14 82. By virtue of DEFENDANT's unlawful failure to accurately pay all earned  
15 compensation to the PLAINTIFF and the other members of the CALIFORNIA CLASS for the  
16 true time they worked, PLAINTIFF and the other members of the CALIFORNIA CLASS have  
17 suffered and will continue to suffer an economic injury in amounts which are presently unknown  
18 to them and which will be ascertained according to proof at trial.

19 83. DEFENDANT knew or should have known that PLAINTIFF and the other  
20 members of the CALIFORNIA CLASS were under compensated for their time worked.  
21 DEFENDANT systematically elected, either through intentional malfeasance or gross  
22 nonfeasance, to not pay employees for their labor as a matter of uniform company policy, practice  
23 and procedure, and DEFENDANT perpetrated this systematic scheme by refusing to pay  
24 PLAINTIFF and the other members of the CALIFORNIA CLASS the correct minimum wages  
25 for their time worked.

26 84. In performing the acts and practices herein alleged in violation of California labor  
27 laws, and refusing to compensate the members of the CALIFORNIA CLASS for all time worked  
28 and provide them with the requisite compensation, DEFENDANT acted and continues to act

1 intentionally, oppressively, and maliciously toward PLAINTIFF and the other members of the  
2 CALIFORNIA CLASS with a conscious and utter disregard for their legal rights, or the  
3 consequences to them, and with the despicable intent of depriving them of their property and legal  
4 rights, and otherwise causing them injury in order to increase company profits at the expense of  
5 these employees.

6 85. PLAINTIFF and the other members of the CALIFORNIA CLASS therefore  
7 request recovery of all unpaid wages, according to proof, interest, statutory costs, as well as the  
8 assessment of any statutory penalties against DEFENDANT, in a sum as provided by the  
9 California Labor Code and/or other applicable statutes. To the extent minimum wage  
10 compensation is determined to be owed to the CALIFORNIA CLASS Members who have  
11 terminated their employment, DEFENDANT's conduct also violates Labor Code §§ 201 and/or  
12 202, and therefore these individuals are also be entitled to waiting time penalties under Cal. Lab.  
13 Code § 203, which penalties are sought herein on behalf of these CALIFORNIA CLASS  
14 Members. DEFENDANT's conduct as alleged herein was willful, intentional and not in good  
15 faith. Further, PLAINTIFF and other CALIFORNIA CLASS Members are entitled to seek and  
16 recover statutory costs.

### 17 **THIRD CAUSE OF ACTION**

#### 18 **Failure To Pay Overtime Compensation**

19 **(Cal. Lab. Code §§ 510, 1194 and 1198)**

20 **(Alleged By PLAINTIFF and the CALIFORNIA CLASS against all Defendants)**

21 86. PLAINTIFF, and the other members of the CALIFORNIA CLASS, reallege and  
22 incorporate by this reference, as though fully set forth herein, the prior paragraphs of this  
23 Complaint.

24 87. PLAINTIFF and the other members of the CALIFORNIA CLASS bring a claim for  
25 DEFENDANT's willful and intentional violations of the California Labor Code and the Industrial  
26 Welfare Commission requirements for DEFENDANTS' failure to properly compensate the  
27 members of the CALIFORNIA CLASS for all overtime worked, including, work performed in  
28 excess of eight (8) hours in a workday and/or forty (40) hours in any workweek during the CLASS

1 PERIOD.

2 88. Pursuant to Cal. Lab. Code § 204, other applicable laws and regulations, and public  
3 policy, an employer must timely pay its employees for all hours worked.

4 89. Cal. Lab. Code § 510 further provides that employees in California shall not be  
5 employed more than eight (8) hours per workday and/or more than forty (40) hours per workweek  
6 unless they receive additional compensation beyond their regular wages in amount specified by  
7 law.

8 90. Cal. Lab. Code § 1194 establishes an employee's right to recover unpaid wages,  
9 including overtime compensation and interest thereon, together with the costs of suit. Cal. Lab.  
10 Code § 1198 further states that the employment of an employee for longer hours than those fixed  
11 by the Industrial Welfare Commission is unlawful.

12 91. During the CALIFORNIA CLASS PERIOD, PLAINTIFF and CALIFORNIA  
13 CLASS Members were required by DEFENDANT to work for DEFENDANT and were not paid  
14 for all the time they worked, including overtime work.

15 92. DEFENDANT's uniform pattern of unlawful wage and hour practices manifested,  
16 without limitation, applicable to the CALIFORNIA CLASS as a whole, as a result of  
17 implementing a uniform policy and practice that failed to accurately record overtime worked by  
18 PLAINTIFF and the other members of the CALIFORNIA CLASS, and denied accurate  
19 compensation to PLAINTIFF and the other members of the CALIFORNIA CLASS for overtime  
20 worked, including, the work performed in excess of eight (8) hours in a workday and/or forty (40)  
21 hours in any workweek.

22 93. In committing these violations of the California Labor Code, DEFENDANT acted  
23 in an illegal attempt to avoid the payment of all earned wages, and other benefits in violation of  
24 the California Labor Code, the Industrial Welfare Commission requirements and other applicable  
25 laws and regulations.

26 94. As a direct result of DEFENDANT's unlawful wage practices as alleged herein,  
27 PLAINTIFFS and the other members of the CALIFORNIA CLASS did not receive full  
28 compensation for all overtime worked.

1           95.     Cal. Lab. Code § 515 sets out various categories of employees who are exempt from  
2 the overtime requirements of the law. None of these exemptions are applicable to PLAINTIFF  
3 and the other members of the CALIFORNIA CLASS. Further, PLAINTIFF and the other  
4 members of the CALIFORNIA CLASS are not subject to a valid collective bargaining agreement  
5 that would preclude the causes of action contained herein this Complaint. Rather, PLAINTIFF  
6 bring this Action on behalf of himself and the CALIFORNIA CLASS based on DEFENDANT's  
7 violations of non-negotiable, non-waivable rights provided by the State of California.

8           96.     During the CLASS PERIOD, PLAINTIFF and the other members of the  
9 CALIFORNIA CLASS were paid less for time worked than they were entitled to, constituting a  
10 failure to pay all earned wages.

11           97.     DEFENDANT failed to accurately pay PLAINTIFF and the other members of the  
12 CALIFORNIA CLASS overtime wages for the time they worked which was in excess of the  
13 maximum hours permissible by law as required by Cal. Lab. Code §§ 510, 1194 & 1198, even  
14 though PLAINTIFF and the other members of the CALIFORNIA CLASS were required to work,  
15 and did in fact work, overtime as to which DEFENDANT failed to accurately record and pay  
16 using the applicable overtime rate as evidenced by DEFENDANT's business records and  
17 witnessed by employees.

18           98.     By virtue of DEFENDANT's unlawful failure to accurately pay all earned  
19 compensation to PLAINTIFF and the other members of the CALIFORNIA CLASS for the true  
20 time they worked, PLAINTIFF and the other members of the CALIFORNIA CLASS have  
21 suffered and will continue to suffer an economic injury in amounts which are presently unknown  
22 to them and which will be ascertained according to proof at trial.

23           99.     DEFENDANT knew or should have known that PLAINTIFF and the other  
24 members of the CALIFORNIA CLASS are under compensated for their overtime worked.  
25 DEFENDANT systematically elected, either through intentional malfeasance or gross  
26 nonfeasance, to not pay employees for their labor as a matter of uniform company policy, practice  
27 and procedure, and DEFENDANT perpetrated this systematic scheme by refusing to pay  
28 PLAINTIFF and the other members of the CALIFORNIA CLASS the applicable overtime rate.

1           100. In performing the acts and practices herein alleged in violation of California labor  
2 laws, and refusing to compensate the members of the CALIFORNIA CLASS for all time worked  
3 and provide them with the requisite overtime compensation, DEFENDANT acted and continue  
4 to act intentionally, oppressively, and maliciously toward PLAINTIFF and the other members of  
5 the CALIFORNIA CLASS with a conscious and utter disregard for their legal rights, or the  
6 consequences to them, and with the despicable intent of depriving them of their property and legal  
7 rights, and otherwise causing them injury in order to increase company profits at the expense of  
8 these employees.

9           101. PLAINTIFF and the other members of the CALIFORNIA CLASS therefore  
10 request recovery of all unpaid wages, including overtime wages, according to proof, interest,  
11 statutory costs, as well as the assessment of any statutory penalties against DEFENDANT, in a  
12 sum as provided by the California Labor Code and/or other applicable statutes. To the extent  
13 overtime compensation is determined to be owed to the CALIFORNIA CLASS Members who  
14 have terminated their employment, DEFENDANT's conduct also violates Labor Code §§ 201  
15 and/or 202, and therefore these individuals are also be entitled to waiting time penalties under  
16 Cal. Lab. Code § 203, which penalties are sought herein on behalf of these CALIFORNIA CLASS  
17 Members. DEFENDANT's conduct as alleged herein was willful, intentional and not in good  
18 faith. Further, PLAINTIFF and other CALIFORNIA CLASS Members are entitled to seek and  
19 recover statutory costs.

#### 20                                   **FOURTH CAUSE OF ACTION**

#### 21                                   **Failure To Provide Required Meal Periods**

22                                   **(Cal. Lab. Code §§ 226.7 & 512)**

23                                   **(Alleged By PLAINTIFF and the CALIFORNIA CLASS against all Defendants)**

24  
25           102. PLAINTIFF, and the other members of the CALIFORNIA CLASS, reallege and  
26 incorporate by this reference, as though fully set forth herein, the prior paragraphs of this  
27 Complaint.

28           103. During the CLASS PERIOD, DEFENDANT failed to provide all the legally

1 required off-duty meal breaks to PLAINTIFF and the CALIFORNIA CLASS as required by the  
2 applicable Wage Order and Labor Code. The nature of the work performed by PLAINTIFF and  
3 the CALIFORNIA CLASS did not prevent these employees from being relieved of all of their  
4 duties for the legally required off-duty meal periods. As a result of their rigorous work schedules,  
5 PLAINTIFF and the CALIFORNIA CLASS were often not fully relieved of duty by  
6 DEFENDANT for their meal periods. Additionally, DEFENDANT's failure to provide  
7 PLAINTIFF and the CALIFORNIA CLASS with legally required meal breaks prior to their fifth  
8 (5th) hour of work is evidenced by DEFENDANT's business records. As a result, PLAINTIFF  
9 and other members of the CALIFORNIA CLASS therefore forfeited meal breaks without  
10 additional compensation and in accordance with DEFENDANT's strict corporate policy and  
11 practice.

12 104. DEFENDANT further violated California Labor Code §§ 226.7 and the applicable  
13 IWC Wage Order by failing to compensate PLAINTIFF and CALIFORNIA CLASS Members  
14 who were not provided a meal period, in accordance with the applicable Wage Order, one  
15 additional hour of compensation at each employee's regular rate of pay for each workday that a  
16 meal period was not provided.

17 105. As a proximate result of the aforementioned violations, PLAINTIFF and  
18 CALIFORNIA CLASS Members have been damaged in an amount according to proof at trial,  
19 and seek all wages earned and due, interest, penalties, expenses and costs of suit.

## 20 **FIFTH CAUSE OF ACTION**

### 21 **Failure To Provide Required Rest Periods**

22 **(Cal. Lab. Code §§ 226.7 & 512)**

23 **(Alleged By PLAINTIFF and the CALIFORNIA CLASS against all Defendants)**

24 106. PLAINTIFF, and the other members of the CALIFORNIA CLASS, reallege and  
25 incorporate by this reference, as though fully set forth herein, the prior paragraphs of this  
26 Complaint.

27 107. During the CLASS PERIOD, PLAINTIFF and the CALIFORNIA CLASS were  
28 also required to work in excess of four (4) hours without being provided ten (10) minute rest

1 periods. Further, these employees were denied their first rest periods of at least ten (10) minutes  
2 for some shifts worked of at least two (2) to four (4) hours, a first and second rest period of at  
3 least ten (10) minutes for some shifts worked of between six (6) and eight (8) hours, and a first,  
4 second and third rest period of at least ten (10) minutes for some shifts worked of ten (10) hours  
5 or more. PLAINTIFF and the CALIFORNIA CLASS were also not provided with one-hour  
6 wages in lieu thereof. As a result of their rigorous work schedules, PLAINTIFF and the  
7 CALIFORNIA CLASS were periodically denied their proper rest periods by DEFENDANT and  
8 DEFENDANT's managers.

9 108. DEFENDANT further violated California Labor Code §§ 226.7 and the applicable  
10 IWC Wage Order by failing to compensate PLAINTIFF and the CALIFORNIA CLASS who were  
11 not provided a rest period, in accordance with the applicable Wage Order, one additional hour of  
12 compensation at each employee's regular rate of pay for each workday that rest period was not  
13 provided.

14 109. As a proximate result of the aforementioned violations, PLAINTIFF and the  
15 CALIFORNIA CLASS have been damaged in an amount according to proof at trial, and seek all  
16 wages earned and due, interest, penalties, expenses and costs of suit.

## 17 **SIXTH CAUSE OF ACTION**

### 18 **Failure To Provide Accurate Itemized Statements**

19 **(Cal. Lab. Code §§ 226)**

20 **(Alleged By PLAINTIFF and the CALIFORNIA CLASS against all Defendants)**

21 110. PLAINTIFF, and the other members of the CALIFORNIA CLASS, reallege and  
22 incorporate by this reference, as though fully set forth herein, the prior paragraphs of this  
23 Complaint.

24 1. Cal. Labor Code § 226 provides that an employer must furnish employees with an  
25 "accurate itemized" statement in writing showing: (1) Gross wages earned; (2) Total hours  
26 worked by the employee, except for any employee whose compensation is solely based on a salary  
27 and who is exempt from payment of overtime under subdivision (a) of Section 515 or any  
28 applicable order of the Industrial Welfare Commission; (3) The number of piece-rate units earned

1 and any applicable piece rate if the employee is paid on a piece-rate basis; (4) All deductions,  
2 provided that all deductions made on written orders of the employee may be aggregated and  
3 shown as one item; (5) Net wages earned; (6) The inclusive dates of the period for which the  
4 employee is paid; (7) The name of the employee and his or her social security number, except  
5 that by January 1, 2008, only the last four digits of his or her social security number or an  
6 employee identification number other than a social security number may be shown on the itemized  
7 statement; (8) The name and address of the legal entity that is the employer, and (9) All applicable  
8 hourly rates in effect during the pay period and the corresponding number of hours worked at  
9 each hourly rate by the employee.

10         2.         During the CLASS PERIOD, DEFENDANTS also failed to provide PLAINTIFF  
11 and the other members of the CALIFORNIA CLASS with complete and accurate wage statements  
12 which failed to accurately show, among other things, (1) Gross wages earned; (2) Total hours  
13 worked by the employee, (3) The number of piece-rate units earned and any applicable piece rate  
14 if the employee is paid on a piece-rate basis; (4) All deductions; (5) Net wages earned; and (6) all  
15 applicable hourly rates in effect during the pay period and the corresponding number of hours  
16 worked at each hourly rate.

17         3.         Further, during the CLASS PERIOD, DEFENDANTS also failed to provide  
18 PLAINTIFF and the other members of the CALIFORNIA CLASS with complete and accurate  
19 wage statements in compliance with Cal. Labor Code Section 226.2, which failed to accurately  
20 show, among other things: (1) the total hours of compensable rest and recovery periods; and (2)  
21 the total hours of other nonproductive time, the rate of compensation for the nonproductive time  
22 and the gross wages paid for the nonproductive time during the applicable pay period.

23         4.         PLAINTIFFS and the members of the CALIFORNIA CLASS were injured by  
24 DEFENDANTS' violations in that they could not promptly and easily determine from the wage  
25 statement alone, the amount of gross or net wages paid, the total hours worked, the number pf  
26 piece-rate units earned and any applicable piece-rate, all applicable hourly rates in effect during  
27 the pay period and the corresponding number of hours worked at each hourly rate to the employee  
28 during the applicable pay period.

1           5.       DEFENDANTS violations of Cal. Labor Code § 226 and 226.2 were knowing and  
2 intentional in that DEFENDANTS willfully intended to issue wage statements that were out of  
3 compliance with § 226 and 226.2.

4           111. DEFENDANTS knowingly and intentionally failed to comply with Cal. Labor  
5 Code § 226 and 226.2, causing injury and damages to the PLAINTIFF and the other members of  
6 the CALIFORNIA CLASS. These damages include, but are not limited to, costs expended  
7 calculating the correct rates for the overtime worked and the amount of employment taxes which  
8 were not properly paid to state and federal tax authorities. These damages are difficult to estimate.  
9 Therefore, PLAINTIFF and the other members of the CALIFORNIA CLASS may elect to recover  
10 liquidated damages of fifty dollars (\$50.00) for the initial pay period in which the violation  
11 occurred, and one hundred dollars (\$100.00) for each violation in a subsequent pay period  
12 pursuant to Cal. Lab. Code § 226, and all other damages and penalties available pursuant to Labor  
13 Code § 226.2(a)(6), all in an amount according to proof at the time of trial (but in no event more  
14 than four thousand dollars (\$4,000.00) for PLAINTIFF and each respective member of the  
15 CALIFORNIA CLASS herein).

16                                   **SEVENTH CAUSE OF ACTION**

17                                   **Failure To Pay Wages When Due**

18                                   **(Cal. Lab. Code §§ 203)**

19                   **(Alleged By PLAINTIFF and the CALIFORNIA CLASS against all Defendants)**

20           112. PLAINTIFF, and the other members of the CALIFORNIA CLASS, reallege and  
21 incorporate by reference, as though fully set forth herein, the prior paragraphs of this Complaint.

22           113. Cal. Lab. Code § 200 provides, in relevant part, that:

23                   As used in this article:(a) "Wages" includes all amounts for labor  
24                   performed by employees of every description, whether the amount is  
25                   fixed or ascertained by the standard of time, task, piece, Commission  
26                   basis, or other method of calculation. (b) "Labor" includes labor, work,  
27                   or service whether rendered or performed under contract, subcontract,  
28

1 partnership, station plan, or other agreement if the labor to be paid for  
2 is performed personally by the person demanding payment.

3 114. Cal. Lab. Code § 201 provides, in relevant part, “that If an employer discharges an  
4 employee, the wages earned and unpaid at the time of discharge are due and payable  
5 immediately.”

6 115. Cal. Lab. Code § 202 provides, in relevant part, that:

7 If an employee not having a written contract for a definite period quits  
8 his or her employment, his or her wages shall become due and payable  
9 not later than 72 hours thereafter, unless the employee has given 72  
10 hours previous notice of his or her intention to quit, in which case the  
11 employee is entitled to his or her wages at the time of quitting.  
12 Notwithstanding any other provision of law, an employee who quits  
13 without providing a 72-hour notice shall be entitled to receive payment  
14 by mail if he or she so requests and designates a mailing address. The  
15 date of the mailing shall constitute the date of payment for purposes  
16 of the requirement to provide payment within 72 hours of the notice  
17 of quitting.

18  
19 116. There was no definite term in PLAINTIFF’s or any CALIFORNIA CLASS  
20 Members’ employment contract.

21 117. Cal. Lab. Code § 203 provides, in relevant part, that:

22 If an employer willfully fails to pay, without abatement or reduction,  
23 in accordance with Sections 201, 201.5, 202, and 205.5, any wages of  
24 an employee who is discharged or who quits, the wages of the  
25 employee shall continue as a penalty from the due date thereof at the  
26 same rate until paid or until an action therefor is commenced; but the  
27 wages shall not continue for more than 30 days.

28 118. The employment of PLAINTIFF and many CALIFORNIA CLASS Members

1 terminated and DEFENDANT has not tendered payment of all wages owed as required by law.

2 119. Therefore, as provided by Cal Lab. Code § 203, on behalf of himself and the  
3 members of the CALIFORNIA CLASS whose employment has terminated and who have unpaid  
4 minimum and/or overtime wages and/or missed meal and rest breaks without being paid the  
5 legally required penalties by DEFENDANT, PLAINTIFF demands up to thirty days of pay as  
6 penalty for not timely paying all wages due at time of termination for all employees who  
7 terminated employment during the CLASS PERIOD plus interest and statutory costs as allowed  
8 by law.

9 **EIGHTH CAUSE OF ACTION**

10 **Failure To Reimburse Employees For Required Expenses**

11 **(Cal. Lab. Code §§ 2802)**

12 **(Alleged By PLAINTIFF and the CALIFORNIA CLASS against all Defendants)**

13 120. PLAINTIFF, and the other members of the CALIFORNIA CLASS, reallege and  
14 incorporate by this reference, as though fully set forth herein, the prior paragraphs of this  
15 Complaint.

16 121. Cal. Lab. Code § 2802 provides, in relevant part, that:

17 An employer shall indemnify his or her employee for all necessary  
18 expenditures or losses incurred by the employee in direct  
19 consequence of the discharge of his or her duties, or of his or her  
20 obedience to the directions of the employer, even though unlawful,  
21 unless the employee, at the time of obeying the directions, believed  
22 them to be unlawful.

23 122. From time-to-time during the CLASS PERIOD, DEFENDANTS violated Cal. Lab.  
24 Code § 2802, by failing to indemnify and reimburse PLAINTIFF and the members of the  
25 CALIFORNIA CLASS for required expenses incurred in the discharge of their job duties for  
26 DEFENDANTS' benefit. DEFENDANTS failed to reimburse PLAINTIFF and the members of  
27 the CALIFORNIA CLASS for expenses which included, but were not limited to, costs related to  
28 using their personal cellular phone and incurred rideshare expenses all on behalf of and for the

benefit of DEFENDANTS. Specifically, PLAINTIFF and the members of the CALIFORNIA CLASS were required by DEFENDANTS to use their personal cell phones, personal vehicles, and incur rideshare expenses to execute their essential job duties on behalf of DEFENDANTS. DEFENDANTS' uniform policy, practice and procedure was to not reimburse PLAINTIFF and the members of the CALIFORNIA CLASS for expenses resulting from using their personal cellular phones, personal vehicles, and rideshare expenses for DEFENDANTS within the course and scope of their employment for DEFENDANTS. These expenses were necessary to complete their principal job duties. DEFENDANTS are estopped by DEFENDANTS' conduct to assert any waiver of their expectation. Although these expenses were necessary expenses incurred by PLAINTIFF and the members of the CALIFORNIA CLASS, DEFENDANTS failed to indemnify and reimburse PLAINTIFF and the members of the CALIFORNIA CLASS for these expenses as an employer is required to do under the laws and regulations of California.

123. PLAINTIFF therefore demands reimbursement on behalf of the members of the CALIFORNIA CLASS for expenditures or losses incurred in the discharge their job duties and on behalf of DEFENDANTS, or his/her obedience to the directions of DEFENDANT, with interest at the statutory rate and costs under Cal. Lab. Code § 2802.

#### **PRAYER FOR RELIEF**

WHEREFORE, PLAINTIFF prays for a judgment against each Defendant, jointly and severally, as follows:

1. On behalf of the CALIFORNIA CLASS:

- a. That the Court certify the First Cause of Action asserted by the CALIFORNIA CLASS as a class action pursuant to Cal. Code of Civ. Proc. § 382;
- b. An order temporarily, preliminarily and permanently enjoining and restraining DEFENDANT from engaging in similar unlawful conduct as set forth herein;
- c. An order requiring DEFENDANT to pay all overtime wages and all sums unlawfully withheld from compensation due to PLAINTIFF and the other members of the CALIFORNIA CLASS; and
- d. Restitutionary disgorgement of DEFENDANT's ill-gotten gains into a fluid fund

for restitution of the sums incidental to DEFENDANT's violations due to PLAINTIFF and to the other members of the CALIFORNIA CLASS.

2. On behalf of the CALIFORNIA CLASS:

- a. That the Court certify the Second, Third, Fourth, Fifth, Sixth, Seventh, and Eighth Causes of Action asserted by the CALIFORNIA CLASS as a class action pursuant to Cal. Code of Civ. Proc. § 382;
- b. Compensatory damages, according to proof at trial, including compensatory damages for overtime compensation and separately owed rest periods, due to PLAINTIFF and the other members of the CALIFORNIA CLASS, during the applicable CLASS PERIOD plus interest thereon at the statutory rate;
- c. Meal and rest period compensation pursuant to Cal. Lab. Code §§ 226.7, 512 and the applicable IWC Wage Order;
- d. The greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one hundred dollars (\$100) per each member of the CALIFORNIA CLASS for each violation in a subsequent pay period, not exceeding an aggregate penalty of four thousand dollars (\$4,000), and an award of costs for violation of Cal. Lab. Code § 226
- e. The wages of all terminated employees from the CALIFORNIA CLASS as a penalty from the due date thereof at the same rate until paid or until an action therefore is commenced, in accordance with Cal. Lab. Code § 203.

3. On all claims:

- a. An award of interest, including prejudgment interest at the legal rate;
- b. Such other and further relief as the Court deems just and equitable; and
- c. An award of penalties, attorneys' fees and costs of suit, as allowable under the law.

DATED: December \_\_, 2021

**ZAKAY LAW GROUP, APLC**

By: 

Shani O. Zakay  
Attorney for PLAINTIFF

**DEMAND FOR A JURY TRIAL**

PLAINTIFF demands a jury trial on issues triable to a jury.

DATED: December \_\_, 2021

**ZAKAY LAW GROUP, APLC**

By:   
Shani O. Zakay  
Attorney for PLAINTIFF

# **EXHIBIT 3**



ZAKAY LAW GROUP  
A PROFESSIONAL LAW CORPORATION

Client # 44801

September 22, 2022

**Via Online Filing to LWDA and Certified Mail to Defendants**

**Labor and Workforce Development Agency**

Online Filing

**SUNROAD AUTO LLC  
SUNROAD AUTO HOLDING CORPORATION  
SUNROAD HOLDING CORPORATION  
SUNROAD CV AUTO, LLC  
SUNROAD HG AUTO, LLC  
SUNROAD KF AUTO, LLC  
SUNROAD EC AUTO, LLC  
c/o BLAKE L. FILLMORE  
8620 SPECTRUM CENTER BLVD.  
SUITE 1100  
SAN DIEGO CA 92123  
*Via Certified U.S. Mail with Return Receipt  
No. 7021 1970 0001 8870 1224***

**SUNROAD DEALERSHIPS CORPORATION  
c/o BLAKE L. FILLMORE  
4445 EASTGATE MALL, SUITE 400  
SAN DIEGO CA 92121  
*Via Certified U.S. Mail with Return Receipt  
No. 7021 1970 0001 8870 1231***

**Re: Notice of Violations of California Labor Code Sections 201, 201.3, 202, 203, 204, 210, 218.5, 218.6, 226, 226.2, 226.3, 226.7, 246, 510, 512, 558, 1174(d), 1174.5, 1194, 1197, 1197.1, 1197.14, 1198, 1199, 2802, and 2804, Violation of Applicable Industrial Welfare Commission Wage Order(s), and Pursuant to California Labor Code Section 2699.5**

Dear Sir/Madam:

Our offices represent Plaintiff MOHAMMAD TAHBAZ ("Plaintiff"), and other aggrieved employees in a proposed lawsuit against Defendants SUNROAD AUTO, LLC ("Defendant Sunroad Auto"), SUNROAD AUTO HOLDING CORPORATION ("Defendant Sunroad Auto Holding"), SUNROAD HOLDING CORPORATION ("Defendant Sunroad Holding Corporation"), SUNROAD DEALERSHIPS CORPORATION ("Defendant Sunroad Dealerships"), SUNROAD CV AUTO, LLC ("Defendant Sunroad CV"), SUNROAD EC AUTO, LLC ("Defendant Sunroad EC"), SUNROAD HG AUTO, LLC ("Defendant Sunroad HG"), and SUNROAD KF AUTO, LLC ("Defendant Sunroad KF") (collectively, "Defendants"). Plaintiff was employed by Defendants in California from April of 2019 to May of 2022 as a non-exempt employee, paid on an hourly basis, and entitled to payment of all wages and the legally required meal and rest breaks. Plaintiff also worked at times for Defendants as a commission-based sales employee entitled to be separately compensated for his non-productive time, including rest periods. Defendants, however, unlawfully failed to record and pay Plaintiff and other aggrieved

employees for all of their time worked, and for all of their meal breaks and rest breaks. Further, Defendants failed to timely pay Plaintiff and other aggrieved employees for earned wages.

As a consequence of the aforementioned violations, Plaintiff further contends that Defendants failed to provide accurate wage statements to him, and other aggrieved employees, in violation of California Labor Code section 226(a). Said conduct, in addition to the foregoing Labor Code §§ 201, 201.3, 202, 203, 204, 210, 218.5, 218.6, 226, 226.2, 226.3, 226.7, 246, 510, 512, 558, 1174(d), 1174.5, 1194, 1197, 1197.1, 1197.14, 1198, 1199, 2802, and 2804, violates the applicable Industrial Welfare Commission Wage Order(s), and is therefore actionable under California Labor Code section 2699.3.

**Plaintiff seeks to represent a group of aggrieved employees defined as all non-exempt, exempt, piece-rate based and/or commission-based employees who worked for Defendant Sunroad Auto and/or Defendant Sunroad Auto Holding and/or Defendant Sunroad Holding Corporation and/or Defendant Sunroad Dealerships and/or Defendant Sunroad CV and/or Defendant Sunroad EC and/or Defendant Sunroad HG and/or Defendant Sunroad KF in California during the relevant claim period.**

A true and correct copy of the proposed Complaint by Plaintiff against Defendants, which (1) identifies the alleged violations, (2) details the facts and theories which support the alleged violations, (3) details the specific work performed by Plaintiff, (4) sets forth the people/entities, dates, classifications, violations, events, and actions which are at issue to the extent known to Plaintiff, and (5) sets forth the illegal practices used by Defendants, is attached hereto. This information provides notice to the Labor and Workforce Development Agency of the facts and theories supporting the alleged violations for the agency's reference. Plaintiff therefore incorporates the allegations of the attached Complaint into this letter as if fully set forth herein. If the agency needs any further information, please do not hesitate to ask.

To the extent that entities and/or individuals are named and charged with violations of the Labor Code—making them liable on an individual basis as permitted by numerous Labor Code Sections including, but not limited to 558, 558.1, and 1197.1—Plaintiff reserves any and all rights to add, substitute, or change the name of employer entities and/or individuals responsible for the violations at issue.

Any further amendments and changes to this notice shall relate back to the date of this notice. Consequently, Defendants are on notice that Plaintiff continues his investigation, with the full intent to amend and/or change this notice, to add any undiscovered violations of any of the provisions of the California Labor Code—to the extent that are applicable to this case—and to change and/or add the identities of any entities and/or individuals responsible for the violations contained herein.

This notice is provided to enable Plaintiff to proceed with the Complaint against Defendants as authorized by California Labor Code section 2695, *et seq.* The lawsuit consists of other aggrieved employees. As counsel, our intention is to vigorously prosecute the claims as

alleged in the Complaint, and to procure civil penalties as provided by the Private Attorney General Statue of 2004 on behalf of Plaintiff and all aggrieved California employees.

Your earliest response to this notice is appreciated. If you have any questions or concerns, please do not hesitate to contact me at the above number and address.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Shani O. Zakay', with a stylized flourish at the end.

Shani O. Zakay  
Attorney for Plaintiff

**ZAKAY LAW GROUP, APLC**

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**JCL LAW FIRM, APC**

Jean-Claude Lapuyade (State Bar #248676)  
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[egarcia@jcl-lawfirm.com](mailto:egarcia@jcl-lawfirm.com)

Attorneys for Plaintiff

**SUPERIOR COURT OF THE STATE OF CALIFORNIA**

**IN AND FOR THE COUNTY OF SAN DIEGO**

MOHAMMAD TAHBAZ, an individual, on  
behalf of himself and on behalf of all persons  
similarly situated,

Plaintiff,

v.

SUNROAD AUTO, LLC, a California Limited  
Liability Company; SUNROAD AUTO  
HOLDING CORPORATION, a California  
Corporation; SUNROAD HOLDING  
CORPORATION, a California Corporation;  
SUNROAD DEALERSHIPS  
CORPORATION, a California Corporation;  
SUNROAD CV AUTO, LLC, a Delaware  
Limited Liability Company; SUNROAD EC  
AUTO, LLC, a Delaware Limited Liability  
Company; SUNROAD HG AUTO, LLC, a  
California Limited Liability Company;  
SUNROAD KF AUTO, LLC, a California  
Limited Liability Company; and DOES 1-50,  
Inclusive,

Defendants.

Case No:

**CLASS ACTION COMPLAINT FOR:**

- 1) UNFAIR COMPETITION IN VIOLATION  
OF CAL. BUS. & PROF. CODE §17200 *et*  
*seq*;
- 2) FAILURE TO PAY MINIMUM WAGES  
IN VIOLATION OF CAL. LAB. CODE §§  
1194, 1197 & 1197.1;
- 3) FAILURE TO PAY OVERTIME WAGES  
IN VIOLATION OF CAL. LAB. CODE §§  
510 *et seq*;
- 4) FAILURE TO PROVIDE REQUIRED  
MEAL PERIODS IN VIOLATION OF  
CAL. LAB. CODE §§ 226.7 & 512 AND  
THE APPLICABLE IWC WAGE ORDER;
- 5) FAILURE TO PROVIDE REQUIRED  
REST PERIODS IN VIOLATION OF  
CAL. LAB. CODE §§ 226.7 & 512 AND  
THE APPLICABLE IWC WAGE ORDER;
- 6) FAILURE TO PROVIDE ACCURATE  
ITEMIZED STATEMENTS IN

VIOLATION OF CAL. LAB. CODE § 226;  
7) FAILURE TO PROVIDE WAGES WHEN  
DUE IN VIOLATION OF CAL. LAB.  
CODE §§ 201, 202 AND 203;  
8) FAILURE TO REIMBURSE  
EMPLOYEES FOR REQUIRED  
EXPENSES IN VIOLATION OF  
CALIFORNIA LABOR CODE §2802.

**DEMAND FOR A JURY TRIAL**

Plaintiff MOHAMMAD TAHBAZ (“PLAINTIFF”), an individual, on behalf of himself and all other similarly situated current and former employees, alleges on information and belief, except for his own acts and knowledge which are based on personal knowledge, the following:

**THE PARTIES**

1. Defendant SUNROAD AUTO LLC (“Defendant Sunroad Auto”) is a California Limited Liability Company that at all relevant times mentioned herein conducted and continues to conduct substantial and regular business in the state of California.

2. Defendant SUNROAD AUTO HOLDING CORPORATION (“Defendant Sunroad Auto Holding”) is a California Corporation that at all relevant times mentioned herein conducted and continues to conduct substantial and regular business in the state of California,

3. Defendant SUNROAD HOLDING CORPORATION (“Defendant Sunroad Holding Corporation”) is a California Corporation that at all relevant times mentioned herein conducted and continues to conduct substantial and regular business in the state of California.

4. Defendant SUNROAD DEALERSHIPS CORPORATION (“Defendant Sunroad Dealerships”) is a California Corporation that at all relevant times mentioned herein conducted and continues to conduct substantial and regular business in the state of California.

5. Defendant SUNROAD CV AUTO, LLC (“Defendant Sunroad CV”) is a Delaware Limited Liability company that at all relevant times mentioned herein conducted and continues to conduct substantial and regular business in the state of California.

6. Defendant SUNROAD EC AUTO, LLC (“Defendant Sunroad EC”) is a Delaware Limited Liability company that at all relevant times mentioned herein conducted and continues to conduct substantial and regular business in the state of California.

1           7. Defendant SUNROAD HG AUTO, LLC (“Defendant Sunroad HG”) is a  
2 California Limited Liability Company that at all relevant times mentioned herein conducted and  
3 continues to conduct substantial and regular business in the state of California.

4           8. Defendant SUNROAD KF AUTO, LLC (“Defendant Sunroad KF”) is a California  
5 Limited Liability Company that at all relevant times mentioned herein conducted and continues  
6 to conduct substantial and regular business in the state of California.

7           9. Defendant Sunroad Auto, Defendant Sunroad Auto Holding, Defendant Sunroad  
8 Holding Corporation, Defendant Sunroad Dealerships, Defendant Sunroad CV, Defendant  
9 Sunroad EC, Defendant Sunroad HG and Defendant Sunroad KF were the joint employers of  
10 PLAINTIFF as evidenced by the contracts signed and by the company the PLAINTIFF performed  
11 work for respectively, and are therefore jointly responsible as employers for the conduct alleged  
12 herein. PLAINTIFF further alleges there has existed a unity of interest and ownership between  
13 Defendant Sunroad Auto, Defendant Sunroad Auto Holding, Defendant Sunroad Holding  
14 Corporation, Defendant Sunroad Dealerships, Defendant Sunroad CV, Defendant Sunroad EC,  
15 Defendant Sunroad HG and Defendant Sunroad KF such that any individuality and separateness  
16 between the entities has ceased and all Defendants are collectively referred to herein as  
17 “DEFENDANT” and/or “DEFENDANTS.” DEFENDANTS owns and operate car dealerships in  
18 California, including in the county of San Diego.

19           10. The true names and capacities, whether individual, corporate, subsidiary,  
20 partnership, associate or otherwise of defendants DOES 1 through 50, inclusive, are presently  
21 unknown to PLAINTIFF who therefore sues these Defendants by such fictitious names pursuant  
22 to Cal. Civ. Proc. Code § 474. PLAINTIFF will seek leave to amend this Complaint to allege the  
23 true names and capacities of Does 1 through 50, inclusive, when they are ascertained.  
24 PLAINTIFF is informed and believes, and based upon that information and belief alleges, that  
25 the Defendants named in this Complaint, including DOES 1 through 50, inclusive, (hereinafter  
26 collectively “DEFENDANTS” and/or “DEFENDANT”) are responsible in some manner for one  
27 or more of the events and happenings that proximately caused the injuries and damages  
28 hereinafter alleged.

1           11. PLAINTIFF alleges DOES 1-50 are the partners, agents, owners, or managers of  
2 DEFENDANTS at all relevant times. PLAINTIFF alleges there has existed a unity of interest  
3 and ownership between DEFENDANTS such that any individuality and separateness between  
4 the entities has ceased. Defendant Sunroad Auto, Defendant Sunroad Auto Holding, Defendant  
5 Sunroad Holding Corporation, Defendant Sunroad Dealerships, Defendant Sunroad CV,  
6 Defendant Sunroad EC, Defendant Sunroad HG and Defendant Sunroad KF, and DOES 1-50 are  
7 therefore alter egos of each other. Adherence to the fiction of the separate existence of  
8 DEFENDANTS would permit an abuse of the corporate privilege, and would promote injustice  
9 by protecting DEFENDANTS from liability for the wrongful acts committed by them.

10           12. The agents, servants, and/or employees of the Defendants and each of them acting  
11 on behalf of the DEFENDANTS acted within the course and scope of his, her or its authority as  
12 the agent, servant and/or employee of the Defendants, and personally participated in the conduct  
13 alleged herein on behalf of the Defendants with respect to the conduct alleged herein.  
14 Consequently, the acts of each Defendant are legally attributable to the other Defendants and all  
15 Defendants are jointly and severally liable to PLAINTIFF and the other members of the  
16 CALIFORNIA CLASS, for the loss sustained as a proximate result of the conduct of the  
17 Defendants' agents, servants and/or employees.

18           13. PLAINTIFF alleges that Defendant Sunroad Auto, Defendant Sunroad Auto  
19 Holding, Defendant Sunroad Holding Corporation, Defendant Sunroad Dealerships, Defendant  
20 Sunroad CV, Defendant Sunroad EC, Defendant Sunroad HG and Defendant Sunroad KF are  
21 the alter egos of each other for the following reasons:

- 22           a. On the California Secretary of State's website  
23 (<https://businesssearch.sos.ca.gov/>) Defendant Sunroad Auto, Defendant  
24 Sunroad Auto Holding, Defendant Sunroad Holding Corporation, Defendant  
25 Sunroad Dealerships, Defendant Sunroad CV, Defendant Sunroad EC,  
26 Defendant Sunroad HG and Defendant Sunroad KF have the same entity  
27 address and/or mailing address and/or Agent for Service of Process; and,  
28

1           b. On information and belief, Defendant Sunroad Auto, Defendant Sunroad Auto  
2           Holding, Defendant Sunroad Holding Corporation, Defendant Sunroad  
3           Dealerships, Defendant Sunroad CV, Defendant Sunroad EC, Defendant  
4           Sunroad HG and Defendant Sunroad KF utilize the same standardized  
5           employment forms and issue the same employment policies.

6           14. PLAINTIFF alleges that DEFENDANTS' various separate entities are used by an  
7           individual or individuals, or by another entity, to accomplish inequitable purposes, including to  
8           limit liability for the unlawful acts of DEFENDANTS.

9           15. PLAINTIFF alleges that there is such a unity of interest and ownership between  
10          DEFENDANTS' various corporate entities that own DEFENDANTS' car dealerships and the  
11          individual or individuals, or organization controlling these corporate entities that their separate  
12          personalities no longer exist.

13          16. PLAINTIFF further alleges that the failure to disregard the various corporate  
14          entities would promote injustice.

15          17. DEFENDANTS were PLAINTIFF's employers or persons acting on behalf of  
16          PLAINTIFF's employer, within the meaning of California Labor Code § 558, who violated or  
17          caused to be violated, a section of Part 2, Chapter 1 of the California Labor Code or any provision  
18          regulating hours and days of work in any order of the Industrial Welfare Commission and, as  
19          such, are subject to civil penalties for each underpaid employee, as set forth in Labor Code § 558,  
20          at all relevant times.

21          18. DEFENDANTS were PLAINTIFF's employers or persons acting on behalf of  
22          PLAINTIFF's employer either individually or as an officer, agent, or employee of another person,  
23          within the meaning of California Labor Code § 1197.1, who paid or caused to be paid to any  
24          employee a wage less than the minimum fixed by California state law, and as such, are subject to  
25          civil penalties for each underpaid employee.

26          19. PLAINTIFF was employed by DEFENDANTS in California from April of 2019  
27          to May of 2022, paid in part an hourly wage, commission-based compensation, non-discretionary  
28

1 bonuses, and entitled to minimum wages, overtime pay and legally compliant meal and rest  
2 periods.

3         20. PLAINTIFF brings this Class Action on behalf of himself and a California class,  
4 defined as all current and former non-exempt, exempt, piece-rate based, and/or commission-based  
5 employees employed by Defendant Sunroad Auto and/or Defendant Sunroad Auto Holding and/or  
6 Defendant Sunroad Holding Corporation and/or Defendant Sunroad Dealerships and/or  
7 Defendant Sunroad CV and/or Defendant Sunroad EC and/or Defendant Sunroad HG and/or  
8 Defendant Sunroad KF in California (“CALIFORNIA CLASS”) at any time during the period  
9 beginning four (4) years prior to the filing of this Complaint and ending on the date as determined  
10 by the Court (the “CLASS PERIOD”). The amount in controversy for the aggregate claim of the  
11 CALIFORNIA CLASS Members is under five million dollars (\$5,000,000.00).

12         21. PLAINTIFF brings this Class Action on behalf of himself and a CALIFORNIA  
13 CLASS in order to fully compensate the CALIFORNIA CLASS for their losses incurred during  
14 the CLASS PERIOD caused by DEFENDANT’s uniform policy and practice which failed to  
15 lawfully compensate these employees. DEFENDANT’s uniform policy and practice alleged  
16 herein was an unlawful, unfair and deceptive business practice whereby DEFENDANT retained  
17 and continues to retain wages due PLAINTIFF and the other members of the CALIFORNIA  
18 CLASS. PLAINTIFF and the other members of the CALIFORNIA CLASS seek an injunction  
19 enjoining such conduct by DEFENDANT in the future, relief for the named PLAINTIFF and the  
20 other members of the CALIFORNIA CLASS who have been economically injured by  
21 DEFENDANT’s past and current unlawful conduct, and all other appropriate legal and equitable  
22 relief.

23         22. DEFENDANTS’ uniform policies and practices alleged herein were unlawful,  
24 unfair and deceptive business practices whereby DEFENDANTS retained and continues to retain  
25 wages due PLAINTIFF and the other members of the CALIFORNIA CLASS.

26         23. PLAINTIFF and the other members of the CALIFORNIA CLASS seek an  
27 injunction enjoining such conduct by DEFENDANTS in the future, relief for the named  
28 PLAINTIFF and the other members of the CALIFORNIA CLASS who have been economically

1 injured by DEFENDANTS' past and current unlawful conduct, and all other appropriate legal and  
2 equitable relief.

### 3 **JURISDICTION AND VENUE**

4 24. This has jurisdiction over this Action pursuant to California Code of Civil  
5 Procedure, Section 410.10 and California Business & Professions Code, Section 17203. This  
6 action is brought as a Class Action on behalf of PLAINTIFF and similarly situated employees of  
7 DEFENDANT pursuant to Cal. Code of Civ. Proc. § 382.

8 25. Venue is proper in this Court pursuant to California Code of Civil Procedure,  
9 Sections 395 and 395.5, because PLAINTIFF worked in this County for DEFENDANTS and  
10 DEFENDANTS (i) currently maintain and at all relevant times maintained offices and facilities  
11 in this County and/or conduct substantial business in this County, and (ii) committed the wrongful  
12 conduct herein alleged in this County against members of the CALIFORNIA CLASS.

### 13 **THE CONDUCT**

14 26. In violation of the applicable sections of the California Labor Code and the  
15 requirements of the Industrial Welfare Commission ("IWC") Wage Order, DEFENDANTS as a  
16 matter of company policy, practice and procedure, intentionally, knowingly and systematically  
17 failed to provide legally compliant meal and rest periods, failed to accurately compensate  
18 PLAINTIFF and the other members of the CALIFORNIA CLASS for missed meal and rest  
19 periods, failed to pay PLAINTIFF and the other members of the CALIFORNIA CLASS for all  
20 time worked, failed compensate PLAINTIFF for off-the-clock work, failed to compensate  
21 PLAINTIFF and other members of the CALIFORNIA CLASS overtime, sick pay, and meal rest  
22 premiums at the correct regular rate, failed to reimburse PLAINTIFF and other CALIFORNIA  
23 CLASS Members for business expenses, and failed to issue to PLAINTIFF and the members of  
24 the CALIFORNIA CLASS with accurate itemized wage statements showing, among other things,  
25 all applicable hourly rates in effect during the pay periods and the corresponding amount of time  
26 worked at each hourly rate. DEFENDANTS' uniform policies and practices are intended to  
27 purposefully avoid the accurate and full payment for all time worked as required by California  
28 law which allows DEFENDANTS to illegally profit and gain an unfair advantage over

competitors who comply with the law. To the extent equitable tolling operates to toll claims by the CALIFORNIA CLASS against DEFENDANTS, the CLASS PERIOD should be adjusted accordingly.

**A. Meal and Rest Period Violations**

27. Pursuant to the Industrial Welfare Commission Wage Orders and the California Labor Codes, an employer shall not employ an employee for a work period of more than five (5) hours per day without providing the employee with a meal period of not less than thirty (30) minutes, except that if the total work period per day of the employee is no more than six (6) hours, the meal period may be waived by mutual consent of both the employer and employee. An employer shall not employ an employee for a work period of more than ten (10) hours per day without providing the employee with a second meal period of not less than thirty (30) minutes, except that if the total hours worked is no more than twelve (12) hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived. If an employer fails to provide an employee with a mandated meal period, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each workday that the meal period is not provided.

28. From time-to-time during the CALIFORNIA CLASS PERIOD, as a result of understaffing and their rigorous work schedule, PLAINTIFF and other CALIFORNIA CLASS members were from time to time unable to take thirty (30) minute off duty meal breaks and were not fully relieved of duty for meal periods. PLAINTIFF and other CALIFORNIA CLASS Members were from time to time required to perform work as ordered by DEFENDANT for more than five (5) hours during a shift without receiving an off-duty meal break. Further, DEFENDANT from time-to-time failed to provide PLAINTIFF and CALIFORNIA CLASS members with a second off-duty meal period from time to time in which these employees were required by DEFENDANT to work ten (10) hours of work from time to time. PLAINTIFF and the other CALIFORNIA CLASS Members therefore forfeited meal breaks without additional compensation and in accordance with DEFENDANT's strict corporate policy and practice.

1           29. Further, pursuant to the Industrial Welfare Commission Wage Orders,  
2 DEFENDANT was required to pay PLAINTIFF and CALIFORNIA CLASS members for all their  
3 time worked, meaning the time during which an employee is subject to the control of an employer,  
4 including all the time the employee suffered or permitted to work. DEFENDANT required  
5 PLAINTIFF and CALIFORNIA CLASS members to work without paying them for all the time  
6 they were under the DEFENDANT's control. Specifically, DEFENDANT required PLAINTIFF  
7 to work while clocked out during what was supposed to be PLAINTIFF's off duty meal break due  
8 to PLAINTIFF's rigorous work schedule and DEFENDANT's understaffing. PLAINTIFF was  
9 from time to time interrupted by work assignments while clocked out for what should have been  
10 PLAINTIFF's off-duty meal break. As a result, the PLAINTIFF and other CALIFORNIA CLASS  
11 members forfeited minimum wage and overtime compensation by regularly working without their  
12 time being accurately recorded and without compensation at the applicable minimum wage and  
13 overtime rates. DEFENDANT's uniform policy and practice not to pay PLAINTIFF and other  
14 CALIFORNIA CLASS Members for all time worked is evidenced by DEFENDANT's business  
15 records.

16           30. Pursuant to the Industrial Welfare Commission Wage Orders and the California  
17 Labor Codes, an employer shall authorize and permit all employees to take a rest periods, which  
18 so far as practical shall be in the middle of each work period. Generally, an employer must provide  
19 ten (10) minutes of paid rest for every four hours or major fraction thereof. If an employer fails  
20 to provide an employee a rest period, the employer shall pay the employee one (1) hour of pay at  
21 the employee's regular rate of pay for each workday that the rest period is not provided.

22           31. Additionally, during the CALIFORNIA CLASS PERIOD, PLAINTIFF and other  
23 CALIFORNIA CLASS members were from time-to-time required to work in excess of four (4)  
24 hours without being provided duty-free, uninterrupted, ten (10) minute rest period. Further, for  
25 the same reasons, these employees were denied their first rest periods of at least ten (10) minutes  
26 for some shifts worked of at least two (2) to four (4) hours, a first and second rest period of at  
27 least ten (10) minutes for some shifts worked of between six (6) and eight (8) hours, and a first,  
28 second and third rest period of at least ten (10) minutes for some shifts worked of ten (10) hours

1 or more from time to time. As a result, PLAINTIFF and the other CALIFORNIA CLASS  
2 Members were from time to time required to remain on the premises, on-duty and on-call during  
3 their rest periods. PLAINTIFF and other CALIFORNIA CLASS Members were also not provided  
4 with one-hour wages in lieu thereof.

5 **B. Regular Rate Violation – Overtime, Double Time, Meal and Rest Period Premiums, and**  
6 **Sick Pay**

7 32. State law provides that employees must be paid overtime at one-and-one-half times  
8 their “regular rate of pay.” PLAINTIFF and other CALIFORNIA CLASS were compensated at  
9 an hourly rate plus a piece-rate, and/or non-discretionary incentive pay that was tied to specific  
10 elements of an employee’s performance and/or commissions.

11 33. DEFENDANTS’ non-discretionary commission and bonus program provided the  
12 CALIFORNIA CLASS, including PLAINTIFF, with commissions and/or bonus compensation  
13 when the employees met the various performance goals set by DEFENDANT. However, when  
14 calculating the regular rate of pay, in those pay periods where PLAINTIFF and the CALIFORNIA  
15 CLASS worked overtime and earned non-discretionary bonus and/or commission wages,  
16 DEFENDANT failed to accurately include the non-discretionary bonus compensation and/or  
17 commission wages as part of the employees’ “regular rate of pay.”.

18 34. Management and supervisors described the bonus and commissions programs and  
19 commission compensation program to potential and new employees as part of the compensation  
20 package for new and used car salespersons including PLAINTIFF and the CALIFORNIA  
21 CLASS. As a matter of law, the incentive and commission compensation received by  
22 PLAINTIFFS and other CALIFORNIA CLASS members must be included and correctly  
23 calculated into the “regular rate of pay” for purposes of overtime and double time compensation,  
24 meal and rest period premium payments, and sick pay. DEFENDANT’s failure to do so has  
25 resulted in DEFENDANT’s systematic underpayment of overtime and double time compensation,  
26 meal and rest period premium payments, and sick pay to PLAINTIFF and other CALIFORNIA  
27 CLASS members. Specifically, California Labor Code Section 246 mandates that paid sick time  
28 for non-employees shall be calculated in the same manner as the regular rate of pay for the

workweek in which the employee uses paid sick time, whether or not the employee actually works overtime in that workweek. DEFENDANTS' conduct, as articulated herein, by failing to include the incentive compensation as part of the "regular rate of pay" for purposes of sick pay compensation was in violation of Cal. Lab. Code § 246 the underpayment of which is recoverable under Cal. Labor Code Sections 201, 202, 203 and/or 204.

35. In violation of the applicable sections of the California Labor Code and the requirements of the Industrial Welfare Commission ("IWC") Wage Order, DEFENDANTS as a matter of company policy, practice and procedure, intentionally and knowingly failed to compensate PLAINTIFF and the other members of the CALIFORNIA CLASS at the correct rate of pay for all overtime and double time compensation, meal and rest period premium payments, and sick pay. This uniform policy and practice of DEFENDANTS is intended to purposefully avoid the payment of the correct overtime and double time compensation, meal and rest period premium payments, and sick pay as required by California law which allowed DEFENDANTS to illegally profit and gain an unfair advantage over competitors who complied with the law. To the extent equitable tolling operates to toll claims by the CALIFORNIA CLASS members against DEFENDANTS, the CLASS PERIOD should be adjusted accordingly.

**C. Commission and Piece-Rate Violations**

36. From time-to-time during the CALIFORNIA CLASS PERIOD, PLAINTIFF and the CALIFORNIA CLASS were paid in part on a commission and/or piece-rate basis. In those instances where PLAINTIFF and the CALIFORNIA CLASS were paid in part on a commission and/or piece-rate basis, PLAINTIFF and the CALIFORNIA CLASS were entitled to be separately compensated for all non-productive time at an hourly rate that is no less than the applicable minimum wage. Notwithstanding, in those instances where PLAINTIFF and the CALIFORNIA CLASS were paid in part on a commission and/or piece-rate basis, DEFENDANT failed to separately compensate PLAINTIFF and the CALIFORNIA CLASS for all non-productive time, including but not limited to, paid rest periods, at an hourly rate that is no less than the applicable minimum wage. As a result, PLAINTIFF and the CALIFORNIA CLASS forfeited minimum

1 wages and overtime wages by DEFENDANT’S failure to separately compensate their non-  
2 productive time at an hourly rate that is no less than the applicable minimum wage.

3 **D. Unreimbursed Business Expenses**

4         37. DEFENDANTS as a matter of corporate policy, practice, and procedure,  
5 intentionally, knowingly, and systematically failed to reimburse and indemnify the PLAINTIFF  
6 and the CALIFORNIA CLASS for required business expenses incurred by the PLAINTIFF and  
7 other CALIFORNIA CLASS Members in direct consequence of discharging their duties on behalf  
8 of DEFENDANTS. Under California Labor Code Section 2802, employers are required to  
9 indemnify employees for all expenses incurred in the course and scope of their employment. Cal.  
10 Lab. Code § 2802 expressly states that “an employer shall indemnify his or her employee for all  
11 necessary expenditures or losses incurred by the employee in direct consequence of the discharge  
12 of his or her duties, or of his or her obedience to the directions of the employer, even though  
13 unlawful, unless the employee, at the time of obeying the directions, believed them to be  
14 unlawful.”

15         38. In the course of their employment, DEFENDANTS required PLAINTIFF and  
16 other CALIFORNIA CLASS Members to use their personal cell phones, personal vehicles, and  
17 incur rideshare expenses as a result of and in furtherance of their job duties as employees for  
18 DEFENDANT. But for the use of their own personal cell phones, personal vehicles, and rideshare  
19 expenses, PLAINTIFF and the CALIFORNIA CLASS Members could not complete their  
20 essential job duties, including but not limited to, sending and receiving work-related  
21 communications from DEFENDANTS, and delivering vehicles to DEFENDANTS’ customers.  
22 However, DEFENDANTS unlawfully failed to reimburse PLAINTIFF and other CALIFORNIA  
23 CLASS Members for their use of their personal cell phones, personal vehicles, and incurred  
24 rideshare expenses. As a result, in the course of their employment with DEFENDANTS, the  
25 PLAINTIFF and other CALIFORNIA CLASS Members incurred unreimbursed business  
26 expenses, but were not limited to, costs related to the use of their personal cellular phones,  
27 personal vehicles, and rideshare expenses, all on behalf of and for the benefit of DEFENDANTS.

28 **E. Wage Statement Violations**

1           39. California Labor Code Sections 226 and 226.2 require an employer to furnish its  
2 employees an accurate itemized statement in writing showing (1) gross wages earned, (2) total  
3 hours worked, (3) the number of piece-rate units earned and any applicable piece-rate, (4) all  
4 deductions, (5) net wages earned, (6) the inclusive dates of the period for which the employee is  
5 paid, (7) the name of the employee and only the last four digits of the employee's social security  
6 number or an employee identification number other than a social security number, (8) the name  
7 and address of the legal entity that is the employer, (9) all applicable hourly rates in effect during  
8 the pay period and the corresponding number of hours worked at each hourly rate by the  
9 employee; (10) the total hours of compensable rest and recovery periods, the rate of compensation,  
10 and the gross wages paid for those periods during the pay period, and (11) the total hours of other  
11 nonproductive time, the rate of compensation, and the gross wages paid for that time during the  
12 pay period.

13           40. From time-to-time during the CALIFORNIA CLASS PERIOD, DEFENDANT  
14 furnished PLAINTIFF and the CALIFORNIA CLASS written wage statements that failed to  
15 accurately show (1) gross wages earned, (2) total hours worked, (3) the number of piece-rate units  
16 earned and any applicable piece-rate, (4) net wages earned, (5) all applicable hourly rates in effect  
17 during the pay period and the corresponding number of hours worked at each hourly rate by the  
18 employee; (6) the total hours of compensable rest and recovery periods, the rate of compensation,  
19 and the gross wages paid for those periods during the pay period, and (7) the total hours of other  
20 nonproductive time, the rate of compensation, and the gross wages paid for that time during the  
21 pay period.

22           41. In addition to the violations described above, DEFENDANTS, from time to time,  
23 failed to provide PLAINTIFF and the CALIFORNIA CLASS Members with wage statements  
24 that comply with Cal. Lab. Code § 226.

25           42. As a result, DEFENDANTS issued PLAINTIFF and the CALIFORNIA CLASS  
26 with wage statements that violate Cal. Lab. Code §§ 226 and 226.2. Further, DEFENDANTS'  
27 violations are knowing and intentional, were not isolated or due to an unintentional payroll error  
28 due to clerical or inadvertent mistake.

**THE CALIFORNIA CLASS**

43. PLAINTIFF brings the First Cause of Action for Unfair, Unlawful and Deceptive Business Practices pursuant to Cal. Bus. & Prof. Code §§ 17200, et seq. (the "UCL") as a Class Action, pursuant to Cal. Code of Civ. Proc. § 382, on behalf of all current and former non-exempt, exempt, exempt, piece-rate based, and/or commission-based employees employed by Defendant Sunroad Auto and/or Defendant Sunroad Auto Holding and/or Defendant Sunroad Holding Corporation and/or Defendant Sunroad Dealerships and/or Defendant Sunroad CV and/or Defendant Sunroad EC and/or Defendant Sunroad HG and/or Defendant Sunroad KF in California ("CALIFORNIA CLASS") at any time during the period beginning four (4) years prior to the filing of this Complaint and ending on the date as determined by the Court (the "CLASS PERIOD"). The amount in controversy for the aggregate claim of CALIFORNIA CLASS Members is under five million dollars (\$5,000,000.00).

44. To the extent equitable tolling operates to toll claims by the CALIFORNIA CLASS against DEFENDANT, the CALIFORNIA CLASS PERIOD should be adjusted accordingly.

45. PLAINTIFF and the other CALIFORNIA CLASS Members have uniformly been deprived of wages and penalties from unpaid wages earned and due, including but not limited to unpaid minimum wages, unpaid overtime compensation, unpaid meal and rest period premiums, and illegal meal and rest period policies. Defendant further failed to reimburse for business expenses, failed to compensate for off-the-clock work, failed to provide accurate itemized wage statements, and failed to maintain required records, and interest, statutory and civil penalties, attorney's fees, costs, and expenses.

46. The members of the class are so numerous that joinder of all class members is impractical.

47. Common questions of law and fact regarding DEFENDANTS' conduct, including but not limited to, the off-the-clock work, unpaid mean and rest period premiums, failing to provide legally compliant meal and rest periods, failed to reimburse for business expenses, failure to provide accurate itemized wage statements accurate, and failure to ensure they are paid at least

1 minimum wage and overtime, exist as to all members of the class and predominate over any  
2 questions affecting solely any individual members of the class. Among the questions of law and  
3 fact common to the class are:

- 4 i. Whether DEFENDANTS maintained legally compliant meal period policies  
5 and practices;
- 6 ii. Whether DEFENDANTS maintained legally compliant rest period policies  
7 and practices;
- 8 iii. Whether DEFENDANTS failed to pay PLAINTIFF and the CALIFORNIA  
9 CLASS Members accurate premium payments for missed meal and rest  
10 periods;
- 11 iv. Whether DEFENDANTS failed to pay PLAINTIFF and the CALIFORNIA  
12 CLASS Members accurate overtime wages;
- 13 v. Whether DEFENDANTS failed to pay PLAINTIFF and the CALIFORNIA  
14 CLASS Members at least minimum wage for all hours worked;
- 15 vi. Whether Defendants failed to compensate PLAINTIFF and the  
16 CALIFORNIA CLASS Members for required business expenses;
- 17 vii. Whether DEFENDANTS issued legally compliant wage statements;
- 18 viii. Whether DEFENDANTS committed an act of unfair competition by  
19 systematically failing to record and pay PLAINTIFF and the other members  
20 of the CALIFORNIA CLASS for all time worked;
- 21 ix. Whether DEFENDANTS committed an act of unfair competition by  
22 systematically failing to record all meal and rest breaks missed by  
23 PLAINTIFF and other CALIFORNIA CLASS Members, even though  
24 DEFENDANTS enjoyed the benefit of this work, required employees to  
25 perform this work and permits or suffers to permit this work;
- 26 x. Whether DEFENDANTS committed an act of unfair competition in  
27 violation of the UCL, by failing to provide the PLAINTIFF and the other  
28 members of the CALIFORNIA CLASS with the legally required meal and  
rest periods.

1           48. PLAINTIFF is a member of the CALIFORNIA CLASS and suffered damages as  
2 a result of DEFENDANTS' conduct and actions alleged herein.

3           49. PLAINTIFF's claims are typical of the claims of the class, and PLAINTIFF has  
4 the same interests as the other members of the class.

5           50. PLAINTIFF will fairly and adequately represent and protect the interests of the  
6 CALIFORNIA CLASS Members.

7           51. PLAINTIFF retained able class counsel with extensive experience in class action  
8 litigation.

9           52. Further, PLAINTIFF's interests are coincident with, and not antagonistic to, the  
10 interests of the other CALIFORNIA CLASS Members.

11           53. There is a strong community of interest among PLAINTIFF and the members of  
12 the CALIFORNIA CLASS to, inter alia, ensure that the combined assets of DEFENDANTS are  
13 sufficient to adequately compensate the members of the CALIFORNIA CLASS for the injuries  
14 sustained.

15           54. The questions of law and fact common to the CALIFORNIA CLASS Members  
16 predominate over any questions affecting only individual members, including legal and factual  
17 issues relating to liability and damages.

18           55. A class action is superior to other available methods for the fair and efficient  
19 adjudication of this controversy because joinder of all class members is impractical. Moreover,  
20 since the damages suffered by individual members of the class may be relatively small, the  
21 expense and burden of individual litigation makes it practically impossible for the members of the  
22 class individually to redress the wrongs done to them. Without class certification and  
23 determination of declaratory, injunctive, statutory and other legal questions within the class  
24 format, prosecution of separate actions by individual members of the CALIFORNIA CLASS will  
25 create the risk of:

- 26           i. Inconsistent or varying adjudications with respect to individual members of the  
27 CALIFORNIA CLASS which would establish incompatible standards of  
28 conduct for the parties opposing the CALIFORNIA CLASS; and/or,



1 Industrial Wage Order(s), the California Code of Regulations and the California Labor Code  
2 including Sections 201, 202, 203, 204, 206.5, 226.7, 246, 510, 512, 558, 1194, 1197, 1197.1, 1198  
3 & 2802, for which this Court should issue declaratory and other equitable relief pursuant to Cal.  
4 Bus. & Prof. Code § 17203 as may be necessary to prevent and remedy the conduct held to  
5 constitute unfair competition, including restitution of wages wrongfully withheld.

6 61. By the conduct alleged herein, DEFENDANT's practices were unlawful and unfair  
7 in that these practices violate public policy, were immoral, unethical, oppressive, unscrupulous or  
8 substantially injurious to employees, and were without valid justification or utility for which this  
9 Court should issue equitable and injunctive relief pursuant to Section 17203 of the California  
10 Business & Professions Code, including restitution of wages wrongfully withheld.

11 62. By the conduct alleged herein, DEFENDANT's practices were deceptive and  
12 fraudulent in that DEFENDANT's uniform policy and practice failed to pay all minimum and  
13 overtime wages due, failed to provide the legally mandated meal and rest periods, failed to pay  
14 the required amount of compensation for missed meal and rest periods, and failed to reimburse  
15 necessary business expenses incurred due to a systematic business practice that cannot be  
16 justified, pursuant to the applicable Cal. Lab. Code, and Industrial Welfare Commission  
17 requirements in violation of Cal. Bus. Code §§ 17200, et seq., and for which this Court should  
18 issue injunctive and equitable relief, pursuant to Cal. Bus. & Prof. Code § 17203, including  
19 restitution of wages wrongfully withheld.

20 63. By the conduct alleged herein, DEFENDANT's practices were also unlawful,  
21 unfair and deceptive in that DEFENDANT's employment practices caused PLAINTIFF and the  
22 other members of the CALIFORNIA CLASS to be underpaid during their employment with  
23 DEFENDANT.

24 64. By the conduct alleged herein, DEFENDANT's practices were also unlawful,  
25 unfair and deceptive in that DEFENDANT's uniform policies, practices and procedures failed to  
26 provide all legally required meal and rest breaks to PLAINTIFF and the other members of the  
27 CALIFORNIA CLASS as required by Cal. Lab. Code §§ 226.7 and 512.

28 65. Therefore, PLAINTIFF demands on behalf of himself and on behalf of each

1 CALIFORNIA CLASS member, one (1) hour of pay for each workday in which an off-duty meal  
2 period was not timely provided for each five (5) hours of work, and/or one (1) hour of pay for  
3 each workday in which a second off-duty meal period was not timely provided for each ten (10)  
4 hours of work.

5 66. PLAINTIFF further demands on behalf of himself and each member of the  
6 CALIFORNIA CLASS one (1) hour of pay for each workday in which a rest period was not given  
7 and a premium was not timely provided as required by law.

8 67. By and through the unlawful and unfair business practices described herein,  
9 DEFENDANT has obtained valuable property, money and services from PLAINTIFF and the  
10 other members of the CALIFORNIA CLASS, including earned wages for all time worked, and  
11 has deprived them of valuable rights and benefits guaranteed by law and contract, all to the  
12 detriment of these employees and to the benefit of DEFENDANT so as to allow DEFENDANT  
13 to unfairly compete against competitors who comply with the law.

14 68. All the acts described herein as violations of, among other things, the Industrial  
15 Welfare Commission Wage Orders, the California Code of Regulations, and the California Labor  
16 Code, were unlawful and in violation of public policy, were immoral, unethical, oppressive and  
17 unscrupulous, were deceptive, and thereby constitute unlawful, unfair and deceptive business  
18 practices in violation of Cal. Bus. & Prof. Code §§ 17200, et seq.

19 69. PLAINTIFF and the other members of the CALIFORNIA CLASS were entitled to,  
20 and do, seek such relief as may be necessary to restore to them the money and property which  
21 DEFENDANT has acquired, or of which PLAINTIFF and the other members of the  
22 CALIFORNIA CLASS have been deprived, by means of the above described unlawful and unfair  
23 business practices, including earned but unpaid wages for all time worked.

24 70. PLAINTIFF and the other members of the CALIFORNIA CLASS are further  
25 entitled to, and do, seek a declaration that the described business practices are unlawful, unfair  
26 and deceptive, and that injunctive relief should be issued restraining DEFENDANT from  
27 engaging in any unlawful and unfair business practices in the future.

28

1           71. PLAINTIFF and the other members of the CALIFORNIA CLASS have no plain,  
2 speedy and/or adequate remedy at law that will end the unlawful and unfair business practices of  
3 DEFENDANT. Further, the practices herein alleged presently continue to occur unabated. As a  
4 result of the unlawful and unfair business practices described herein, PLAINTIFF and the other  
5 members of the CALIFORNIA CLASS have suffered and will continue to suffer irreparable legal  
6 and economic harm unless DEFENDANT is restrained from continuing to engage in these  
7 unlawful and unfair business practices.

8                                   **SECOND CAUSE OF ACTION**

9                                   **Failure To Pay Minimum Wages**

10                           **(Cal. Lab. Code §§ 1194, 1197 and 1197.1.)**

11                   **(Alleged By PLAINTIFF and the CALIFORNIA CLASS against all Defendants)**

12           72. PLAINTIFF, and the other members of the CALIFORNIA LABOR SUB-CLASS,  
13 reallege and incorporate by this reference, as though fully set forth herein, the prior paragraphs of  
14 this Complaint.

15           73. PLAINTIFF and the other members of the CALIFORNIA CLASS bring a claim for  
16 DEFENDANT's willful and intentional violations of the California Labor Code and the Industrial  
17 Welfare Commission requirements for DEFENDANT's failure to accurately calculate and pay  
18 minimum wages.

19           74. Pursuant to Cal. Lab. Code § 204, other applicable laws and regulations, and public  
20 policy, an employer must timely pay its employees for all hours worked.

21           75. Cal. Lab. Code § 1197 provides the minimum wage for employees fixed by the  
22 commission is the minimum wage to be paid to employees, and the payment of a less wage than  
23 the minimum so fixed is unlawful.

24           76. Cal. Lab. Code § 1194 establishes an employee's right to recover unpaid wages,  
25 including minimum wage compensation and interest thereon, together with the costs of suit.

26           77. As set forth above, during the CLASS PERIOD, DEFENDANT maintained a  
27 uniform wage practice of paying PLAINTIFF and the other members of the CALIFORNIA  
28 CLASS without regard to the correct amount of time they worked. As set forth herein,

1 DEFENDANT's uniform policy and practice was to unlawfully and intentionally deny timely  
2 payment of wages due to PLAINTIFF and the other members of the CALIFORNIA CLASS.

3 78. DEFENDANT's uniform pattern of unlawful wage and hour practices manifested,  
4 without limitation, applicable to the CALIFORNIA CLASS as a whole, as a result of  
5 implementing a uniform policy and practice that denied accurate compensation to PLAINTIFF  
6 and the other members of the CALIFORNIA CLASS regarding minimum wage pay.

7 79. In committing these violations of the California Labor Code, DEFENDANT  
8 inaccurately calculated the correct time worked and consequently underpaid the actual time  
9 worked by PLAINTIFF and other members of the CALIFORNIA CLASS. DEFENDANT acted  
10 in an illegal attempt to avoid the payment of all earned wages, and other benefits in violation of  
11 the California Labor Code, the Industrial Welfare Commission requirements and other applicable  
12 laws and regulations.

13 80. As a direct result of DEFENDANT's unlawful wage practices as alleged herein,  
14 PLAINTIFF and the other members of the CALIFORNIA CLASS did not receive the correct  
15 minimum wage compensation for their time worked for DEFENDANT.

16 81. During the CLASS PERIOD, PLAINTIFF and the other members of the  
17 CALIFORNIA CLASS were paid less for time worked that they were entitled to, constituting a  
18 failure to pay all earned wages.

19 82. By virtue of DEFENDANT's unlawful failure to accurately pay all earned  
20 compensation to the PLAINTIFF and the other members of the CALIFORNIA CLASS for the  
21 true time they worked, PLAINTIFF and the other members of the CALIFORNIA CLASS have  
22 suffered and will continue to suffer an economic injury in amounts which are presently unknown  
23 to them and which will be ascertained according to proof at trial.

24 83. DEFENDANT knew or should have known that PLAINTIFF and the other  
25 members of the CALIFORNIA CLASS were under compensated for their time worked.  
26 DEFENDANT systematically elected, either through intentional malfeasance or gross  
27 nonfeasance, to not pay employees for their labor as a matter of uniform company policy, practice  
28 and procedure, and DEFENDANT perpetrated this systematic scheme by refusing to pay

1 PLAINTIFF and the other members of the CALIFORNIA CLASS the correct minimum wages  
2 for their time worked.

3 84. In performing the acts and practices herein alleged in violation of California labor  
4 laws, and refusing to compensate the members of the CALIFORNIA CLASS for all time worked  
5 and provide them with the requisite compensation, DEFENDANT acted and continues to act  
6 intentionally, oppressively, and maliciously toward PLAINTIFF and the other members of the  
7 CALIFORNIA CLASS with a conscious and utter disregard for their legal rights, or the  
8 consequences to them, and with the despicable intent of depriving them of their property and legal  
9 rights, and otherwise causing them injury in order to increase company profits at the expense of  
10 these employees.

11 85. PLAINTIFF and the other members of the CALIFORNIA CLASS therefore  
12 request recovery of all unpaid wages, according to proof, interest, statutory costs, as well as the  
13 assessment of any statutory penalties against DEFENDANT, in a sum as provided by the  
14 California Labor Code and/or other applicable statutes. To the extent minimum wage  
15 compensation is determined to be owed to the CALIFORNIA CLASS Members who have  
16 terminated their employment, DEFENDANT's conduct also violates Labor Code §§ 201 and/or  
17 202, and therefore these individuals are also be entitled to waiting time penalties under Cal. Lab.  
18 Code § 203, which penalties are sought herein on behalf of these CALIFORNIA CLASS  
19 Members. DEFENDANT's conduct as alleged herein was willful, intentional and not in good  
20 faith. Further, PLAINTIFF and other CALIFORNIA CLASS Members are entitled to seek and  
21 recover statutory costs.

### 22 **THIRD CAUSE OF ACTION**

#### 23 **Failure To Pay Overtime Compensation**

24 **(Cal. Lab. Code §§ 510, 1194 and 1198)**

25 **(Alleged By PLAINTIFF and the CALIFORNIA CLASS against all Defendants)**

26 86. PLAINTIFF, and the other members of the CALIFORNIA CLASS, reallege and  
27 incorporate by this reference, as though fully set forth herein, the prior paragraphs of this  
28 Complaint.

1           87.     PLAINTIFF and the other members of the CALIFORNIA CLASS bring a claim for  
2 DEFENDANT's willful and intentional violations of the California Labor Code and the Industrial  
3 Welfare Commission requirements for DEFENDANTS' failure to properly compensate the  
4 members of the CALIFORNIA CLASS for all overtime worked, including, work performed in  
5 excess of eight (8) hours in a workday and/or forty (40) hours in any workweek during the CLASS  
6 PERIOD.

7           88.     Pursuant to Cal. Lab. Code § 204, other applicable laws and regulations, and public  
8 policy, an employer must timely pay its employees for all hours worked.

9           89.     Cal. Lab. Code § 510 further provides that employees in California shall not be  
10 employed more than eight (8) hours per workday and/or more than forty (40) hours per workweek  
11 unless they receive additional compensation beyond their regular wages in amount specified by  
12 law.

13           90.     Cal. Lab. Code § 1194 establishes an employee's right to recover unpaid wages,  
14 including overtime compensation and interest thereon, together with the costs of suit. Cal. Lab.  
15 Code § 1198 further states that the employment of an employee for longer hours than those fixed  
16 by the Industrial Welfare Commission is unlawful.

17           91.     During the CALIFORNIA CLASS PERIOD, PLAINTIFF and CALIFORNIA  
18 CLASS Members were required by DEFENDANT to work for DEFENDANT and were not paid  
19 for all the time they worked, including overtime work.

20           92.     DEFENDANT's uniform pattern of unlawful wage and hour practices manifested,  
21 without limitation, applicable to the CALIFORNIA CLASS as a whole, as a result of  
22 implementing a uniform policy and practice that failed to accurately record overtime worked by  
23 PLAINTIFF and the other members of the CALIFORNIA CLASS, and denied accurate  
24 compensation to PLAINTIFF and the other members of the CALIFORNIA CLASS for overtime  
25 worked, including, the work performed in excess of eight (8) hours in a workday and/or forty (40)  
26 hours in any workweek.

27           93.     In committing these violations of the California Labor Code, DEFENDANT acted  
28 in an illegal attempt to avoid the payment of all earned wages, and other benefits in violation of

1 the California Labor Code, the Industrial Welfare Commission requirements and other applicable  
2 laws and regulations.

3 94. As a direct result of DEFENDANT's unlawful wage practices as alleged herein,  
4 PLAINTIFFS and the other members of the CALIFORNIA CLASS did not receive full  
5 compensation for all overtime worked.

6 95. Cal. Lab. Code § 515 sets out various categories of employees who are exempt from  
7 the overtime requirements of the law. None of these exemptions are applicable to PLAINTIFF  
8 and the other members of the CALIFORNIA CLASS. Further, PLAINTIFF and the other  
9 members of the CALIFORNIA CLASS are not subject to a valid collective bargaining agreement  
10 that would preclude the causes of action contained herein this Complaint. Rather, PLAINTIFF  
11 bring this Action on behalf of himself and the CALIFORNIA CLASS based on DEFENDANT's  
12 violations of non-negotiable, non-waivable rights provided by the State of California.

13 96. During the CLASS PERIOD, PLAINTIFF and the other members of the  
14 CALIFORNIA CLASS were paid less for time worked than they were entitled to, constituting a  
15 failure to pay all earned wages.

16 97. DEFENDANT failed to accurately pay PLAINTIFF and the other members of the  
17 CALIFORNIA CLASS overtime wages for the time they worked which was in excess of the  
18 maximum hours permissible by law as required by Cal. Lab. Code §§ 510, 1194 & 1198, even  
19 though PLAINTIFF and the other members of the CALIFORNIA CLASS were required to work,  
20 and did in fact work, overtime as to which DEFENDANT failed to accurately record and pay  
21 using the applicable overtime rate as evidenced by DEFENDANT's business records and  
22 witnessed by employees.

23 98. By virtue of DEFENDANT's unlawful failure to accurately pay all earned  
24 compensation to PLAINTIFF and the other members of the CALIFORNIA CLASS for the true  
25 time they worked, PLAINTIFF and the other members of the CALIFORNIA CLASS have  
26 suffered and will continue to suffer an economic injury in amounts which are presently unknown  
27 to them and which will be ascertained according to proof at trial.

28 99. DEFENDANT knew or should have known that PLAINTIFF and the other

1 members of the CALIFORNIA CLASS are under compensated for their overtime worked.  
2 DEFENDANT systematically elected, either through intentional malfeasance or gross  
3 nonfeasance, to not pay employees for their labor as a matter of uniform company policy, practice  
4 and procedure, and DEFENDANT perpetrated this systematic scheme by refusing to pay  
5 PLAINTIFF and the other members of the CALIFORNIA CLASS the applicable overtime rate.

6 100. In performing the acts and practices herein alleged in violation of California labor  
7 laws, and refusing to compensate the members of the CALIFORNIA CLASS for all time worked  
8 and provide them with the requisite overtime compensation, DEFENDANT acted and continue  
9 to act intentionally, oppressively, and maliciously toward PLAINTIFF and the other members of  
10 the CALIFORNIA CLASS with a conscious and utter disregard for their legal rights, or the  
11 consequences to them, and with the despicable intent of depriving them of their property and legal  
12 rights, and otherwise causing them injury in order to increase company profits at the expense of  
13 these employees.

14 101. PLAINTIFF and the other members of the CALIFORNIA CLASS therefore  
15 request recovery of all unpaid wages, including overtime wages, according to proof, interest,  
16 statutory costs, as well as the assessment of any statutory penalties against DEFENDANT, in a  
17 sum as provided by the California Labor Code and/or other applicable statutes. To the extent  
18 overtime compensation is determined to be owed to the CALIFORNIA CLASS Members who  
19 have terminated their employment, DEFENDANT's conduct also violates Labor Code §§ 201  
20 and/or 202, and therefore these individuals are also be entitled to waiting time penalties under  
21 Cal. Lab. Code § 203, which penalties are sought herein on behalf of these CALIFORNIA CLASS  
22 Members. DEFENDANT's conduct as alleged herein was willful, intentional and not in good  
23 faith. Further, PLAINTIFF and other CALIFORNIA CLASS Members are entitled to seek and  
24 recover statutory costs.

#### 25 **FOURTH CAUSE OF ACTION**

#### 26 **Failure To Provide Required Meal Periods**

27 **(Cal. Lab. Code §§ 226.7 & 512)**

28 **(Alleged By PLAINTIFF and the CALIFORNIA CLASS against all Defendants)**

1  
2 102. PLAINTIFF, and the other members of the CALIFORNIA CLASS, reallege and  
3 incorporate by this reference, as though fully set forth herein, the prior paragraphs of this  
4 Complaint.

5 103. During the CLASS PERIOD, DEFENDANT failed to provide all the legally  
6 required off-duty meal breaks to PLAINTIFF and the CALIFORNIA CLASS as required by the  
7 applicable Wage Order and Labor Code. The nature of the work performed by PLAINTIFF and  
8 the CALIFORNIA CLASS did not prevent these employees from being relieved of all of their  
9 duties for the legally required off-duty meal periods. As a result of their rigorous work schedules,  
10 PLAINTIFF and the CALIFORNIA CLASS were often not fully relieved of duty by  
11 DEFENDANT for their meal periods. Additionally, DEFENDANT's failure to provide  
12 PLAINTIFF and the CALIFORNIA CLASS with legally required meal breaks prior to their fifth  
13 (5th) hour of work is evidenced by DEFENDANT's business records. As a result, PLAINTIFF  
14 and other members of the CALIFORNIA CLASS therefore forfeited meal breaks without  
15 additional compensation and in accordance with DEFENDANT's strict corporate policy and  
16 practice.

17 104. DEFENDANT further violated California Labor Code §§ 226.7 and the applicable  
18 IWC Wage Order by failing to compensate PLAINTIFF and CALIFORNIA CLASS Members  
19 who were not provided a meal period, in accordance with the applicable Wage Order, one  
20 additional hour of compensation at each employee's regular rate of pay for each workday that a  
21 meal period was not provided.

22 105. As a proximate result of the aforementioned violations, PLAINTIFF and  
23 CALIFORNIA CLASS Members have been damaged in an amount according to proof at trial,  
24 and seek all wages earned and due, interest, penalties, expenses and costs of suit.

25 **FIFTH CAUSE OF ACTION**

26 **Failure To Provide Required Rest Periods**

27 **(Cal. Lab. Code §§ 226.7 & 512)**

28 **(Alleged By PLAINTIFF and the CALIFORNIA CLASS against all Defendants)**

1           106. PLAINTIFF, and the other members of the CALIFORNIA CLASS, reallege and  
2 incorporate by this reference, as though fully set forth herein, the prior paragraphs of this  
3 Complaint.

4           107. During the CLASS PERIOD, PLAINTIFF and the CALIFORNIA CLASS were  
5 also required to work in excess of four (4) hours without being provided ten (10) minute rest  
6 periods. Further, these employees were denied their first rest periods of at least ten (10) minutes  
7 for some shifts worked of at least two (2) to four (4) hours, a first and second rest period of at  
8 least ten (10) minutes for some shifts worked of between six (6) and eight (8) hours, and a first,  
9 second and third rest period of at least ten (10) minutes for some shifts worked of ten (10) hours  
10 or more. PLAINTIFF and the CALIFORNIA CLASS were also not provided with one-hour  
11 wages in lieu thereof. As a result of their rigorous work schedules, PLAINTIFF and the  
12 CALIFORNIA CLASS were periodically denied their proper rest periods by DEFENDANT and  
13 DEFENDANT's managers.

14           108. DEFENDANT further violated California Labor Code §§ 226.7 and the applicable  
15 IWC Wage Order by failing to compensate PLAINTIFF and the CALIFORNIA CLASS who were  
16 not provided a rest period, in accordance with the applicable Wage Order, one additional hour of  
17 compensation at each employee's regular rate of pay for each workday that rest period was not  
18 provided.

19           109. As a proximate result of the aforementioned violations, PLAINTIFF and the  
20 CALIFORNIA CLASS have been damaged in an amount according to proof at trial, and seek all  
21 wages earned and due, interest, penalties, expenses and costs of suit.

## 22                                   **SIXTH CAUSE OF ACTION**

### 23                                   **Failure To Provide Accurate Itemized Statements**

24                                   **(Cal. Lab. Code §§ 226)**

25                                   **(Alleged By PLAINTIFF and the CALIFORNIA CLASS against all Defendants)**

26           110. PLAINTIFF, and the other members of the CALIFORNIA CLASS, reallege and  
27 incorporate by this reference, as though fully set forth herein, the prior paragraphs of this  
28 Complaint.

1           1.       Cal. Labor Code § 226 provides that an employer must furnish employees with an  
2 “accurate itemized” statement in writing showing: (1) Gross wages earned; (2) Total hours  
3 worked by the employee, except for any employee whose compensation is solely based on a salary  
4 and who is exempt from payment of overtime under subdivision (a) of Section 515 or any  
5 applicable order of the Industrial Welfare Commission; (3) The number of piece-rate units earned  
6 and any applicable piece rate if the employee is paid on a piece-rate basis; (4) All deductions,  
7 provided that all deductions made on written orders of the employee may be aggregated and  
8 shown as one item; (5) Net wages earned; (6) The inclusive dates of the period for which the  
9 employee is paid; (7) The name of the employee and his or her social security number, except  
10 that by January 1, 2008, only the last four digits of his or her social security number or an  
11 employee identification number other than a social security number may be shown on the itemized  
12 statement; (8) The name and address of the legal entity that is the employer, and (9) All applicable  
13 hourly rates in effect during the pay period and the corresponding number of hours worked at  
14 each hourly rate by the employee.

15           2.       During the CLASS PERIOD, DEFENDANTS also failed to provide PLAINTIFF  
16 and the other members of the CALIFORNIA CLASS with complete and accurate wage statements  
17 which failed to accurately show, among other things, (1) Gross wages earned; (2) Total hours  
18 worked by the employee, (3) The number of piece-rate units earned and any applicable piece rate  
19 if the employee is paid on a piece-rate basis; (4) All deductions; (5) Net wages earned; and (6) all  
20 applicable hourly rates in effect during the pay period and the corresponding number of hours  
21 worked at each hourly rate.

22           3.       Further, during the CLASS PERIOD, DEFENDANTS also failed to provide  
23 PLAINTIFF and the other members of the CALIFORNIA CLASS with complete and accurate  
24 wage statements in compliance with Cal. Labor Code Section 226.2, which failed to accurately  
25 show, among other things: (1) the total hours of compensable rest and recovery periods; and (2)  
26 the total hours of other nonproductive time, the rate of compensation for the nonproductive time  
27 and the gross wages paid for the nonproductive time during the applicable pay period.

28           4.       PLAINTIFFS and the members of the CALIFORNIA CLASS were injured by

1 DEFENDANTS' violations in that they could not promptly and easily determine from the wage  
2 statement alone, the amount of gross or net wages paid, the total hours worked, the number of  
3 piece-rate units earned and any applicable piece-rate, all applicable hourly rates in effect during  
4 the pay period and the corresponding number of hours worked at each hourly rate to the employee  
5 during the applicable pay period.

6 5. DEFENDANTS violations of Cal. Labor Code § 226 and 226.2 were knowing and  
7 intentional in that DEFENDANTS willfully intended to issue wage statements that were out of  
8 compliance with § 226 and 226.2.

9 111. DEFENDANTS knowingly and intentionally failed to comply with Cal. Labor  
10 Code § 226 and 226.2, causing injury and damages to the PLAINTIFF and the other members of  
11 the CALIFORNIA CLASS. These damages include, but are not limited to, costs expended  
12 calculating the correct rates for the overtime worked and the amount of employment taxes which  
13 were not properly paid to state and federal tax authorities. These damages are difficult to estimate.  
14 Therefore, PLAINTIFF and the other members of the CALIFORNIA CLASS may elect to recover  
15 liquidated damages of fifty dollars (\$50.00) for the initial pay period in which the violation  
16 occurred, and one hundred dollars (\$100.00) for each violation in a subsequent pay period  
17 pursuant to Cal. Lab. Code § 226, and all other damages and penalties available pursuant to Labor  
18 Code § 226.2(a)(6), all in an amount according to proof at the time of trial (but in no event more  
19 than four thousand dollars (\$4,000.00) for PLAINTIFF and each respective member of the  
20 CALIFORNIA CLASS herein).

## 21 **SEVENTH CAUSE OF ACTION**

### 22 **Failure To Pay Wages When Due**

23 **(Cal. Lab. Code §§ 203)**

24 **(Alleged By PLAINTIFF and the CALIFORNIA CLASS against all Defendants)**

25 112. PLAINTIFF, and the other members of the CALIFORNIA CLASS, reallege and  
26 incorporate by reference, as though fully set forth herein, the prior paragraphs of this Complaint.

27 113. Cal. Lab. Code § 200 provides, in relevant part, that:  
28

1 As used in this article:(a) "Wages" includes all amounts for labor  
2 performed by employees of every description, whether the amount is  
3 fixed or ascertained by the standard of time, task, piece, Commission  
4 basis, or other method of calculation. (b) "Labor" includes labor, work,  
5 or service whether rendered or performed under contract, subcontract,  
6 partnership, station plan, or other agreement if the labor to be paid for  
7 is performed personally by the person demanding payment.

8 114. Cal. Lab. Code § 201 provides, in relevant part, “that If an employer discharges an  
9 employee, the wages earned and unpaid at the time of discharge are due and payable  
10 immediately.”

11 115. Cal. Lab. Code § 202 provides, in relevant part, that:

12 If an employee not having a written contract for a definite period quits  
13 his or her employment, his or her wages shall become due and payable  
14 not later than 72 hours thereafter, unless the employee has given 72  
15 hours previous notice of his or her intention to quit, in which case the  
16 employee is entitled to his or her wages at the time of quitting.  
17 Notwithstanding any other provision of law, an employee who quits  
18 without providing a 72-hour notice shall be entitled to receive payment  
19 by mail if he or she so requests and designates a mailing address. The  
20 date of the mailing shall constitute the date of payment for purposes  
21 of the requirement to provide payment within 72 hours of the notice  
22 of quitting.

23  
24 116. There was no definite term in PLAINTIFF’s or any CALIFORNIA CLASS  
25 Members’ employment contract.

26 117. Cal. Lab. Code § 203 provides, in relevant part, that:

27 If an employer willfully fails to pay, without abatement or reduction,  
28 in accordance with Sections 201, 201.5, 202, and 205.5, any wages of

1 an employee who is discharged or who quits, the wages of the  
2 employee shall continue as a penalty from the due date thereof at the  
3 same rate until paid or until an action therefor is commenced; but the  
4 wages shall not continue for more than 30 days.

5 118. The employment of PLAINTIFF and many CALIFORNIA CLASS Members  
6 terminated and DEFENDANT has not tendered payment of all wages owed as required by law.

7 119. Therefore, as provided by Cal Lab. Code § 203, on behalf of himself and the  
8 members of the CALIFORNIA CLASS whose employment has terminated and who have unpaid  
9 minimum and/or overtime wages and/or missed meal and rest breaks without being paid the  
10 legally required penalties by DEFENDANT, PLAINTIFF demands up to thirty days of pay as  
11 penalty for not timely paying all wages due at time of termination for all employees who  
12 terminated employment during the CLASS PERIOD plus interest and statutory costs as allowed  
13 by law.

#### 14 **EIGHTH CAUSE OF ACTION**

#### 15 **Failure To Reimburse Employees For Required Expenses**

16 **(Cal. Lab. Code §§ 2802)**

17 **(Alleged By PLAINTIFF and the CALIFORNIA CLASS against all Defendants)**

18 120. PLAINTIFF, and the other members of the CALIFORNIA CLASS, reallege and  
19 incorporate by this reference, as though fully set forth herein, the prior paragraphs of this  
20 Complaint.

21 121. Cal. Lab. Code § 2802 provides, in relevant part, that:

22 An employer shall indemnify his or her employee for all necessary  
23 expenditures or losses incurred by the employee in direct  
24 consequence of the discharge of his or her duties, or of his or her  
25 obedience to the directions of the employer, even though unlawful,  
26 unless the employee, at the time of obeying the directions, believed  
27 them to be unlawful.

28 122. From time-to-time during the CLASS PERIOD, DEFENDANTS violated Cal. Lab.

Code § 2802, by failing to indemnify and reimburse PLAINTIFF and the members of the CALIFORNIA CLASS for required expenses incurred in the discharge of their job duties for DEFENDANTS' benefit. DEFENDANTS failed to reimburse PLAINTIFF and the members of the CALIFORNIA CLASS for expenses which included, but were not limited to, costs related to using their personal cellular phone and incurred rideshare expenses all on behalf of and for the benefit of DEFENDANTS. Specifically, PLAINTIFF and the members of the CALIFORNIA CLASS were required by DEFENDANTS to use their personal cell phones, personal vehicles, and incur rideshare expenses to execute their essential job duties on behalf of DEFENDANTS. DEFENDANTS' uniform policy, practice and procedure was to not reimburse PLAINTIFF and the members of the CALIFORNIA CLASS for expenses resulting from using their personal cellular phones, personal vehicles, and rideshare expenses for DEFENDANTS within the course and scope of their employment for DEFENDANTS. These expenses were necessary to complete their principal job duties. DEFENDANTS are estopped by DEFENDANTS' conduct to assert any waiver of their expectation. Although these expenses were necessary expenses incurred by PLAINTIFF and the members of the CALIFORNIA CLASS, DEFENDANTS failed to indemnify and reimburse PLAINTIFF and the members of the CALIFORNIA CLASS for these expenses as an employer is required to do under the laws and regulations of California.

123. PLAINTIFF therefore demands reimbursement on behalf of the members of the CALIFORNIA CLASS for expenditures or losses incurred in the discharge their job duties and on behalf of DEFENDANTS, or his/her obedience to the directions of DEFENDANT, with interest at the statutory rate and costs under Cal. Lab. Code § 2802.

#### **PRAYER FOR RELIEF**

WHEREFORE, PLAINTIFF prays for a judgment against each Defendant, jointly and severally, as follows:

1. On behalf of the CALIFORNIA CLASS:

- a. That the Court certify the First Cause of Action asserted by the CALIFORNIA CLASS as a class action pursuant to Cal. Code of Civ. Proc. § 382;
- b. An order temporarily, preliminarily and permanently enjoining and restraining

1 DEFENDANT from engaging in similar unlawful conduct as set forth herein;

2 c. An order requiring DEFENDANT to pay all overtime wages and all sums  
3 unlawfully withheld from compensation due to PLAINTIFF and the other members  
4 of the CALIFORNIA CLASS; and

5 d. Restitutionary disgorgement of DEFENDANT's ill-gotten gains into a fluid fund  
6 for restitution of the sums incidental to DEFENDANT's violations due to  
7 PLAINTIFF and to the other members of the CALIFORNIA CLASS.

8 2. On behalf of the CALIFORNIA CLASS:

9 a. That the Court certify the Second, Third, Fourth, Fifth, Sixth, Seventh, and Eighth  
10 Causes of Action asserted by the CALIFORNIA CLASS as a class action pursuant  
11 to Cal. Code of Civ. Proc. § 382;

12 b. Compensatory damages, according to proof at trial, including compensatory  
13 damages for overtime compensation and separately owed rest periods, due to  
14 PLAINTIFF and the other members of the CALIFORNIA CLASS, during the  
15 applicable CLASS PERIOD plus interest thereon at the statutory rate;

16 c. Meal and rest period compensation pursuant to Cal. Lab. Code §§ 226.7, 512 and  
17 the applicable IWC Wage Order;

18 d. The greater of all actual damages or fifty dollars (\$50) for the initial pay period in  
19 which a violation occurs and one hundred dollars (\$100) per each member of the  
20 CALIFORNIA CLASS for each violation in a subsequent pay period, not exceeding  
21 an aggregate penalty of four thousand dollars (\$4,000), and an award of costs for  
22 violation of Cal. Lab. Code § 226

23 e. The wages of all terminated employees from the CALIFORNIA CLASS as a  
24 penalty from the due date thereof at the same rate until paid or until an action  
25 therefore is commenced, in accordance with Cal. Lab. Code § 203.

26 3. On all claims:

27 a. An award of interest, including prejudgment interest at the legal rate;

28 b. Such other and further relief as the Court deems just and equitable; and

1 c. An award of penalties, attorneys' fees and costs of suit, as allowable under the law.

2  
3 DATED: September 22, 2022

4 **ZAKAY LAW GROUP, APLC**

5 By:   
6 Shani O. Zakay  
7 Attorney for PLAINTIFF

8 **DEMAND FOR A JURY TRIAL**

9 PLAINTIFF demands a jury trial on issues triable to a jury.

10 DATED: September 22, 2022

11 **ZAKAY LAW GROUP, APLC**

12 By:   
13 Shani O. Zakay  
14 Attorney for PLAINTIFF

# **EXHIBIT 4**

April 18, 2023

**Via Online Filing to LWDA and Certified Mail to Defendants**

**Labor and Workforce Development Agency**

Online Filing

SUNROAD AUTO, LLC  
SUNROAD AUTO HOLDING CORPORATION  
SUNROAD CV AUTO, LLC  
SUNROAD HG AUTO, LLC  
SUNROAD KF AUTO, LLC  
SUNROAD HOLDING CORPORATION  
SUNROAD EC AUTO, LLC  
c/o BLAKE L. FILLMORE  
8620 SPECTRUM CENTER BLVD.  
SUITE 1100  
SAN DIEGO CA 92123

*Via Certified U.S. Mail with Return Receipt  
No. 7022 1670 0001 3652 9643*

SUNROAD DEALERSHIPS CORPORATION  
c/o BLAKE L. FILLMORE  
4445 EASTGATE MALL, SUITE 400  
SAN DIEGO CA 92121  
*Via Certified U.S. Mail with Return Receipt  
No. 7022 1670 0001 3652 9650*

**Case:** *Sneed v. Sunroad Auto, LLC, et al.*

**Case No.:** 37-2022-00007661-CU-OE-CTL

**LWDA Case No.:** LWDA-CM-858919-21

**Re:** *Amended Notice of Violations of California Labor Code Sections 201, 201.3, 202, 203, 204, 210, 218.5, 218.6, 226, 226.2, 226.3, 226.7, 246, 510, 512, 558, 1174(d), 1174.5, 1194, 1197, 1197.1, 1197.14, 1198, 1199, 2802, and 2804, Violation of Applicable Industrial Welfare Commission Wage Order(s), and Pursuant to California Labor Code Section 2699.5*

Dear Sir/Madam:

Our offices represent Plaintiff TYLER WAYNE SNEED ("Plaintiff Sneed"), Plaintiff JORGE MIGUEL AGUIRRE ("Plaintiff Aguirre"), and other aggrieved employees in a proposed lawsuit against Defendants SUNROAD AUTO, LLC ("Defendant Sunroad Auto"), SUNROAD AUTO HOLDING CORPORATION ("Defendant Sunroad Auto Holding"), SUNROAD HOLDING CORPORATION ("Defendant Sunroad Holding Corporation"), SUNROAD DEALERSHIPS CORPORATION ("Defendant Sunroad Dealerships"), SUNROAD CV AUTO, LLC ("Defendant Sunroad CV"), SUNROAD EC AUTO, LLC ("Defendant Sunroad EC"), SUNROAD HG AUTO, LLC ("Defendant Sunroad HG"), and SUNROAD KF AUTO, LLC ("Defendant Sunroad KF") (collectively, "Defendants").

The original claim in this case was submitted to the LWDA on December 22, 2021 by Plaintiff Sneed against Defendants. Plaintiff Aguirre recently retained counsel to prosecute his claims. Plaintiff Aguirre learned that Defendants, among other things, failed to provide Plaintiffs, and all those similarly situated, with all legally mandated off-duty meal and rest

**periods, payment of minimum and overtime wages due for all time worked and failed to separately compensate for all non-productive time, including rest periods. The claim is therefore amended to add Plaintiff Aguirre. Plaintiff Aguirre's claims shall relate back to the date of Plaintiff Sneed's December 22, 2021 PAGA Notice. See *Hutcheson v. Superior Court* (2022) 74 Cal.App.5th 932.**

Plaintiff Sneed has been employed by Defendants in California since January of 2016 as a non-exempt employee, paid on an hourly basis, and entitled to payment of all wages and the legally required meal and rest breaks. Plaintiff Aguirre was employed by Defendants in California from May of 2021 to May of 2022 as a non-exempt employee, paid on an hourly basis, and entitled to payment of all wages and the legally required meal and rest breaks. Plaintiffs also worked at times for Defendants as commission-based sales employees entitled to be separately compensated for their non-productive time, including rest periods. Defendants, however, unlawfully failed to record and pay Plaintiffs and other aggrieved employees for all of their time worked, and for all of their meal breaks and rest breaks. Further, Defendants failed to timely pay Plaintiffs and other aggrieved employees for earned wages.

As a consequence of the aforementioned violations, Plaintiffs further contend that Defendants failed to provide accurate wage statements to them, and other aggrieved employees, in violation of California Labor Code section 226(a). Said conduct, in addition to the foregoing Labor Code §§ 201, 201.3, 202, 203, 204, 210, 218.5, 218.6, 226, 226.2, 226.3, 226.7, 246, 510, 512, 558, 1174(d), 1174.5, 1194, 1197, 1197.1, 1197.14, 1198, 1199, 2802, and 2804, violates the applicable Industrial Welfare Commission Wage Order(s), and is therefore actionable under California Labor Code section 2699.3.

**Plaintiffs seek to represent a group of aggrieved employees defined as all non-exempt, exempt, piece-rate based and/or commission-based employees who worked for Defendant Sunroad Auto and/or Defendant Sunroad Auto Holding and/or Defendant Sunroad Holding Corporation and/or Defendant Sunroad Dealerships and/or Defendant Sunroad CV and/or Defendant Sunroad EC and/or Defendant Sunroad HG and/or Defendant Sunroad KF in California during the relevant claim period.**

A true and correct copy of the proposed Complaint by Plaintiffs against Defendants, which (1) identifies the alleged violations, (2) details the facts and theories which support the alleged violations, (3) details the specific work performed by Plaintiffs, (4) sets forth the people/entities, dates, classifications, violations, events, and actions which are at issue to the extent known to Plaintiffs, and (5) sets forth the illegal practices used by Defendants, is attached hereto. This information provides notice to the Labor and Workforce Development Agency of the facts and theories supporting the alleged violations for the agency's reference. Plaintiffs therefore incorporate the allegations of the attached Complaint into this letter as if fully set forth herein. If the agency needs any further information, please do not hesitate to ask.

To the extent that entities and/or individuals are named and charged with violations of the Labor Code—making them liable on an individual basis as permitted by numerous Labor Code Sections including, but not limited to 558, 558.1, and 1197.1—Plaintiffs reserve any and all rights to add, substitute, or change the name of employer entities and/or individuals responsible for the violations at issue.

Any further amendments and changes to this notice shall relate back to the date of this notice. Consequently, Defendants are on notice that Plaintiffs continue their investigation, with the full intent to amend and/or change this notice, to add any undiscovered violations of any of the provisions of the California Labor Code—to the extent that are applicable to this case—and to change and/or add the identities of any entities and/or individuals responsible for the violations contained herein.

This notice is provided to enable Plaintiffs to proceed with the Complaint against Defendants as authorized by California Labor Code section 2695, *et seq.* The lawsuit consists of other aggrieved employees. As counsel, our intention is to vigorously prosecute the claims as alleged in the Complaint, and to procure civil penalties as provided by the Private Attorney General Statue of 2004 on behalf of Plaintiffs and all aggrieved California employees.

Your earliest response to this notice is appreciated. If you have any questions or concerns, please do not hesitate to contact me at the above number and address.

Very truly yours,  
JCL LAW FIRM, APC

A handwritten signature in black ink, appearing to read 'JC Lapuyade', with a stylized flourish extending to the right.

Jean-Claude Lapuyade, Esq.

**ZAKAY LAW GROUP, APLC**  
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Attorneys for Plaintiffs

**SUPERIOR COURT OF THE STATE OF CALIFORNIA  
IN AND FOR THE COUNTY OF SAN DIEGO**

TYLER WAYNE SNEED and JORGE  
AGUIRRE, individuals, on behalf of themselves  
and on behalf of all persons similarly situated,

Plaintiffs,

v.

SUNROAD AUTO, LLC, a California Limited  
Liability Company; SUNROAD AUTO  
HOLDING CORPORATION, a California  
Corporation; SUNROAD HOLDING  
CORPORATION, a California Corporation;  
SUNROAD DEALERSHIPS  
CORPORATION, a California Corporation;  
SUNROAD CV AUTO, LLC, a Delaware  
Limited Liability Company; SUNROAD EC  
AUTO, LLC, a Delaware Limited Liability  
Company; SUNROAD HG AUTO, LLC, a  
California Limited Liability Company;  
SUNROAD KF AUTO, LLC, a California  
Limited Liability Company; and DOES 1-50,  
Inclusive,

Defendants.

Case No.

**REPRESENTATIVE ACTION  
COMPLAINT FOR:**

1. VIOLATIONS OF THE PRIVATE  
ATTORNEY GENERAL ACT AT  
LABOR CODE SECTIONS 2698 *ET SEQ.*

1 Plaintiff TYLER WAYNE SNEED and plaintiff JORGE AGUIRRE (collectively,  
2 “PLAINTIFFS”), individuals, in their representative capacity on behalf of themselves, the State of  
3 California, and fellow current and former AGGRIEVED EMPLOYEES, defined *supra*, against  
4 Defendants SUNROAD AUTO LLC (“Defendant Sunroad Auto”), SUNROAD AUTO HOLDING  
5 CORPORATION (“Defendant Sunroad Auto Holding”), SUNROAD HOLDING CORPORATION  
6 (“Defendant Sunroad Holding Corporation”), SUNROAD DEALERSHIPS CORPORATION  
7 (“Defendant Sunroad Dealerships”), SUNROAD CV AUTO, LLC (“Defendant Sunroad CV”),  
8 SUNROAD EC AUTO, LLC (“Defendant Sunroad EC”), SUNROAD HG AUTO, LLC (“Defendant  
9 Sunroad HG”), and SUNROAD KF AUTO, LLC (“Defendant Sunroad KF”), alleges on information  
10 and belief, except for their own acts and knowledge which are based on personal knowledge, the  
11 following:

## 12 **INTRODUCTION**

13 1. PLAINTIFFS bring this representative action pursuant to the Private Attorneys General  
14 Act of 2004, California Labor Code § 2698, *et seq.* (“PAGA”) on behalf of other current and former  
15 aggrieved employees of DEFENDANTS for engaging in a pattern and practice of wage and hour  
16 violations under the California Labor Code.

17 2. PLAINTIFFS are informed and believe, and thereon allege, that DEFENDANT decreased  
18 their employment-related costs by systematically violating California wage and hour laws.

19 3. DEFENDANTS’ systematic pattern of wage and hour and IWC Wage Order violations  
20 toward PLAINTIFFS and other aggrieved employees in California include, *inter alia*:

- 21 a. Failure to provide compliant meal and rest periods;
- 22 b. Failure to allow employees to take duty-free meal and rest periods;
- 23 c. Failure to separately compensate for all non-productive time;
- 24 d. Failure to pay all minimum, regular and overtime wages;
- 25 e. Failure to correctly calculate the regular rate of pay;
- 26 f. Failure to maintain true and accurate records;
- 27 g. Failure to reimburse for required business expenses;



1           12. Defendant SUNROAD HG AUTO, LLC (“Defendant Sunroad HG”) is a California  
2 Limited Liability Company that at all relevant times mentioned herein conducted and continues to  
3 conduct substantial and regular business in the state of California.

4           13. Defendant SUNROAD KF AUTO, LLC (“Defendant Sunroad KF”) is a California  
5 Limited Liability Company that at all relevant times mentioned herein conducted and continues to  
6 conduct substantial and regular business in the state of California.

7           14. Defendant Sunroad Auto, Defendant Sunroad Auto Holding, Defendant Sunroad Holding  
8 Corporation, Defendant Sunroad Dealerships, Defendant Sunroad CV, Defendant Sunroad EC,  
9 Defendant Sunroad HG and Defendant Sunroad KF were the joint employers of PLAINTIFFS as  
10 evidenced by the contracts signed and by the company the PLAINTIFFS performed work for  
11 respectively, and are therefore jointly responsible as employers for the conduct alleged herein.  
12 PLAINTIFFS further allege there has existed a unity of interest and ownership between Defendant  
13 Sunroad Auto, Defendant Sunroad Auto Holding, Defendant Sunroad Holding Corporation, Defendant  
14 Sunroad Dealerships, Defendant Sunroad CV, Defendant Sunroad EC, Defendant Sunroad HG and  
15 Defendant Sunroad KF such that any individuality and separateness between the entities has ceased  
16 and all Defendants are collectively referred to herein as “DEFENDANT” and/or “DEFENDANTS.”  
17 DEFENDANTS owns and operate car dealerships in California, including in the county of San Diego.”

18           15. PLAINTIFF Sneed has been employed by DEFENDANTS in California since January of  
19 2016, paid in part an hourly wage, commission-based compensation, non-discretionary bonuses, and  
20 entitled to minimum wages, overtime pay and legally compliant meal and rest periods.

21           16. PLAINTIFF Aguirre was employed by DEFENDANTS in California from May of 2021  
22 to May of 2022, paid in part an hourly wage, commission-based compensation, non-discretionary  
23 bonuses, and entitled to minimum wages, overtime pay and legally compliant meal and rest periods

24           17. PLAINTIFFF brings this action in their representative capacity on behalf of the State of  
25 California and on behalf of all individuals who are or previously were employed by DEFENDANT in  
26 California who suffered one or more Labor Code violations enumerated in Labor Code §§ 2698 *et seq.*  
27 (hereinafter “AGGRIEVED EMPLOYEES”) and who worked for DEFENDANTS between December  
28 22, 2020 and the present (“PAGA PERIOD”).

1           18.     PLAINTIFFS are each an “AGGRIEVED EMPLOYEE” within the meaning of Labor  
2     Code § 2699(c) because he was employed by DEFENDANT and suffered one or more of the alleged  
3     Labor Code violations committed by DEFENDANT.

4           19.     PLAINTIFFS and all other AGRIEVED EMPLOYEES are, and at all relevant times were,  
5     employees of DEFENDANTS, within the meanings set forth in the California Labor Code and the  
6     applicable Industrial Welfare Commission Wage Order.

7           20.     Each of the fictitiously named defendants participated in the acts alleged in this  
8     Complaint. The true names and capacities of the defendants named as DOES 1 THROUGH 50,  
9     inclusive, are presently unknown to PLAINTIFFS. PLAINTIFFS will amend this Complaint, setting  
10    forth the true names and capacities of these fictitiously named defendants when their true names are  
11    ascertained. PLAINTIFFS are informed and believe, and on that basis alleges, that each of the fictitious  
12    defendants have participated in the acts alleged in this Complaint.

13          21.     DEFENDANTS, including DOES 1 THROUGH 50 (hereinafter collectively  
14    “DEFENDANTS”), are the partners, agents, owners, or managers of DEFENDANTS at all relevant  
15    times. PLAINTIFFS allege there has existed a unity of interest and ownership between DEFENDANTS  
16    such that any individuality and separateness between the entities has ceased. Defendant Sunroad Auto,  
17    Defendant Sunroad Auto Holding, Defendant Sunroad Holding Corporation, Defendant Sunroad  
18    Dealerships, Defendant Sunroad CV, Defendant Sunroad EC, Defendant Sunroad HG and Defendant  
19    Sunroad KF, and DOES 1-50 are therefore alter egos of each other. Adherence to the fiction of the  
20    separate existence of DEFENDANTS would permit an abuse of the corporate privilege, and would  
21    promote injustice by protecting DEFENDANTS from liability for the wrongful acts committed by  
22    them.

23          22.     The agents, servants, and/or employees of the Defendants and each of them acting on  
24    behalf of the DEFENDANTS acted within the course and scope of his, her or its authority as the agent,  
25    servant and/or employee of the Defendants, and personally participated in the conduct alleged herein  
26    on behalf of the Defendants with respect to the conduct alleged herein. Consequently, the acts of each  
27    Defendant are legally attributable to the other Defendants and all Defendants are jointly and severally  
28

liable to PLAINTIFFS and the other AGGRIEVED EMPLOYEES, for the loss sustained as a proximate result of the conduct of the Defendants' agents, servants and/or employees.

23. PLAINTIFFS allege that Defendant Sunroad Auto, Defendant Sunroad Auto Holding, Defendant Sunroad Holding Corporation, Defendant Sunroad Dealerships, Defendant Sunroad CV, Defendant Sunroad EC, Defendant Sunroad HG and Defendant Sunroad KF are the alter egos of each other for the following reasons:

- a. On the California Secretary of State's website (<https://businesssearch.sos.ca.gov/>) Defendant Sunroad Auto, Defendant Sunroad Auto Holding, Defendant Sunroad Holding Corporation, Defendant Sunroad Dealerships, Defendant Sunroad CV, Defendant Sunroad EC, Defendant Sunroad HG and Defendant Sunroad KF have the same entity address and/or mailing address and/or Agent for Service of Process; and,
- b. On information and belief, Defendant Sunroad Auto, Defendant Sunroad Auto Holding, Defendant Sunroad Holding Corporation, Defendant Sunroad Dealerships, Defendant Sunroad CV, Defendant Sunroad EC, Defendant Sunroad HG and Defendant Sunroad KF utilize the same standardized employment forms and issue the same employment policies.

24. PLAINTIFFS allege that DEFENDANTS' various separate entities are used by an individual or individuals, or by another entity, to accomplish inequitable purposes, including to limit liability for the unlawful acts of DEFENDANTS.

25. PLAINTIFFS allege that there is such a unity of interest and ownership between DEFENDANTS' various corporate entities that own DEFENDANTS' car dealerships and the individual or individuals, or organization controlling these corporate entities that their separate personalities no longer exist.

26. PLAINTIFFS further allege that the failure to disregard the various corporate entities would promote injustice.

27. DEFENDANTS were PLAINTIFFS' employer or persons acting on behalf of PLAINTIFFS' employer either individually or as an officer, agent, or employee of another person, within the meaning of California Labor Code § 1197.1, who paid or caused to be paid to any employee

1 a wage less than the minimum fixed by California state law, and as such, are subject to civil penalties  
2 for each underpaid employee.

### 3 **JOINT EMPLOYER**

4 28. The Private Attorney General Act (“PAGA”), permits an aggrieved employee to enforce  
5 any provision of the California Labor Code that provides for a civil penalty. (*Lab. Code* § 2699(a).)

6 29. Section 558 of the California Labor Code provides that “any employer *or other person*  
7 acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any  
8 provision regulating hours and days of work in any order of the Industrial Welfare Commissions shall  
9 be subject to a civil penalty...” (*Lab. Code* § 558(a).);

10 30. Section 1197.1 of the Labor Code provides that “[a]ny employer *or other person* acting  
11 either individually or as an officer, agent, or employee of another person, who pays or causes to be paid  
12 to any employee a wage less than the minimum fixed by an applicable state or local law, or by an order  
13 of the commission shall be subject to a civil penalty...” (*Lab. Code* § 1197.1(a).)

14 31. Interpreting Sections 558 and 1197.1 of the Labor Code, California courts have held that  
15 a corporate employer’s owners, officers and directors, are subject to civil penalties for the employer’s  
16 failure to pay appropriate wages to its employees, and, since liability under either 558 or 1197.1 does  
17 not depend on a finding of an alter ego, no alter ego allegations or findings are necessary. *Atempa v.*  
18 *Pedrazzani*, (2018) 27 Cal.App.5<sup>th</sup> 809; see generally *Ochoa-Hernandez v. Cjaders Food, Inc.* (2009  
19 WL 1404694); *Thurman v. Bayshore Management, Inc.* (2017) 203 Cal.App.4<sup>th</sup> 1112, 1145-1146.

20 32. PLAINTIFFS are informed and believe, and thereon alleges, that DEFENDANTS, and  
21 each of them, are subject to civil penalties for their failure to pay PLAINTIFFS and the aggrieved  
22 employees the appropriate wages as complained of herein and proximately caused the complaints,  
23 injuries, and damages alleged herein.

24 33. At all relevant times, each Defendant, whether named or fictitious, was the agent,  
25 employee or other person acting on behalf of each other Defendant, and, in participating in the acts  
26 alleged in this Complaint, acted within the scope of such agency or employment and ratified the acts  
27 of the other.  
28

34. Each Defendant, whether named or fictitious, exercised control over PLAINTIFFS' wages, working hours, and/or working conditions.

35. Each Defendant, whether named or fictitious, acted in all respects pertinent to this action as the agent of the other DEFENDANTS, carried out a joint scheme, business plan or policy, and the acts of each Defendant are legally attributable to the other DEFENDANT.

## JURISDICTION AND VENUE

36. This Court has jurisdiction over this Action pursuant to California Code of Civil Procedure, Section 410.10 and California Business & Professions Code, Section 17203. This Court has jurisdiction over PLAINTIFFS' claims for civil penalties under the Private Attorney General Act of 2004, California Labor Code §2698, *et seq.*

37. Venue is proper in this Court pursuant to California Code of Civil Procedure, Sections 395 and 395.5, because PLAINTIFFS worked in this County for DEFENDANTS, resides in this County, and DEFENDANTS (i) currently maintain and at all relevant times maintained offices and facilities in this County and/or conducts substantial business in this County, and (ii) committed the wrongful conduct herein alleged in this County against PLAINTIFFS and the AGGRIEVED EMPLOYEES.

## THE CONDUCT

38. In violation of the applicable sections of the California Labor Code and the requirements of the Industrial Welfare Commission ("IWC") Wage Order, DEFENDANTS as a matter of company policy, practice and procedure, intentionally, knowingly and systematically failed to provide legally compliant meal and rest periods, failed to accurately compensate PLAINTIFFS and the other AGGRIEVED EMPLOYEES for missed meal and rest periods, failed to pay PLAINTIFFS and other AGGRIEVED EMPLOYEES at the correct regular rate of pay, failed to pay PLAINTIFFS and the other AGGRIEVED EMPLOYEES for all time worked, failed to separately pay PLAINTIFFS and other AGGRIEVED EMPLOYEES for all non-productive time, failed to reimburse PLAINTIFFS and other AGGRIEVED EMPLOYEES for required business expenses, and failed to issue to PLAINTIFFS and the AGGRIEVED EMPLOYEES with accurate itemized wage statements showing, among other things, all applicable hourly rates in effect during the pay periods and the corresponding amount of time

1 worked at each hourly rate. DEFENDANTS' uniform policies and practices are intended to  
2 purposefully avoid the accurate and full payment for all time worked as required by California law  
3 which allows DEFENDANTS to illegally profit and gain an unfair advantage over competitors who  
4 comply with the law. To the extent equitable tolling operates to toll claims by the AGGRIEVED  
5 EMPLOYEES against DEFENDANTS, the PAGA PERIOD should be adjusted accordingly.

6 **A. Meal and Rest Period Violations**

7 39. Pursuant to the Industrial Welfare Commission Wage Orders and the California Labor  
8 Codes, an employer shall not employ an employee for a work period of more than five (5) hours per  
9 day without providing the employee with a meal period of not less than thirty (30) minutes, except that  
10 if the total work period per day of the employee is no more than six (6) hours, the meal period may be  
11 waived by mutual consent of both the employer and employee. An employer shall not employ an  
12 employee for a work period of more than ten (10) hours per day without providing the employee with  
13 a second meal period of not less than thirty (30) minutes, except that if the total hours worked is no  
14 more than twelve (12) hours, the second meal period may be waived by mutual consent of the employer  
15 and the employee only if the first meal period was not waived. If an employer fails to provide an  
16 employee with a mandated meal period, the employer shall pay the employee one (1) hour of pay at the  
17 employee's regular rate of compensation for each workday that the meal period is not provided.

18 40. From time-to-time during the PAGA PERIOD, as a result of understaffing and their  
19 rigorous work schedule, PLAINTIFFS and other AGGRIEVED EMPLOYEES were from time to time  
20 unable to take thirty (30) minute off duty meal breaks and were not fully relieved of duty for meal  
21 periods. PLAINTIFFS and other AGGRIEVED EMPLOYEES were from time to time required to  
22 perform work as ordered by DEFENDANT for more than five (5) hours during a shift without receiving  
23 an off-duty meal break. Further, DEFENDANT from time-to-time failed to provide PLAINTIFFS and  
24 AGGRIEVED EMPLOYEES with a second off-duty meal period from time to time in which these  
25 employees were required by DEFENDANT to work ten (10) hours of work from time to time.  
26 PLAINTIFFS and the other AGGRIEVED EMPLOYEES therefore forfeited meal breaks without  
27 additional compensation and in accordance with DEFENDANT's strict corporate policy and practice.  
28

1           41. Further, pursuant to the Industrial Welfare Commission Wage Orders, DEFENDANT was  
2 required to pay PLAINTIFFS and AGGRIEVED EMPLOYEES for all their time worked, meaning the  
3 time during which an employee is subject to the control of an employer, including all the time the  
4 employee suffered or permitted to work. DEFENDANT required PLAINTIFFS and AGGRIEVED  
5 EMPLOYEES to work without paying them for all the time they were under the DEFENDANT's  
6 control. Specifically, DEFENDANT required PLAINTIFFS to work while clocked out during what  
7 was supposed to be PLAINTIFFS' off duty meal break due to PLAINTIFFS' rigorous work schedule  
8 and DEFENDANT's understaffing. PLAINTIFFS were from time to time interrupted by work  
9 assignments while clocked out for what should have been PLAINTIFFS' off-duty meal break. As a  
10 result, the PLAINTIFFS and other AGGRIEVED EMPLOYEES forfeited minimum wage and  
11 overtime compensation by regularly working without their time being accurately recorded and without  
12 compensation at the applicable minimum wage and overtime rates. DEFENDANT's uniform policy  
13 and practice not to pay PLAINTIFFS and other AGGRIEVED EMPLOYEES for all time worked is  
14 evidenced by DEFENDANT's business records.

15 **B. Regular Rate Violation – Overtime, Double Time, Mean and Rest Period Premiums, and**  
16 **Sick Pay**

17           42. State law provides that employees must be paid overtime at one-and-one-half times their  
18 "regular rate of pay." PLAINTIFFS and other AGGRIEVED EMPLOYEES were compensated at an  
19 hourly rate plus a piece-rate, and/or non-discretionary incentive pay that was tied to specific elements  
20 of an employee's performance and/or commissions.

21           43. DEFENDANTS' non-discretionary commission and bonus program provided the  
22 AGGRIEVED EMPLOYEES, including PLAINTIFFS, with commissions and/or bonus compensation  
23 when the employees met the various performance goals set by DEFENDANT. However, when  
24 calculating the regular rate of pay, in those pay periods where PLAINTIFFS and the AGGRIEVED  
25 EMPLOYEES worked overtime and earned non-discretionary bonus and/or commission wages,  
26 DEFENDANT failed to accurately include the non-discretionary bonus compensation and/or  
27 commission wages as part of the employees' "regular rate of pay".  
28

1           44. Management and supervisors described the bonus and commissions programs and  
2 commission compensation program to potential and new employees as part of the compensation  
3 package for new and used car salespersons including PLAINTIFFS and the AGGRIEVED  
4 EMPLOYEES. As a matter of law, the incentive and commission compensation received by  
5 PLAINTIFFS and other AGGRIEVED EMPLOYEES must be included and correctly calculated into  
6 the “regular rate of pay” for purposes of overtime and double time compensation, meal and rest period  
7 premium payments, and sick pay. DEFENDANT’s failure to do so has resulted in DEFENDANT’s  
8 systematic underpayment of overtime and double time compensation, meal and rest period premium  
9 payments, and sick pay to PLAINTIFFS and other AGGRIEVED EMPLOYEES. Specifically,  
10 California Labor Code Section 246 mandates that paid sick time for non-employees shall be calculated  
11 in the same manner as the regular rate of pay for the workweek in which the employee uses paid sick  
12 time, whether or not the employee actually works overtime in that workweek. DEFENDANTS’  
13 conduct, as articulated herein, by failing to include the incentive compensation as part of the “regular  
14 rate of pay” for purposes of sick pay compensation was in violation of Cal. Lab. Code § 246 the  
15 underpayment of which is recoverable under Cal. Labor Code Sections 201, 202, 203 and/or 204.

16           45. In violation of the applicable sections of the California Labor Code and the requirements  
17 of the Industrial Welfare Commission ("IWC") Wage Order, DEFENDANTS as a matter of company  
18 policy, practice and procedure, intentionally and knowingly failed to compensate PLAINTIFFS and the  
19 other AGGRIEVED EMPLOYEES at the correct rate of pay for all overtime and double time  
20 compensation, meal and rest period premium payments, and sick pay. This uniform policy and practice  
21 of DEFENDANTS is intended to purposefully avoid the payment of the correct overtime and double  
22 time compensation, meal and rest period premium payments, and sick pay as required by California  
23 law which allowed DEFENDANTS to illegally profit and gain an unfair advantage over competitors  
24 who complied with the law. To the extent equitable tolling operates to toll claims by the AGGRIEVED  
25 EMPLOYEES against DEFENDANTS, the PAGA PERIOD should be adjusted accordingly.

26 **C. Commission and Piece-Rate Violations**

27           46. From time-to-time during the PAGA PERIOD, PLAINTIFFS and the AGGRIEVED  
28 EMPLOYEES were paid in part on a commission and/or piece-rate basis. In those instances where

1 PLAINTIFFS and the AGGRIEVED EMPLOYEES were paid in part on a commission and/or piece-  
2 rate basis, PLAINTIFFS and the AGGRIEVED EMPLOYEES were entitled to be separately  
3 compensated for all non-productive time at an hourly rate that is no less than the applicable minimum  
4 wage. Notwithstanding, in those instances where PLAINTIFFS and the AGGRIEVED EMPLOYEES  
5 were paid in part on a commission and/or piece-rate basis, DEFENDANT failed to separately  
6 compensate PLAINTIFFS and the AGGRIEVED EMPLOYEES for all non-productive time, including  
7 but not limited to, paid rest periods, at an hourly rate that is no less than the applicable minimum wage.  
8 As a result, PLAINTIFFS and the AGGRIEVED EMPLOYEES forfeited minimum wages and overtime  
9 wages by DEFENDANT'S failure to separately compensate their non-productive time at an hourly rate  
10 that is no less than the applicable minimum wage.

11 **D. Unreimbursed Business Expenses**

12 47. DEFENDANTS as a matter of corporate policy, practice, and procedure, intentionally,  
13 knowingly, and systematically failed to reimburse and indemnify the PLAINTIFFS and the  
14 AGGRIEVED EMPLOYEES for required business expenses incurred by the PLAINTIFFS and other  
15 AGGRIEVED EMPLOYEES in direct consequence of discharging their duties on behalf of  
16 DEFENDANTS. Under California Labor Code Section 2802, employers are required to indemnify  
17 employees for all expenses incurred in the course and scope of their employment. Cal. Lab. Code § 2802  
18 expressly states that "an employer shall indemnify his or her employee for all necessary expenditures or  
19 losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or  
20 her obedience to the directions of the employer, even though unlawful, unless the employee, at the time  
21 of obeying the directions, believed them to be unlawful."

22 48. In the course of their employment, DEFENDANTS required PLAINTIFFS and other  
23 AGGRIEVED EMPLOYEES to use their personal cell phones, personal vehicles, and incur rideshare  
24 expenses as a result of and in furtherance of their job duties as employees for DEFENDANT. But for the  
25 use of their own personal cell phones, personal vehicles, and rideshare expenses, PLAINTIFFS and the  
26 AGGRIEVED EMPLOYEES could not complete their essential job duties, including but not limited to,  
27 sending and receiving work-related communications from DEFENDANTS, and delivering vehicles to  
28 DEFENDANTS' customers. However, DEFENDANTS unlawfully failed to reimburse PLAINTIFFS

1 and other AGGRIEVED EMPLOYEES for their use of their personal cell phones, personal vehicles, and  
2 incurred rideshare expenses. As a result, in the course of their employment with DEFENDANTS, the  
3 PLAINTIFFS and other AGGRIEVED EMPLOYEES incurred unreimbursed business expenses, but  
4 were not limited to, costs related to the use of their personal cellular phones, personal vehicles, and  
5 rideshare expenses, all on behalf of and for the benefit of DEFENDANTS.

6 **E. Wage Statement Violations**

7 34. California Labor Code Sections 226 and 226.2 require an employer to furnish its  
8 employees an accurate itemized statement in writing showing (1) gross wages earned, (2) total hours  
9 worked, (3) the number of piece-rate units earned and any applicable piece-rate, (4) all deductions, (5)  
10 net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of  
11 the employee and only the last four digits of the employee's social security number or an employee  
12 identification number other than a social security number, (8) the name and address of the legal entity  
13 that is the employer, (9) all applicable hourly rates in effect during the pay period and the corresponding  
14 number of hours worked at each hourly rate by the employee; (10) the total hours of compensable rest  
15 and recovery periods, the rate of compensation, and the gross wages paid for those periods during the  
16 pay period, and (11) the total hours of other nonproductive time, the rate of compensation, and the gross  
17 wages paid for that time during the pay period.

18 35. From time-to-time during the PAGA PERIOD, DEFENDANT furnished PLAINTIFFS  
19 and the AGGRIEVED EMPLOYEES written wage statements that failed to accurately show (1) gross  
20 wages earned, (2) total hours worked, (3) the number of piece-rate units earned and any applicable  
21 piece-rate, (4) net wages earned, (5) all applicable hourly rates in effect during the pay period and the  
22 corresponding number of hours worked at each hourly rate by the employee; (6) the total hours of  
23 compensable rest and recovery periods, the rate of compensation, and the gross wages paid for those  
24 periods during the pay period, and (7) the total hours of other nonproductive time, the rate of  
25 compensation, and the gross wages paid for that time during the pay period.

26 36. In addition to the violations described above, DEFENDANTS, from time to time, failed  
27 to provide PLAINTIFFS and the AGGRIEVED EMPLOYEES with wage statements that comply with  
28 Cal. Lab. Code § 226.

37. As a result, DEFENDANTS issued PLAINTIFFS and the AGGRIEVED EMPLOYEES with wage statements that violate Cal. Lab. Code §§ 226 and 226.2. Further, DEFENDANTS' violations are knowing and intentional, were not isolated or due to an unintentional payroll error due to clerical or inadvertent mistake.

38. Specifically, as to PLAINTIFFS, PLAINTIFFS were from time to time unable to take off duty meal and rest breaks and was not fully relieved of duty for their rest and meal periods. PLAINTIFFS were required to perform work as ordered by DEFENDANTS for more than five (5) hours during a shift without receiving an off-duty meal break. Further, DEFENDANTS failed to provide PLAINTIFFS with a second off-duty meal period each workday in which he was required by DEFENDANT to work ten (10) hours of work. When DEFENDANTS provided PLAINTIFFS with a rest and/or meal break, they required PLAINTIFFS to remain on the premises, on-duty and on-call, for the rest and/or break. PLAINTIFFS therefore forfeited meal and rest breaks without additional compensation and in accordance with DEFENDANTS' strict corporate policy and practice. Moreover, DEFENDANTS also provided PLAINTIFFS with a paystub that failed to comply with Cal. Lab. Code § 226. To date, DEFENDANTS have not fully paid PLAINTIFFS the minimum, overtime and double time compensation still owed to her or any penalty wages owed to her under Cal. Lab. Code § 203. The amount in controversy for PLAINTIFFS individually does not exceed the sum or value of \$75,000.

### FIRST CAUSE OF ACTION

### For Civil Penalties Pursuant to Private Attorneys General Act (“PAGA”)

**[Cal. Lab. Code §§ 2698, et seq.]**

**(By PLAINTIFFS and AGGRIEVED EMPLOYEES and Against All DEFENDANTS)**

39. PLAINTIFFS and the AGGRIEVED EMPLOYEES reallege and incorporate by this reference, as though fully set forth herein, the prior paragraphs of this Complaint.

40. PAGA is a mechanism by which the State of California itself can enforce state labor laws through the employee suing under the PAGA who do so as the proxy or agent of the state's labor law enforcement agencies. An action to recover civil penalties under PAGA is fundamentally a law enforcement action designed to protect the public and not to benefit private parties. The purpose of the PAGA is not to recover damages or restitution, but to create a means of "deputizing" citizens as private

1 attorneys general to enforce the Labor Code. In enacting PAGA, the California Legislature specified  
2 that "it was ... in the public interest to allow aggrieved employees, acting as private attorneys general  
3 to recover civil penalties for Labor Code violations ..." Stats. 2003, ch. 906, § 1. Accordingly, PAGA  
4 claims cannot be subject to arbitration.

5 41. PLAINTIFFS bring this Representative Action on behalf of the State of California with  
6 respect to themselves and all other current and former AGGRIEVED EMPLOYEES employed by  
7 DEFENDANTS during the PAGA PERIOD.

8 42. At all relevant times, for the reasons described herein, and others, PLAINTIFFS and the  
9 AGGRIEVED EMPLOYEES were aggrieved employees of DEFENDANTS within the meaning of  
10 Labor Code Section 2699(c).

11 43. Labor Code Sections 2699(a) and (g) authorize an AGGRIEVED EMPLOYEE, like  
12 PLAINTIFFS, on behalf of themselves and other current or former employees, to bring a civil action  
13 to recover civil penalties pursuant to the procedures specified in Labor Code Section 2699.3

14 44. PLAINTIFFS complied with the procedures for bringing suit specified in Labor Code  
15 Section 2699.3. By certified letter, return receipt requested, dated December 22, 2021, PLAINTIFFS  
16 gave written notice to the Labor and Workforce Development Agency ("LWDA") and to DEENDANTS  
17 of the specific provisions of the Labor Code alleged to have been violated, including the facts and  
18 theories to support the alleged violations.

19 45. As of the date of this complaint, more than sixty-five (65) days after serving the LWDA  
20 with notice and amended notice of DEFENDANTS' violations, the LWDA has not provided any notice  
21 by certified mail of its intent to investigate the DEFENDANTS' alleged violations as mandated by Labor  
22 Code Section 2699.3(a)(2)(A). Accordingly, pursuant to Labor Code Section 2699.3(a)(2)A,  
23 PLAINTIFFS may commence and is authorized to pursue this cause of action.

24 46. To the extent that it applies, PLAINTIFFS invoke the tolling permitted pursuant to the  
25 California State Judicial Counsel amended Rule of Court, Emergency Rule Number 9, tolled the statute  
26 of limitation and statutes of repose from April 6, 2020 to either (a) August 3, 2020 for statutes of  
27 limitation and repose for civil causes of action that are 180 days or less, of (b) October 1, 2020 for  
28 statutes of limitation and repose for civil causes of action that exceed 180 days.

1           47. Pursuant to Labor Code Sections 2699(a) and (f), PLAINTIFFS and the AGGRIEVED  
2 EMPLOYEES are entitled to civil penalties for DEFENDANTS' violations of Labor Code Section 201,  
3 201.3, 202, 203, 204, 210, 218.5, 218.6, 226, 226.3, 226.7, 246, 510, 512, 558, 1174(d), 1174.5, 1194,  
4 1197, 1197.1, 1197.14 1198, 1199, 2802, and 2804 in the following amounts:

5           a. For violation of Labor Code Sections 201, 202, 203, and 204, one  
6 hundred dollars (\$100) for each AGGRIEVED EMPLOYEE per pay period  
7 for the initial violation and two hundred dollars (\$200) for AGGRIEVED  
8 EMPLOYEE per pay period for each subsequent violation [penalty per  
9 Labor Code Section 2699(f)(2)];

10          b. For violations of Labor Code Section 226(a), a civil penalty in the  
11 amount of two hundred fifty dollars (\$250) for each AGGRIEVED  
12 EMPLOYEE for any initial violation and one thousand dollars for each  
13 subsequent violation [penalty per Labor Code Section 226.3];

14          c. For violations of Labor Code Sections 204, a civil penalty in the  
15 amount of one hundred dollars (\$100) for each AGGRIEVED EMPLOYEE  
16 for any initial violation and two hundred dollars (\$200) for AGGRIEVED  
17 EMPLOYEE for each subsequent violation [penalty per Labor Code  
18 Section 210];

19          d. For violations of Labor Code Sections 226.7, 510 and 512, a civil  
20 penalty in the amount of fifty dollars (\$50) for each underpaid  
21 AGGRIEVED EMPLOYEE for the initial violation and hundred dollars  
22 (\$100) for each underpaid AGGRIEVED EMPLOYEE for each subsequent  
23 violation [penalty per Labor Code Section 558];

24          e. For violations of Labor Code Section 2269(a), a civil penalty in the  
25 amount of two hundred fifty dollars (\$250) per AGGRIEVED EMPLOYEE  
26 per violation in an initial citation and one thousand dollars (\$1,000) per  
27 AGGRIEVED EMPLOYEE for each subsequent violation [penalty per  
28 Labor Code Section 226.3];

1 f. For violations of Labor Code Section 1174(d), a civil penalty in the  
2 amount of five hundred (\$500) dollars for per AGGRIEVED EMPLOYEE  
3 [penalty per Labor Code Section 1174.5].

4 g. For violations of Labor Code Sections 1194, 1194.2, 1197, 1198 and  
5 1199, a civil penalty in the amount of one hundred dollars (\$100) per  
6 AGGRIEVED EMPLOYEE per pay period for the initial violation and two  
7 hundred dollars fifty (\$250) per AGGRIEVED EMPLOYEE per pay period  
8 for each subsequent violation [penalty per Labor Code Section].

9 48. For all provisions of the Labor Code for which civil penalty is not specifically provided,  
10 Labor Code § 2699(f) imposes upon Defendant a penalty of one hundred dollars (\$100) for each  
11 AGGRIEVED EMPLOYEE per pay period for the initial violation and two hundred dollars (\$200) for  
12 each AGGRIEVED EMPLOYEE per pay period for each subsequent violation. PLAINTIFFS and the  
13 AGGRIEVED EMPLOYEES are entitled to an award of reasonable attorney's fees and costs in  
14 connection with their claims for civil penalties pursuant to Labor Code Section 2699(g)(1).

15 49. To the extent that any of the conduct and violations alleged herein did not affect  
16 PLAINTIFFS during the PAGA PERIOD, PLAINTIFFS seek penalties for those violations that affected  
17 other AGGRIEVED EMPLOYEES. (*Carrington v. Starbucks Corp.* (2018) 30 Cal.App.5th 504, 519;  
18 See also *Huff v. Securitas Security Services USA, Inc.* (2018) 23 Cal. App. 5th 745, 751 ["PAGA allows  
19 an "aggrieved employee"—a person affected by at least one Labor Code violation committed by an  
20 employer—to pursue penalties for all the Labor Code violations committed by that employer."],  
21 Emphasis added, reh'g denied (June 13, 2018).)

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1 **PRAYER FOR RELIEF**

2 WHEREFORE, PLAINTIFFS pray for judgment against DEFENDANT as follows:

3 (a) For reasonable attorney's fees and costs of suit to the extent permitted by law, including  
4 pursuant to Labor Code § 2699, *et seq.*;

5 (b) For civil penalties to the extent permitted by law pursuant to the Labor Code under the  
6 Private Attorneys General Act; and

7 For such other relief as the Court deems just and proper.  
8

9 Dated: April 18, 2023

Respectfully Submitted,  
JCL LAW FIRM, A.P.C.

11 By:   
12 Jean-Claude Lapuyade  
13 Attorneys for PLAINTIFFS  
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# **EXHIBIT 5**

# **EXHIBIT 6**

**JCL Law Firm**  
**Unbilled Time**  
Activity: All Dates

| Sneed v. Sunroad Auto<br>(002-278) | Activity   | Posting | Employee             | Memo/Description                                          | Rate   | Durati | Amount   | Balance   |
|------------------------------------|------------|---------|----------------------|-----------------------------------------------------------|--------|--------|----------|-----------|
|                                    | Date       |         |                      |                                                           |        | on     |          |           |
|                                    | 12/13/2021 | No      | Jean Claude Lapuyade | Fact Investigation - Reviewed Client File and Documents   | 700.00 | 4.4    | 3,080.00 | 3,080.00  |
|                                    | 12/16/2021 | No      | Jean Claude Lapuyade | Drafted LWDA PAGA Notice and Complaint                    | 700.00 | 5.5    | 3,850.00 | 6,930.00  |
|                                    | 12/27/2021 | No      | Jean Claude Lapuyade | Finalized LWDA and PAGE Notice                            | 700.00 | 2.5    | 1,750.00 | 8,680.00  |
|                                    | 02/14/2022 | No      | Jean Claude Lapuyade | Legal Research - Claim Analysis                           | 700.00 | 3.4    | 2,380.00 | 11,060.00 |
|                                    | 02/28/2022 | No      | Jean Claude Lapuyade | Pleadings - drafted, revised and edited Complaint         | 700.00 | 5.5    | 3,850.00 | 14,910.00 |
|                                    | 02/28/2022 | No      | Jean Claude Lapuyade | Pleadings - Finalized Complaint for Filing                | 700.00 | 1.2    | 840.00   | 15,750.00 |
|                                    | 03/07/2022 | No      | Jean Claude Lapuyade | PAGA Only Complaint                                       | 700.00 | 5.5    | 3,850.00 | 19,600.00 |
|                                    | 05/04/2022 | No      | Jean Claude Lapuyade | Status Phone call with Client                             | 700.00 | 0.5    | 350.00   | 19,950.00 |
|                                    | 05/06/2022 | No      | Jean Claude Lapuyade | Status Phone Call with client                             | 700.00 | 0.5    | 350.00   | 20,300.00 |
|                                    | 06/30/2022 | No      | Jean Claude Lapuyade | Phone Call with new potential plaintiff.                  | 700.00 | 0.3    | 210.00   | 20,510.00 |
|                                    | 07/12/2022 | No      | Jean Claude Lapuyade | Case Management - Drafted and Revised CMS                 | 700.00 | 0.8    | 560.00   | 21,070.00 |
|                                    | 07/19/2022 | No      | Jean Claude Lapuyade | Cass Management - Revised CMS                             | 700.00 | 0.4    | 280.00   | 21,350.00 |
|                                    | 07/20/2022 | No      | Jean Claude Lapuyade | Case Management - Emails Re Service                       | 700.00 | 0.5    | 350.00   | 21,700.00 |
|                                    | 08/11/2022 | No      | Jean Claude Lapuyade | Case Management - Emails to/from OC Re Extension          | 700.00 | 0.5    | 350.00   | 22,050.00 |
|                                    | 08/18/2022 | No      | Jean Claude Lapuyade | Case Management - Email to/from OC and Mediator Re Dates  | 700.00 | 0.2    | 140.00   | 22,190.00 |
|                                    | 08/25/2022 | No      | Jean Claude Lapuyade | Case Management - Emails to/from Re M&C Call              | 700.00 | 0.5    | 350.00   | 22,540.00 |
|                                    | 09/02/2022 | No      | Jean Claude Lapuyade | Case Management - R&R Defendant's Notice of Related Case  | 700.00 | 0.3    | 210.00   | 22,750.00 |
|                                    | 09/06/2022 | No      | Jean Claude Lapuyade | Case Management - Call w/ Client                          | 700.00 | 0.4    | 280.00   | 23,030.00 |
|                                    | 09/20/2022 | No      | Jean Claude Lapuyade | Case Management - Call w/ OC Re Case Management Issues    | 700.00 | 0.5    | 350.00   | 23,380.00 |
|                                    | 09/23/2022 | No      | Jean Claude Lapuyade | Case Management - TCW Client                              | 700.00 | 0.5    | 350.00   | 23,730.00 |
|                                    | 09/30/2022 | No      | Jean Claude Lapuyade | Legal Research - Demurrer Motion to Strike Answer         | 700.00 | 2.9    | 2,030.00 | 25,760.00 |
|                                    | 09/30/2022 | No      | Jean Claude Lapuyade | Case Management - R&R Defendant's Answer                  | 700.00 | 1.9    | 1,330.00 | 27,090.00 |
|                                    | 10/04/2022 | No      | Jean Claude Lapuyade | Case Management - Emails to/from Client Re Status         | 700.00 | 0.3    | 210.00   | 27,300.00 |
|                                    | 11/08/2022 | No      | Jean Claude Lapuyade | Mediation - Emails to/from Mediators Re Dates             | 700.00 | 0.3    | 210.00   | 27,510.00 |
|                                    | 11/28/2022 | No      | Jean Claude Lapuyade | Case Management - Email to from Co Counsel Re Mediation   | 700.00 | 0.4    | 280.00   | 27,790.00 |
|                                    | 12/02/2022 | No      | Jean Claude Lapuyade | Case Management - Emails to/from All Counsel Re Mediation | 700.00 | 0.7    | 490.00   | 28,280.00 |
|                                    | 12/12/2022 | No      | Jean Claude Lapuyade | Case Management - Emails to/from OC Re Mediation          | 700.00 | 0.3    | 210.00   | 28,490.00 |
|                                    | 12/15/2022 | No      | Jean Claude Lapuyade | Discovery - Emails to/from Co Counsel Re Discovery Plan   | 700.00 | 0.4    | 280.00   | 28,770.00 |
|                                    | 12/20/2022 | No      | Jean Claude Lapuyade | Case Management - Emails to/from OC Re Mediation          | 700.00 | 1      | 700.00   | 29,470.00 |
|                                    | 12/29/2022 | No      | Jean Claude Lapuyade | Case Management - TCW Client Re Case Status               | 700.00 | 1      | 700.00   | 30,170.00 |
|                                    | 01/09/2023 | No      | Jean Claude Lapuyade | Case Management - Emails to/from OC Re Mediation          | 700.00 | 0.9    | 630.00   | 30,800.00 |
|                                    | 01/14/2023 | No      | Jean Claude Lapuyade | Case Management - Emails to/from Co Counsel Re Mediation  | 700.00 | 0.5    | 350.00   | 31,150.00 |
|                                    | 02/08/2023 | No      | Jean Claude Lapuyade | Case Management - Drafted, Revised and Edited CMS         | 700.00 | 0.7    | 490.00   | 31,640.00 |
|                                    | 02/09/2023 | No      | Jean Claude Lapuyade | Case Management - R&R Defendant's CMS                     | 700.00 | 0.4    | 280.00   | 31,920.00 |
|                                    | 02/10/2023 | No      | Jean Claude Lapuyade | Case Management - Drafted Status Letter to Client         | 700.00 | 1.2    | 840.00   | 32,760.00 |
|                                    | 02/14/2023 | No      | Jean Claude Lapuyade | Case Management - Emails to/from Co Counsel Re Mediation  | 700.00 | 0.7    | 490.00   | 33,250.00 |

|            |    |                         |                                                                                  |        |     |          |           |
|------------|----|-------------------------|----------------------------------------------------------------------------------|--------|-----|----------|-----------|
| 02/16/2023 | No | Jean Claude Lapuyade    | Case Management - TCW Client Update                                              | 700.00 | 0.9 | 630.00   | 33,880.00 |
| 02/23/2023 | No | Jean Claude Lapuyade    | Case Management -Drafted Status Report to Client                                 | 700.00 | 0.5 | 350.00   | 34,230.00 |
| 03/01/2023 | No | Jean Claude Lapuyade    | Discovery - Drafted Mediation Data Demand                                        | 700.00 | 1.9 | 1,330.00 | 35,560.00 |
| 03/23/2023 | No | Sydney Castillo-Johnson | Discovery - Emails to/from OC Re Mediation Data                                  | 450.00 | 0.3 | 135.00   | 35,695.00 |
| 03/27/2023 | No | Jean Claude Lapuyade    | Discovery - Emails to/from OC Re Mediation Data                                  | 700.00 | 0.6 | 420.00   | 36,115.00 |
| 03/28/2023 | No | Jean Claude Lapuyade    | Discovery - Emails to/from OC Re Mediation Data                                  | 700.00 | 0.5 | 350.00   | 36,465.00 |
| 04/07/2023 | No | Jean Claude Lapuyade    | Discovery - Emails to/from OC Re Mediation Data                                  | 700.00 | 0.3 | 210.00   | 36,675.00 |
| 04/08/2023 | No | Jean Claude Lapuyade    | Mediation - Emails to/from OC Re Mediation                                       | 700.00 | 0.4 | 280.00   | 36,955.00 |
| 04/10/2023 | No | Jean Claude Lapuyade    | Case Management - Emails to/from OC Re Mediation                                 | 700.00 | 0.5 | 350.00   | 37,305.00 |
| 04/13/2023 | No | Jean Claude Lapuyade    | Case Management - Emails to/from PLA Counsel in Related Action Re Mediation Data | 700.00 | 0.5 | 350.00   | 37,655.00 |
| 04/18/2023 | No | Jean Claude Lapuyade    | Pleadings - Drafted LWDA Notice for PLA Aguirre                                  | 700.00 | 1.4 | 980.00   | 38,635.00 |
| 05/01/2023 | No | Jean Claude Lapuyade    | Case Management - Emails to/from OC Re New Mediation Date                        | 700.00 | 0.5 | 350.00   | 38,985.00 |
| 05/19/2023 | No | Jean Claude Lapuyade    | Case Management - Emails to/from OC Re Mediation                                 | 700.00 | 0.4 | 280.00   | 39,265.00 |
| 05/22/2023 | No | Jean Claude Lapuyade    | Case Management - Emails to/from OC Re Mediation                                 | 700.00 | 0.4 | 280.00   | 39,545.00 |
| 05/26/2023 | No | Jean Claude Lapuyade    | Case Management - Emails to/from Counsel Re Amended LWDA Notice                  | 700.00 | 0.8 | 560.00   | 40,105.00 |
| 06/22/2023 | No | Jean Claude Lapuyade    | Case Management - Emails to/from Co Counsel Re Mediation                         | 700.00 | 0.4 | 280.00   | 40,385.00 |
| 07/11/2023 | No | Jean Claude Lapuyade    | Case Management - Drafted Status Letter to Client                                | 700.00 | 1.5 | 1,050.00 | 41,435.00 |
| 07/14/2023 | No | Jean Claude Lapuyade    | Case Management - Emails to/from OC Re Mediation Scope                           | 700.00 | 0.3 | 210.00   | 41,645.00 |
| 07/14/2023 | No | Jean Claude Lapuyade    | Case Management - Emails to/from Client Re Status                                | 700.00 | 0.3 | 210.00   | 41,855.00 |
| 08/01/2023 | No | Jean Claude Lapuyade    | Case Management - Emails to/from Co-counsel Re Mediation Data                    | 700.00 | 0.5 | 350.00   | 42,205.00 |
| 08/15/2023 | No | Jean Claude Lapuyade    | Case Management - TCW Client Re Status                                           | 700.00 | 0.5 | 350.00   | 42,555.00 |
| 08/29/2023 | No | Jean Claude Lapuyade    | Discovery - Emails to/from OC Re Mediation Data                                  | 700.00 | 0.3 | 210.00   | 42,765.00 |
| 09/06/2023 | No | Jean Claude Lapuyade    | Discovery - Emails to/from OC Re Data                                            | 700.00 | 0.5 | 350.00   | 43,115.00 |
| 09/08/2023 | No | Jean Claude Lapuyade    | Case Management - Emails to/from OC Re Data and Mediation                        | 700.00 | 0.6 | 420.00   | 43,535.00 |
| 09/11/2023 | No | Jean Claude Lapuyade    | Case Management - Emails to/from Client Re Status                                | 700.00 | 1.6 | 1,120.00 | 44,655.00 |
| 09/19/2023 | No | Jean Claude Lapuyade    | Case Management - Emails to/from OC Re Mediation                                 | 700.00 | 0.6 | 420.00   | 45,075.00 |
| 09/20/2023 | No | Jean Claude Lapuyade    | Case Management - Emails to/from OC Re Mediation                                 | 700.00 | 1   | 700.00   | 45,775.00 |
| 10/04/2023 | No | Jean Claude Lapuyade    | Case Management - Emails to/from OC Re Mediation                                 | 700.00 | 0.6 | 420.00   | 46,195.00 |
| 10/09/2023 | No | Jean Claude Lapuyade    | Case Management - Emails to/from OC RE Mediation                                 | 700.00 | 0.4 | 280.00   | 46,475.00 |
| 10/20/2023 | No | Jean Claude Lapuyade    | Case Management - TCW Client Re Case Status                                      | 700.00 | 1   | 700.00   | 47,175.00 |
| 11/16/2023 | No | Jean Claude Lapuyade    | Discovery - Emails to/from OC Re Mediation Data                                  | 700.00 | 0.6 | 420.00   | 47,595.00 |
| 11/21/2023 | No | Jean Claude Lapuyade    | Case Management - Emails to/from OC Re Stip to Continue CMC                      | 700.00 | 0.3 | 210.00   | 47,805.00 |
| 12/22/2023 | No | Jean Claude Lapuyade    | Discovery - Emails to/from OC Re Mediation Data                                  | 700.00 | 0.3 | 210.00   | 48,015.00 |
| 12/23/2023 | No | Jean Claude Lapuyade    | Discovery - R&R Mediation Data                                                   | 700.00 | 4   | 2,800.00 | 50,815.00 |
| 12/29/2023 | No | Jean Claude Lapuyade    | Discovery - Emails to/from OC and Expert Re Data                                 | 700.00 | 1.3 | 910.00   | 51,725.00 |
| 01/02/2024 | No | Jean Claude Lapuyade    | Discovery - TCW Expert Re Data Analysis                                          | 700.00 | 1.2 | 840.00   | 52,565.00 |
| 01/08/2024 | No | Jean Claude Lapuyade    | Case Management - TCW Client Re Mediation Status                                 | 700.00 | 0.5 | 350.00   | 52,915.00 |
| 01/10/2024 | No | Jean Claude Lapuyade    | Discovery - Emails to/from Exert Re Data Analysis                                | 700.00 | 0.7 | 490.00   | 53,405.00 |
| 01/15/2024 | No | Jean Claude Lapuyade    | Discovery - Emails to/from OC Re Mediation                                       | 700.00 | 0.5 | 350.00   | 53,755.00 |
| 01/23/2024 | No | Jean Claude Lapuyade    | Discovery - Emails to/from Expert Re Damage Analysis                             | 700.00 | 0.5 | 350.00   | 54,105.00 |

|            |    |                      |                                                                                               |        |              |                    |           |
|------------|----|----------------------|-----------------------------------------------------------------------------------------------|--------|--------------|--------------------|-----------|
| 01/24/2024 | No | Jean Claude Lapuyade | Case Management - TCW Client Re Status                                                        | 700.00 | 0.3          | 210.00             | 54,315.00 |
| 01/31/2024 | No | Jean Claude Lapuyade | Law and Motion - Emails to/from Co Counsel Re Mediation Breoif                                | 700.00 | 1.4          | 980.00             | 55,295.00 |
| 01/31/2024 | No | Jean Claude Lapuyade | Law and Motion - Revised and Edited Mediation Brief                                           | 700.00 | 3.2          | 2,240.00           | 57,535.00 |
| 02/05/2024 | No | Jean Claude Lapuyade | Mediation - Attended Mediation                                                                | 700.00 | 8            | 5,600.00           | 63,135.00 |
| 02/15/2024 | No | Monnett DeLaTorre    | Case Management - Revised and Edited CMS                                                      | 625.00 | 0.3          | 187.50             | 63,322.50 |
| 03/04/2024 | No | Jean Claude Lapuyade | Case Management - Emails to/from Co Counsel Re Mediation Negotiations                         | 700.00 | 0.3          | 210.00             | 63,532.50 |
| 09/11/2024 | No | Jean Claude Lapuyade | Settlement - TCW Client Tahbaz Re SAR and emails to/from Client Re Same                       | 700.00 | 0.7          | 490.00             | 64,022.50 |
| 10/19/2024 | No | Jennifer Heming      | Email corres. with OC re settlement agreement                                                 | 250.00 | 0.2          | 50.00              | 64,072.50 |
| 10/25/2024 | No | Jennifer Heming      | Email corres. with OC re settlement agreement                                                 | 250.00 | 0.2          | 50.00              | 64,122.50 |
| 11/01/2024 | No | Jennifer Heming      | Email corres. with OC re settlement agreement                                                 | 250.00 | 0.2          | 50.00              | 64,172.50 |
| 11/08/2024 | No | Jennifer Heming      | Email corres. with OC re settlement agreement                                                 | 250.00 | 0.2          | 50.00              | 64,222.50 |
| 11/20/2024 | No | Jennifer Heming      | Email corres. with OC re settlement agreement.                                                | 250.00 | 0.2          | 50.00              | 64,272.50 |
| 12/22/2024 | No | Jean Claude Lapuyade | Pleadings - Revised and Edited Stipulation to File SAC                                        | 700.00 | 1.3          | 910.00             | 65,182.50 |
| 01/06/2025 | No | Jean Claude Lapuyade | Law and Motion - Revised and Edited Motion to PAGA Approval                                   | 700.00 | 4            | 2,800.00           | 67,982.50 |
| 01/09/2025 | No | Jean Claude Lapuyade | Pleadings - Revised and edited stip for leave to file amended complaint and amended complaint | 700.00 | 1            | 700.00             | 68,682.50 |
| 01/13/2025 | No | Jean Claude Lapuyade | Settlement - emails to/from OC Re SAR and SAC                                                 | 700.00 | 0.4          | 280.00             | 68,962.50 |
| 01/17/2025 | No | Jean Claude Lapuyade | Pleading - R&R proposed SAC and emails to/from OC Re Same                                     | 700.00 | 0.9          | 630.00             | 69,592.50 |
| 02/27/2025 | No | Jean Claude Lapuyade | Law and Motion - Revised and edited P&As ISO approval                                         | 700.00 | 3.2          | 2,240.00           | 71,832.50 |
|            |    |                      |                                                                                               |        | <b>103.4</b> | <b>\$71,832.50</b> |           |

Total for Sneed v.  
Sunroad Auto (002-278)

, Mar 03, 2025 02:14:40 PM GMT-8

# **EXHIBIT 7**

# JCL Law Firm

## Transaction Report

All Dates

| DATE                            | TRANSACTION<br>TYPE | NUM                    | NAME                         | MEMO/DESCRIPTION                                                                                      | AMOUNT   | BALANCE  |
|---------------------------------|---------------------|------------------------|------------------------------|-------------------------------------------------------------------------------------------------------|----------|----------|
| Snead v. Sunroad Auto (002-278) |                     |                        |                              |                                                                                                       |          |          |
| 12/23/2021                      | Expense             |                        | LWDA                         |                                                                                                       | 75.00    | 75.00    |
| 12/31/2021                      | Journal Entry       | Dec 2021<br>Postage    |                              | Copies for Dec 2021                                                                                   | 2.20     | 77.20    |
| 12/31/2021                      | Journal Entry       | Dec 2021<br>Postage    |                              | Postage for Dec 2021                                                                                  | 7.33     | 84.53    |
| 01/31/2022                      | Journal Entry       | Jan 2022<br>Postage    |                              | Copies for Jan 2022                                                                                   | 18.20    | 102.73   |
| 02/28/2022                      | Journal Entry       | Feb 2022<br>Postage    |                              | Copies for Feb 2022                                                                                   | 0.10     | 102.83   |
| 03/01/2022                      | Expense             |                        | One Legal LLC                | One Legal Order Number: 17770959 - Filing Fee Re: Complaint, Civil Case Cover Sheet, Original Summons | 460.19   | 563.02   |
| 03/31/2022                      | Journal Entry       | Mar 2022<br>Postage    |                              | Copies for Mar 2022                                                                                   | 0.90     | 563.92   |
| 07/21/2022                      | Expense             |                        | One Legal LLC                | One Legal Order Number: 18593100 - Filing Fee Re: Case Management Statement, Proof of Service         | 12.87    | 576.79   |
| 07/26/2022                      | Expense             |                        | One Legal LLC                | One Legal Order Number: 18614163 - Filing Fee Re: Proof of Service of 30-day Summons & Complaint      | 12.87    | 589.66   |
| 07/31/2022                      | Journal Entry       | July 2022<br>Postage   |                              | Postage for July 2022                                                                                 | 1.14     | 590.80   |
| 07/31/2022                      | Journal Entry       | July 2022<br>Postage   |                              | Copies for July 2022                                                                                  | 2.40     | 593.20   |
| 08/31/2022                      | Journal Entry       | August 2022<br>Postage |                              | Postage for August 2022                                                                               | 15.64    | 608.84   |
| 09/23/2022                      | Check               | 2964                   | LWDA                         | Filing Fee                                                                                            | 75.00    | 683.84   |
| 09/30/2022                      | Journal Entry       | Sept.<br>2022Postage   |                              | Postage for September 2022                                                                            | 15.64    | 699.48   |
| 02/09/2023                      | Expense             |                        | One Legal LLC                | One Legal Order no. 19808920 - Filing Fee Re: Case Management Statement, Proof of Service             | 13.33    | 712.81   |
| 02/28/2023                      | Journal Entry       | Feb 2023<br>Postage    |                              | Postage for February 2023                                                                             | 0.60     | 713.41   |
| 02/28/2023                      | Journal Entry       | Feb 2023<br>Postage    |                              | Copies for February 2023                                                                              | 2.75     | 716.16   |
| 03/27/2023                      | Check               | 3200                   | JAMS                         | Invoice - 1110028995                                                                                  | 2,737.50 | 3,453.66 |
| 03/31/2023                      | Journal Entry       | Mar 2023<br>Postage    |                              | Copies for March 2023                                                                                 | 0.60     | 3,454.26 |
| 03/31/2023                      | Journal Entry       | Mar 2023<br>Postage    |                              | Postage for March 2023                                                                                | 0.60     | 3,454.86 |
| 04/30/2023                      | Journal Entry       | April 2023<br>Postage  |                              | Copies for April 2023                                                                                 | 4.60     | 3,459.46 |
| 04/30/2023                      | Journal Entry       | April 2023<br>Postage  |                              | Postage for April 2023                                                                                | 18.48    | 3,477.94 |
| 08/02/2023                      | Expense             |                        | San Diego<br>Superior Court  |                                                                                                       | 1.00     | 3,478.94 |
| 08/31/2023                      | Journal Entry       | August 2023<br>Postage |                              | Copies for August 2023                                                                                | 0.95     | 3,479.89 |
| 10/31/2023                      | Journal Entry       | Oct. 2023<br>Postage   |                              | Copies for October 2023                                                                               | 0.20     | 3,480.09 |
| 12/18/2023                      | Check               | 3578                   | Barnes Dispute<br>Resolution |                                                                                                       | 3,750.00 | 7,230.09 |
| 12/31/2023                      | Journal Entry       | Dec. 2023<br>Postage   |                              | Copies for December 2023                                                                              | 0.10     | 7,230.19 |

| DATE                                      | TRANSACTION<br>TYPE | NUM                  | NAME                          | MEMO/DESCRIPTION          | AMOUNT      | BALANCE   |
|-------------------------------------------|---------------------|----------------------|-------------------------------|---------------------------|-------------|-----------|
| 12/31/2023                                | Journal Entry       | Dec. 2023<br>Postage |                               | Postage for December 2023 | 0.63        | 7,230.82  |
| 02/21/2024                                | Check               | 3684                 | Berger<br>Consulting<br>Group | Inv. 8619                 | 2,980.00    | 10,210.82 |
| 02/29/2024                                | Journal Entry       | Feb 2024<br>Postage  |                               | Copies for February 2024  | 0.10        | 10,210.92 |
| 07/31/2024                                | Journal Entry       | July 2024<br>Copies  |                               | Copies for July 2024      | 0.10        | 10,211.02 |
| 11/30/2024                                | Journal Entry       | Nov 2024<br>Copies   |                               | November 2024 Copies      | 0.10        | 10,211.12 |
| 12/31/2024                                | Journal Entry       | Dec 2024<br>Copies   |                               | December 2024 Copies      | 0.10        | 10,211.22 |
| Total for Snead v. Sunroad Auto (002-278) |                     |                      |                               |                           | \$10,211.22 |           |
| TOTAL                                     |                     |                      |                               |                           | \$10,211.22 |           |

# **EXHIBIT 8**

**JCL LAW FIRM, APC**  
5440 Morehouse Drive, Suite 3600  
San Diego, CA 92121  
Tel: (619) 599-8292  
Fax: (619) 599-8291

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**FIRM RESUME**

Areas of Practice: Employee Class Actions, Wage and Hour Class Actions, Civil Litigation, and Unlawful Housing Practices.

**ATTORNEY BIOGRAPHIES**

**Jean-Claude Lapuyade, Esq.**  
California Bar Number 248676  
Founding Partner

**Biography:**

Mr. Lapuyade is a San Diego based labor and employment attorney representing aggrieved California employees and the victims of unlawful housing practices throughout the State of California. Mr. Lapuyade's litigation practice focuses on representing California employees in wage and hour class actions for unpaid wages, missed meal and rest breaks, and misclassification, wrongful termination cases and tenants in unlawful housing class actions. Mr. Lapuyade prides himself on providing his clients with aggressive, attentive and result driven representation through the litigation process, trial and arbitration. Since 2007, Mr. Lapuyade successfully recovered in excess of \$200 million in monetary awards for his clients.

Mr. Lapuyade served as co-editor of the Insurance Column for Consumer Attorneys of San Diego from 2011 to 2014. As editor, Mr. Lapuyade was responsible for publishing monthly articles in the Trial Bar News periodical analyzing complex insurance coverage issues. Mr. Lapuyade is a four-time recipient of the Super Lawyers Rising Star by Thomson Reuters. To be eligible for inclusion in Rising Stars, a candidate must be either 40 years old or younger or in practice for 10 years or less. While up to 5 percent of the lawyers in a state are named to Super Lawyers, no more than 2.5 percent are named to Rising Stars.

**Bar Admissions:**

- California
- U.S. District Court Southern District of California
- U.S. District Court Central District of California
- U.S. District Court Eastern District of California
- U.S. District Court Northern District of California

**Professional Associations:**

- California Employment Lawyers Association, 2007 to Present
- Consumer Attorneys of San Diego, 2007 to 2020
- American Bar Association, Section of Litigation, Member, 2007 to 2020
- American Bar Association, Labor & Employment Section, Member, 2007 to 2020
- American Bar Association, Tort, Trial & Insurance Section, Member, 2007 to 2020
- California Bar Association, Labor & Employment Section, Member, 2007 to Present
- California Bar Association, Litigation Section, Member, 2007 to Present

**Education:**

- **California Western School of Law**
  - J.D. - 2006
  - Honors: Deans Merit Scholarship, California Western School of Law 2005 - 2006
- **University of Arizona**
  - B.A. - 2001
  - Major: History

**Honors:**

- Super Lawyers Rising Star, Thomson Reuters, 2015 - 2018
- Distinguished Advocate Award for Outstanding Oral Advocacy, 2005 - 2006

**Perssia Razma, Esq.**

California Bar Number 351398

Associate Attorney

**Biography:**

Ms. Razma is a San Diego based labor and employment attorney representing California employees throughout the state of California. Ms. Razma's litigation practice focuses on representing current and former employees in wage and hour class actions for unpaid wages, missed meal and rest breaks, misclassification, and wrongful termination.

Perssia was born and raised in Los Angeles, California. She earned a Bachelor of Arts in 2020 at San Diego State University in Psychology. In 2023, Perssia earned her Juris Doctor from the University of San Diego School of Law.

**Education:**

- **University of San Diego School of Law**
  - J.D. - 2023
- **San Diego State University**
  - B.A. – 2020
  - Major: Psychology

**Sydney Castillo-Johnson, Esq.**

California Bar Number 343881

Associate Attorney

**Biography:**

Ms. Castillo-Johnson is a San Diego based labor and employment attorney representing California employees throughout the state of California. Ms. Castillo-Johnson's litigation practice focuses on representing current and former employees in wage and hour class actions for unpaid wages, missed meal and rest breaks, misclassification, and wrongful termination.

Ms. Castillo-Johnson volunteered her time at California Western School of Law first as a student intern and later as a student manager with the Community Law Project which offers legal services to the low-income community of San Diego.

**Education:**

- **California Western School of Law**
  - J.D.- 2022
  - Honors:
    - Dean's Honor List: Spring 2021, Fall 2021
    - Public Service Honor Society Fall 2021
    - 3L Academic Merit Scholarship
    - Dean's Diversity, Service, and Leadership Scholarship
  - Activities: Community Law Project Student Manager
- **Azusa Pacific University**
  - B.A. – 2018
  - Major: Criminal Justice

### JCL Law Firm, APC - REPORTED CASES

- *Blanchette et al., v. Superior Court (GHA Homes)*, 8 Cal.App.5th 521 (2017).
- *Duran v. Employbridge Holding Co.*, 92 Cal.App.5th 59 (2023).

### EXAMPLES OF THE JCL LAW FIRM'S REPRESENTATIVE CLASS ACTION & REPRESENTATIVE CASES

- *Ware v. Shake Shack Enterprises, LLC*, Alameda Superior Court Case No. 21CV002063 (October 19, 2023) Hon. Brad Seligman approved a \$1,330,000.00 class action and PAGA action settlement for violations of California wage and hour laws. The Court appointed JCL Law Firm, APC as Class Counsel and as representative PAGA counsel for the State of California.
- *Trinh v. Precision Metal Products, Inc., et al.*, San Diego Superior Court Case No. 37-2022-00000965-CU-OE-CTL (October 16, 2023) Hon. Matthew C. Braner approved a \$450,000.00 class action and PAGA action settlement for, *inter alia*, unpaid off the clock work. The Court appointed JCL Law Firm, APC as Class Counsel and as representative PAGA counsel for the State of California.
- *Anderson v. Barton Myers Associates, Inc., et al.*, Los Angeles Superior Court Case No. 21STCV43314 (October 12, 2023) Hon. Elihu M. Berl approved a \$900,000.00 class action and PAGA action settlement for meal and rest period violations. The Court appointed JCL Law Firm, APC as Class Counsel and as representative PAGA counsel for the State of California.
- *DeSanctis v. Douglas Products and Packaging Company, LLC*, Contra Costa Superior Court Case No. C21-01874 (October 11, 2023) Hon. Charles S. Treat approved a \$372,500.00 class action and PAGA action settlement for, *inter alia*, failure to pay for all hours worked. The Court appointed JCL Law Firm, APC as Class Counsel and as representative PAGA counsel for the State of California.
- *Jackson v. White Fir, LLC, et al.*, Sacramento Superior Court Case No. 34-2021-00301656 (October 6, 2023) Hon. Lauri A. Damrell approved a \$750,000.00 class action and PAGA action settlement for violations of California wage and hour laws. The Court appointed JCL Law Firm, APC as Class Counsel and as representative PAGA counsel for the State of California.
- *Kneisly v. SR Machining, Inc., et al.*, Riverside Superior Court Case No. CVRI2201491 (October 5, 2023) Hon. Harold W. Hopp approved a \$220,000.00 class action and PAGA action settlement for meal and rest period violations. The Court appointed JCL Law Firm, APC as Class Counsel and as representative PAGA counsel for the State of California.
- *Mendez v. Bondz, Inc., et al.*, San Joaquin Superior Court Case No. STK-CV-UOE-2020-0007486 (September 14, 2023) Hon. George J. Abdallah, Jr. approved a \$180,000.00 class action and PAGA action settlement for, *inter alia*, failure to comply with piece-rate laws. The Court appointed JCL Law Firm, APC as Class Counsel and as representative PAGA counsel for the State of California.
- *Baray v. Curation Foods, Inc., et al.*, Santa Barbara Superior Court Case No. 21CV02834 (August 29, 2023) Hon. James F. Rigali approved a \$495,000.00 class action and PAGA action settlement for meal and rest period violations. The Court appointed JCL Law Firm, APC as Class Counsel and as representative PAGA counsel for the State of California.
- *Rodriguez, et al. v. Ferma Greenbox, Inc., et al.*, Alameda Superior Court Case No. RG21101104 (August 23, 2023) Hon. Evelio Grillo approved a \$200,000.00 class action and PAGA action settlement for, *inter alia*, unpaid off-the-clock work. The Court appointed JCL Law Firm, APC as Class Counsel and as representative PAGA counsel for the State of California.
- *O'Quinn v. Laugh Factory, Inc.*, Los Angeles Superior Court Case No. 19STCV28155 (August 1, 2023) Hon. Carolyn B. Kuhl approved a \$144,000.00 class action and PAGA action settlement for, *inter alia*, unlawful tip pooling. The Court appointed JCL Law Firm, APC as Class Counsel and as representative PAGA counsel for the State of California.
- *Toler v. Total Testing Solutions, LLC*, Los Angeles Superior Court Case No. 21STCV38452 (July 27, 2023) Hon. Elihu M. Berle approved a \$160,000.00 class action and PAGA action settlement for meal and rest period violations. The Court appointed JCL Law Firm, APC as Class Counsel and as representative PAGA counsel for the State of California.
- *Rodriguez v. EAH, Inc.*, Santa Cruz Superior Court Case No. 21CV00884 (July 25, 2023) Hon. Marjorie Carter approved a \$1,450,000.00 class action and PAGA action settlement for, *inter alia*, failure to compensate overtime and redeemed sick pay at the regular rate of pay. The Court appointed JCL Law Firm, APC as Class Counsel and as representative PAGA counsel for the State of California.
- *Neutall v. Urban Alchemy*, San Francisco Superior Court Case No. CGC-20-588622 (July 13, 2023) Hon. Richard B. Ulmer approved a \$980,000.00 class action settlement for violations of California wage and hour laws. The Court appointed JCL Law Firm, APC as Class Counsel.
- *Rodriguez v. RM Parks Place, Inc.*, San Joaquin Superior Court Case No. STK-CV-UOE-2021-6050 (June 7, 2023) Hon. Erin Guy Castillo approved a \$175,000.00 class action and PAGA action settlement for, *inter alia*, wage statement violations. The Court appointed JCL Law Firm, APC as Class Counsel and as representative PAGA counsel for the State of California.

- *Chrestensen v. Northeastern Rural Health Clinics Lassen*, Superior Court Case No. 63703 (April 13, 2023) Hon. Leonard J. La Casse approved a \$270,000.00 class action and PAGA action settlement for, *inter alia*, unpaid overtime wages. The Court appointed JCL Law Firm, APC as Class Counsel and as representative PAGA counsel for the State of California.
- *Hernandez, et al. v. Parenting Network, Inc.*, Tulare Superior Court Case No. VCU287027 (March 14, 2023) Hon. Bret Hilman approved a \$225,000.00 class action and PAGA action settlement for, *inter alia*, unpaid off-the-clock work. The Court appointed JCL Law Firm, APC as Class Counsel and as representative PAGA counsel for the State of California.
- *Sarmiento v. Caduceus Healthcare Inc.*, San Diego Superior Court Case No. 37-2021-00002597 (March 10, 2023) Hon. Richard S. Whitney approved a \$315,000.00 class action and PAGA action settlement for, *inter alia*, unpaid off-the-clock work. The Court appointed JCL Law Firm, APC as Class Counsel and as representative PAGA counsel for the State of California.
- *Garces, et al. v. DriverDo, LLC*, Los Angeles Superior Court Case No. 19STCV32773 (January 24, 2023) Hon. Carolyn B. Kuhl approved a \$700,000 class action and PAGA settlement for meal and rest period violations. The JCL Law Firm, APC, represented the plaintiff, the State of California, and the Aggrieved Employees.
- *De Jesus v. Guardian Angel Home Care, Inc.*, San Diego Superior Court Case No. 37-2020-00021049-CU-OE-CTL (July 29, 2022) Hon. Ronald F. Frazier approved a \$300,000 class action and PAGA settlement for meal and rest period violations. The JCL Law Firm, APC, represented the plaintiff, the State of California, and the Aggrieved Employees.
- *Kaur v. Aces 2020 I, LLC, et al.*, Contra Costa Superior Court Case No. MSC20-02482 (December 22, 2022) Hon. Edward G. Weil approved a \$585,000 class action and PAGA settlement for meal and rest period violations. The JCL Law Firm, APC, represented the plaintiff, the State of California, and the Aggrieved Employees.
- *Molina v. Hawaiian Airlines, Inc.*, Los Angeles Superior Court Case No. 20STCV28079 (November 23, 2022) Hon. Maren Nelson approved a \$250,000 class action settlement for meal and rest period violations. The JCL Law Firm, APC, represented the Plaintiff.
- *Lang Jr. v. Pathways Community Services LLC*, San Diego Superior Court Case No. 37-2019-00049969-CU-OE-CTL (September 9, 2022) Hon. James A. Mangione approved a \$160,000 class action and PAGA settlement for meal and rest period violations. The JCL Law Firm, APC, represented the plaintiff, the State of California, and the Aggrieved Employees.
- *Martinello v. Century Wilshire, Inc.*, Los Angeles Superior Court Case No. 20STCV32613 (March 1, 2022) Hon. Carolyn Kuhl approved a \$550 billing rate and appointed Jean Claude Lapuyade, Esq. of the JCL Law Firm, APC, as Class Counsel.
- *Wilson v. Spreen Inc. (dba Spreen Honda)*, San Bernardino Superior Court Case No. CIVSB2119857 (April 6, 2022) Hon. David Cohn approved a \$300,000 PAGA action settlement for meal and rest period violations. The JCL Law Firm, APC, represented the plaintiff, the State of California, and the Aggrieved Employees.
- *Ledesma v. TVJ Sons I, Inc.; Porter and Howard, Inc.* Santa Barbara Superior Court Case No. 20CV03573 (November 10, 2021) Hon. Jed Beebe approved a \$350,000 PAGA action settlement for meal and rest period violations. The JCL Law Firm, APC represented the State of California and the Aggrieved Employees.
- *Jacobs v. Rush Media Company, LLC; XLT Management Services, Inc.*, Los Angeles Superior Court Case No. 20STCV32350 (May 2, 2022) Hon. Daniel J. Buckley appointed the JCL Law Firm, APC as Class Counsel and approved a \$330,000 class action settlement for, *inter alia*, independent contractor misclassification.
- *Chavez v. HTL Conrad Domestic, LLC; HTL Conrad Domestic Employer, LLC*, San Diego Superior Court Case No. 37-2020-00016193-CU-OE-CTL (June 9, 2022) Hon. John S. Meyer approved a \$850,000 PAGA action settlement for, *inter alia*, failure to compensate overtime at the regular rate of pay. The JCL Law Firm, APC acted as representative PAGA counsel for the State of California and the Aggrieved Employees.
- *Renteria v. Love's Country Stores of California*, San Bernardino Superior Court Case No. CIVDS20164481 (June 14, 2022) Hon. David Cohn approved a \$2.2 million dollar class action and PAGA action settlement for, *inter alia*, unpaid overtime and sick pay. The JCL Law Firm, APC acted as Class Counsel and as representative PAGA counsel for the State of California.
- *Lopez v. Adidas America, Inc.*, Ventura Superior Court Case No. 56-2021-005498444-CU-OE-VTA (April 4, 2022) Hon. Mark Borrell approved a \$1.5 million dollar class action and PAGA action settlement for, *inter alia*, inaccurate overtime calculations, and appointed the JCL Law Firm, APC as Class Counsel.
- *Felix v. TVI, Inc., d.b.a. Savers*, Santa Clara Superior Court Case No. 21CV376407 (February 18, 2022) Hon. Sunil R. Kulkarni approved a \$1.8 million dollar class action and PAGA action settlement for, *inter alia*, unpaid off-the-clock work. The Court appointed JCL Law Firm, APC as Class Counsel and as representative PAGA counsel for the State of California.
- *Munoz v. AMTCR*, San Bernardino Superior Court Case No. CIV-DS2001914 (August 24, 2021) Hon. David Cohn approved a \$1.8 million dollar class and PAGA settlement for, *inter alia*, inaccurate itemized wage statements. The JCL Law Firm, APC acted as class counsel for the settlement class and as representative PAGA counsel the State of California and the Aggrieved Employees.)

- *Nunes v. Home Depot U.S.A., Inc.*, San Joaquin Superior Court Case No. STK-CV-UOE-2020-0011011 (October 20, 2021 – Hon. Roger Ross approved a \$1.5 million dollar class and PAGA settlement for, *inter alia*, miscalculated meal period premiums and appointed Jean-Claude Lapuyade, Esq. as Class Counsel.)
- *Pillsbury v. T&T Restaurants CA, Inc.*, Del Norte Superior Court Case No. CVUJ-20-1214 (December 14, 2021 – Hon. Darren McElfresh approved \$550 billing rate and appointed Jean-Claude Lapuyade, Esq. as Class Counsel in a wage and hour class action settlement.)
- *Latin v. OneMain General Service Corporation*, Stanislaus County Superior Court Case No. CV-20-002498 (October 22, 2021) Hon. Stacy Speiller approved a PAGA action settlement for \$700,000 wage statement violations. The JCL Law Firm, APC acted as counsel for the plaintiff, the State of California and the Aggrieved Employees.
- *Elias Kaser v. Aviation Consultants, Inc.*, Orange County Superior Court Case No. 30-2021-01191204-CU-OE-CXC (September 22, 2021 – Hon. Peter J. Wilson approved \$550 billing rate in a representative California Labor Code Private Attorney General Act settlement).
- *Rodriguez v. RSI Home Products, Inc.*, San Bernardino Superior Court Case No. CIVDS2023354 (July 30, 2021 – Hon. David Cohn approved a \$1.45 million class and PAGA settlement for, *inter alia*, failure to comply with piece-rate laws, and appointed the JCL Law Firm, APC as Class Counsel)
- *Jer Vang v. Bridge Property Management*, Alameda County Superior Court, Case No RG19047434 (January 8, 2021 – Hon. Winifred Smith approved a class and PAGA settlement for, *inter alia*, unpaid off the clock work. The JCL Law Firm, APC acted as class counsel for the settlement class and as representative PAGA counsel the State of California and the Aggrieved Employees.)
- *Johnson v. Volt Management Corp., Inc. et al.*, Los Angeles County Superior Court, Case No. 19STCV16466 (December 11, 2020 – Hon. Amy Hogue approved a PAGA Settlement negotiated on behalf of the State of California and the aggrieved employees by the JCL Law Firm, APC.)
- *Salazar v. Frontier Auto Sales Inc., dba Frontier Toyota*, Los Angeles Superior Court, Case No. 19STCV20382 (November 24, 2020 – Hon. John P. Doyle appointed the JCL Law Firm, APC as class counsel and approved a class and PAGA settlement for, *inter alia*, missed meal and rest periods.)
- *Villalobos v. Alterra Group, LLC et al.*, Los Angeles County Superior Court, Case No. 19STCV19448 (November 11, 2020 – Hon. Richard Fruin approved a PAGA Settlement for, *inter alia*, unreimbursed business expenses. The JCL Law Firm, APC acted as counsel for the plaintiff, the State of California and the Aggrieved Employees.)
- *Stevens et al., v. Bank of England*, San Diego County Superior Court Case No. 37-2019-00018662-CU-OE-CTL (October 16, 2020 – Hon. John Meyer appointed JCL Law Firm as Class Counsel and granted final approval of wage and hour class action for, *inter alia*, off-the-clock work.)
- *Frazier v. ASA Carlton, Inc.*, San Diego Superior Court Case No. 37-2019-00036147 (October 9, 2020 Hon. Kenneth Medel appointed the JCL Law Firm as Class Counsel and granted final approval of wage and hour class action for off-the-clock work.)
- *Krake et al., v. Central Valley Diner, Inc.*, Placer County Superior Court Case No. SCV0041645 (September 4, 2020 – Hon. Michael Jones appointed JCL Law Firm as class counsel and granted final approval of wage and hour class action for meal period violations.)
- *Conner v. Ascendant Marketing, LLC et al.*, San Diego Superior Court Case No. 37-2019-00026864-CU-OE-CTL (July 24, 2020 Hon. Joel Wohlfeil granted approval of PAGA Settlement for, among other things, off-the-clock work. JCL Law Firm, APC acted as lead counsel.)
- *Guerrero v. Estancia Operations, LLC.*, San Diego Superior Court Case No. 37-2019-00028963 (August 25, 2020 – Hon. Katherine Bacal approved PAGA Settlement for, *inter alia*, missed meal and rest periods. JCL Law Firm, APC, acted as lead counsel.)
- *Moreno v. Dash Lube, et al.*, United States District Court, Southern District of California, Case No. 18cv1922 DMS (AHG) (December 13, 2019 – Granted class certification of Labor Code Section 226 claim and appointed JCL Law Firm, APC, as Class Counsel.)
- *Perkins et al., v. Tahiti Enterprises, Inc., et al.*, Orange County Superior Court Case No. 30-2016-00863095 (October 22, 2019 – Hon. Peter Wilson appointed JCL Law Firm, APC, as Class Counsel and granted final approval for an unlawful housing class action settlement arising out of Civil Code Section 1940.1.)
- *Hill v. Stemak Holdings, Ltd.*, San Diego Superior Court Case No., 37-2018-00000747 (January 28, 2020 – Hon. Kenneth Medel appointed JCL Law Firm, APC as class counsel and granted final approval of wage and hour class action for unpaid overtime.)
- *Shachno et al., v. KT Hotels, LLC, et al.* San Diego Superior Court Case No Case No. 37-2018-00043601 (May 31, 2019 – Hon. Gregory Pollack appointed JCL Law Firm, APC, as Class Counsel and granted preliminary approval for the wage and hour class action settlement involving nearly 900 current and former employees. Final approval scheduled for October 4, 2019)
- *Almanza v. The Express Group, Inc.*, San Bernardino Superior Court Case No. CIVDS1722542 (April 19, 2019 – Hon. David Cohn appointed the JCL Law Firm, APC, as Class Counsel and granted final approval for a wage and hour class action settlement for *inter alia*, missed meal and rest periods and independent contractor misclassification.)

- *Moschetto v. Pillow Global, Inc.* San Diego Superior Court, Case No. 37-2017-00024031-CU-OE-CTL (April 5, 2019 – Hon. John S. Meyer appointed JCL LAW Firm, APC, as Class Counsel and granted final approval for a wage and hour wage class action settlement involving misclassified house cleaners.)
- *Burke v. Friendship Hotel, LLC*, San Diego County Superior Court Case No. 37-2017-00022517-CU-OE-CTL (March 10, 2019 – final approval granted on for an unlawful housing class action arising under Civil Code Section 1940.2)
- *Terrado et al., v. Accredited Debt Relief, LLC*, San Diego County Superior Court Case No. 37-2018-00014181-CU-OE-CTL (February 8, 2019 – Hon. Gregory W. Pollock appointed JCL Law Firm, APC as Class Counsel and granted final approval for a wage and hour class action settlement for meal and rest period violations);
- *Macaspac v. San Antonio Regional Hospital*, San Bernardino Superior Court Case No. CIVDS1512625, (July 27, 2018 – Hon. Thomas S. Garza appointed JCL Law Firm, APC, as Class Counsel and granted final approval for a wage and hour class action settlement involving claims for on duty meal and rest periods.);
- *Summerlin et al. v. Maplebear, Inc. dba Instacart*, Los Angeles Superior Court Case No. BC603030 (2018 - certified and settled wage and hour class action.)
- *Ortega v. Prime Healthcare*, San Diego Superior Court Case No. 37-2014-00011240-CU-OE-CTL (2018 – Approved PAGA only settlement for on duty meal and rest periods)
- *Engstrom v. Bender-Rosenthal, Inc.* San Diego Superior Court Case No. 37-2016-00012373-CU-OE-CTL (2017 - Certified and settled class action for employee misclassification);
- *Crawford v. Outlook Amusements, Inc.*, Los Angeles Superior Court Case No. BC617160 (2017 - Certified and settled wage and hour class action.);
- *Hernandez v. Sunglass Hut Trading, LLC*, San Bernardino Superior Court Case No. CIVDS1505181 (2016 - Certified and settled wage and hour class action);
- *Burns v. Shalom, LLC*, San Diego Superior Court, Case No., 37-2013-00058356-CU-BT-CTL (2015 - certified and settled class action for unlawful housing practices arising out of Civil Code Section 1940.1);