

Assigned for all purposes to: Stanley Mosk Courthouse, Judicial Officer: Mark Mooney

Kevin Mahoney (SBN: 235367)
kmahoney@mahoney-law.net
John A. Young (SBN: 299809)
jyoung@mahoney-law.net
MAHONEY LAW GROUP, APC
249 E. Ocean Blvd., Ste. 814
Long Beach, CA 90802
Telephone: (562) 590-5550
Facsimile: (562) 590-8400

Attorneys for Plaintiff RUSSELL RAMSEY

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

RUSSELL RAMSEY, on behalf of himself,
other aggrieved employees, and the State of
California,

Plaintiff,

v.

VENDOME PROPERTIES, LLC; SP
INVESTMENT GROUP, INC. dba GLENDALE
PROPERTY MANAGEMENT; and DOES 1
through 50, inclusive,

Defendants.

Case No.: **22STCV19243**

**REPRESENTATIVE ACTION
COMPLAINT**

1. Violation of PAGA for Willful Misclassification (Lab. Code §§ 226.8, 2750.3);
2. Violation of PAGA for Failure to Pay All Wages Including Minimum, Regular, and Overtime Wages (Lab. Code §§ 204, 510, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198);
3. Violation of PAGA for Failure to Provide Meal Periods (Lab. Code §§ 226.7, 512);
4. Violation of PAGA for Failure to Provide Rest Periods (Lab. Code §§ 226.7);
5. Violation of PAGA for Failure to Timely Pay Wages Upon Separation of Employment (Lab. Code §§ 201, 202, 203);
6. Violation of PAGA for Failure to Maintain Accurate Payroll Records (Lab. Code §§ 226, subd. (A), (E), 226.3, 1174, 1174.5); and
7. Violation of PAGA for Failure to Reimburse Business Expenses, and Unlawful Deductions and Patronization (Lab. Code §§ 221, 450, 2802).

1 Plaintiff RUSSEL RAMSEY ("Plaintiff"), individually and on behalf of other aggrieved
2 employees, hereby complains and alleges as follows:

3 **PRELIMINARY STATEMENT**

4 1. Plaintiff brings this representative action pursuant to the Private Attorneys General
5 Act of 2004 ("PAGA"), Labor Code sections 2698 *et seq.*, against Defendants VENDOME
6 PROPERTIES, LLC, SP INVESTMENT GROUP, INC. dba GLENDALE PROPERTY
7 MANAGEMENT and DOES 1 through 50 (collectively "Defendants"), on behalf of himself
8 individually and all other current and former aggrieved employees who were employed by
9 Defendants and misclassified as independent contractors in the State of California during the
10 PAGA period. The PAGA period is defined as one year prior to Plaintiff's notice of labor code
11 violations to the Labor and Workforce Development Agency ("LWDA") and certified mailing of
12 said notice to Defendants until resolution.

13 2. Defendants own and manage numerous properties throughout California.
14 Defendants employed and/or continue to employ Plaintiff and other aggrieved employees
15 throughout California as independent contractors.

16 3. Defendants have engaged in a systematic pattern of wage and hour violations
17 under the Labor Code arising from Defendants' willful misclassification of non-exempt
18 employees, including, but not limited to, failure to pay all wages (including minimum, regular,
19 and overtime compensation); failure to provide meal periods or compensation in lieu thereof;
20 failure to authorize or permit rest breaks or provide compensation in lieu thereof; failure to
21 provide accurate itemized wage statements; failure to pay all wages due upon separation of
22 employment; and failure to reimburse business expenses. These violations concern current and
23 past non-exempt employees of Defendants who were misclassified as independent contractors.

24 4. At all relevant times herein, Defendants have consistently maintained and enforced
25 against Plaintiff and the aggrieved employees the unlawful practices and policies set forth herein.

26 **JURISDICTION AND VENUE**

27 5. The venue is proper in Los Angeles County, because Defendants maintain their
28 locations and transact business in this county, the obligations and liability primarily arise in this

1 county, and work was primarily performed by Plaintiff and other aggrieved employees in this
2 county.

3 6. The California Superior Court has jurisdiction over this matter. The individual
4 claims brought by Plaintiff are under the seventy-five thousand dollar (\$75,000.00) jurisdictional
5 threshold for federal court and PAGA penalties cannot be aggregated to meet the minimum
6 jurisdictional amount required for diversity removal. Further, there is no federal question at issue
7 as the issues herein are based solely on California statutes and law, including, but not limited to,
8 the California Labor Code, Industrial Welfare Commission Wage Orders, California Code of
9 Civil Procedure, and California Rules of Court.

10 **THE PARTIES**

11 **Plaintiff**

12 7. Plaintiff is, and at all times herein mentioned, was a resident of the County of Los
13 Angeles and was employed by Defendants within the past year. During the PAGA period,
14 Defendants misclassified Plaintiff as an independent contractor to work as an on-site resident
15 manager, living and working at Defendants' 737 N. Vendome Street, Los Angeles, CA location,
16 in the County of Los Angeles.

17 **Defendants**

18 8. Plaintiff is informed and believes, and based thereon alleges, that Defendants
19 VENDOME PROPERTIES, LLC, is a California limited liability company that owns and
20 manages properties in Los Angeles County. Defendant VENDOME PROPERTIES, LLC's
21 principal place of business is believed to be located at 14641 Deep Creek Ct., Chino Hills, CA
22 91709. On information and belief, and based thereon, Plaintiff alleges that VENDOME
23 PROPERTIES, LLC is conducting business in good standing in California, and at all times herein
24 mentioned has regularly conducted business throughout the State of California.

25 9. Plaintiff is informed and believes, and based thereon alleges, that Defendants
26 VENDOME PROPERTIES, LLC, is a California limited liability company that owns and
27 manages properties in Los Angeles County. Defendant VENDOME PROPERTIES, LLC's
28 principal place of business is believed to be located at 14641 Deep Creek Ct., Chino Hills, CA

1 91709. On information and belief, and based thereon, Plaintiff alleges that VENDOME
2 PROPERTIES, LLC is conducting business in good standing in California, and at all times herein
3 mentioned has regularly conducted business throughout the State of California.

4 10. Plaintiff is informed and believes, and based thereon alleges, that Defendants SP
5 INVESTMENT GROUP, INC. dba GLENDALE PROPERTY MANAGEMENT (“GPM”), is a
6 California corporation that owns and manages properties in Los Angeles County. Defendant
7 GPM’s principal place of business is believed to be located at 807 N Central Avenue, Glendale,
8 CA 91203. On information and belief, and based thereon, Plaintiff alleges that GPM is conducting
9 business in good standing in California, and at all times herein mentioned has regularly conducted
10 business throughout the State of California.

11 11. Plaintiff is ignorant of the true names, capacities, relationships, and extent of
12 participation in the conduct herein alleged of the Defendants sued herein as DOES 1 through 50,
13 inclusive, but on information and belief allege that said Defendants are legally responsible for the
14 occurrences alleged herein, and that the damages of Plaintiff and the aggrieved employees were
15 proximately caused by such Defendants. Plaintiff will amend this complaint to allege the true
16 names and capacities of the DOE Defendants when ascertained.

17 12. Plaintiff is informed and believes, and based thereon alleges, that each Defendant
18 herein was, at all times relevant to this action, the agent, employee, representing partner, and/or
19 joint venture of the remaining Defendants and was acting within the course and scope of the
20 relationship. Plaintiff is further informed and believes, based thereon alleges, that each of the
21 Defendants herein gave consent to, ratified, and authorized the acts alleged herein to the
22 remaining Defendants.

23 13. Plaintiff is further informed and believes, and based thereon alleges, that
24 Defendants herein acted as a joint employer and/or single or integrated enterprise at all relevant
25 times. Defendants acted in all respects pertinent to this action as the agent of the other Defendants,
26 carried out a joint scheme, business plan or policy in all respects pertinent hereto, and the acts of
27 each Defendant are legally attributable to the other Defendants.

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17. The LWDA has not provided Plaintiff with any notice that it intends to investigate the violations as alleged in Plaintiff's April 6, 2022 notice, and more than 65 calendar days have elapsed since the postmark date on the notice.

18. Pursuant to Labor Code section 2699(a), any provision of the Labor Code that provides for a civil penalty to be assessed and collected by the LWDA or any of its departments, divisions, commissions, boards, agencies or employees for violation of the code may, as an alternative, be recovered through a civil action brought by an aggrieved employee on behalf of himself or herself and other current or former employees pursuant to the procedures specified in

1 Labor Code section 2699.3.

2 19. For all provisions of the Labor Code except those for which a civil penalty is
3 specifically provided, Labor Code section 2699(f) imposes upon Defendants a penalty of one
4 hundred dollars (\$100.00) for each aggrieved employee per pay period for the initial violation
5 and two hundred dollars (\$200.00) for each aggrieved employee per pay period for each
6 subsequent pay period in which Defendants violated these provisions of the Labor Code.

7 20. Defendants' conduct during the PAGA period with respect to Plaintiff and the
8 aggrieved employees systematically violates numerous Labor Code sections as detailed herein.
9 Plaintiff is informed and believes, and based thereon alleges, that Defendants' policies and
10 practices described herein are common across each of Defendants' locations within the State of
11 California.

12 21. Plaintiff is informed and believes, and based thereon alleges, that at all times
13 herein mentioned, Defendants were advised by skilled lawyers, employees and other
14 professionals who were knowledgeable about California's wage and hour laws, employment and
15 personnel practices, and the requirements of California law.

16 22. Defendants willfully misclassified Plaintiff and the aggrieved employees as
17 "independent contractors" in the State of California even though, at all relevant times during the
18 PAGA period, Plaintiff and aggrieved employees (A) were not free from the control and direction
19 of Defendants in connection with the performance of the work, both under the contract for the
20 performance of the work and in fact, (B) did not perform work that is outside the usual course of
21 Defendants' business, and (C) were not customarily engaged in an independently established
22 trade, occupation, or business of the same nature as the work performed. Consequently,
23 Defendants failed to pay all wages, provide meal and rest breaks or compensation in lieu thereof,
24 reimburse business expenses, provide accurate itemized wage statements, and timely pay to all
25 aggrieved employees during and upon separation of employment.

26 23. At all relevant times, Plaintiff and the aggrieved employees performed identical
27 duties for Defendants managing Defendants' properties, including but not limited to assist in
28 evictions, monitor camera systems, monitor parking space, post notices for Employer, show

1 apartments, report any issues with common areas, and clean common areas throughout Southern
2 California. Under Labor Code section 2750.3 and other applicable standards of law, Plaintiff and
3 the aggrieved employees are or were during their employment with Defendants, employees and
4 not independent contractors, and were entitled to the timely payment of wages, premiums, meal
5 and rest periods, accurate wage statements, and reimbursements, among other things.

6 24. Plaintiff and the aggrieved employees were subject to the direction and control of
7 Defendants. In fact, Defendants, directly and indirectly, exercised control over Plaintiff and
8 aggrieved employees' wages rent for on-site managers, hours, and working conditions of Plaintiff
9 and the aggrieved employees because they were required to fulfill a multitude of responsibilities,
10 including, but not limited to assist in evictions, monitor camera systems, monitor parking space,
11 post notices for Employer, show apartments, report any issues with common areas, and clean
12 common areas. All manner and means to supervise the property were directed by Defendants and
13 monetized without compensating Plaintiff and aggrieved employees for all hours worked.

14 25. In addition, Plaintiff and the aggrieved employees did not perform work that is
15 outside the usual course of Defendants' business. Specifically, the entire business of the
16 Defendants is to manage properties. Plaintiff and other aggrieved employees consistently engaged
17 in the same tasks and duties as directly mandated by Defendants. Through the performance of
18 their job duties, Plaintiff and the aggrieved employees performed an integral and entirely essential
19 aspect of Defendants' business. In fact, Plaintiff and the aggrieved employees were tasked to
20 perform the one and only service that Defendants provided – real estate management, at their own
21 expense.

22 26. At all relevant times, the tenants are and/or were Defendants' tenants, not those of
23 Plaintiff and the aggrieved employees. Defendants also retained the right to terminate Plaintiff's
24 and the aggrieved employees' working relationship with Defendants at their discretion. Further,
25 Plaintiff and the aggrieved employees did not require special skills to perform their job duties and
26 were not customarily engaged in an independently established trade, occupation, or business of
27 the same nature as the work performed for Defendants.

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1 27. At all relevant times, Defendants failed to pay Plaintiff and aggrieved employees
2 the applicable minimum, regular, and overtime wages. Specifically, Defendants failed to pay any
3 wages to Plaintiff and the aggrieved employees, irrespective of hours worked, and instead only
4 provided discounted rent. Plaintiff is informed and believes, and based thereon alleges, that
5 Plaintiff and aggrieved employees in the applicable limitations period were paid less than the
6 minimum wage and were not paid overtime wages for hours worked that exceeded eight (8) hours
7 in a day and/or 40 hours in a workweek despite regularly working in excess of eight (8) hours per
8 shift. This pattern and practice of conduct violated Sections 510, 1182.12, 1194, 1194.2, 1197,
9 and 1197.1 of the California Labor Code.

10 28. At no time during the PAGA period did Plaintiff or any of the aggrieved employees
11 qualify or meet the requirements to be exempt from payment for all hours worked and all overtime
12 hours worked as generally required for all non-exempt employees. Thus, Plaintiff and the
13 aggrieved employees were entitled to all protections of the Labor Code offered to hourly non-
14 exempt employees, as well as corresponding regulations and applicable IWC Wage Orders.

15 29. During the PAGA period, Plaintiff and the aggrieved employees were entitled to
16 a timely unpaid, duty-free 30-minute meal period for approximately every five hours worked and
17 for a corresponding paid, duty-free 10-minute rest period for approximately every four hours (or
18 every major fraction thereof) worked, or to be paid a “premium wage” in the amount of one hour
19 of pay at the employees’ regular rate of pay for each missed or non-compliant meal or rest period
20 per day. Because Defendants unlawfully treated Plaintiff and the aggrieved employees as
21 “independent contractors” rather than hourly-paid employees, Plaintiff and each of the aggrieved
22 employees during the PAGA period were systematically not provided with meal periods, rest
23 periods, or the one-hour “premium pay” owed in lieu of providing such meal and or rest periods.
24 This conduct violated Labor Code sections 226.7 and 512(a), and applicable IWC Wage Orders
25 relating to the provision of meal and rest periods.

26 30. At no time during the PAGA period did Plaintiff or any of the aggrieved employees
27 qualify or meet the requirements to be exempt from all lawful, compliant meal and rest periods.
28 Thus, Plaintiff and the aggrieved employees were entitled to all protections of the Labor Code

1 offered to hourly non-exempt employees, as well as corresponding regulations and applicable
2 IWC Wage Orders, including payment of premium wages for each meal and rest period for each
3 qualifying work shift, in an amount according to proof.

4 31. Plaintiff and the aggrieved employees were also required to incur substantial
5 expenses in direct consequence of the discharge of their duties for Defendants without
6 reimbursement. During the PAGA period, Defendants failed to reimburse Plaintiff and other
7 aggrieved employees for all business expenses incurred for Defendants' benefit, including using
8 their personal cell phone and or computer to complete necessary work responsibilities such as
9 communicating with tenants and Defendants.

10 32. As a consequence of the wage violations detailed above, Defendants failed to pay
11 all wages and reimbursements due and owing to Plaintiff and the aggrieved employees each pay
12 period pursuant to Labor Code section 204 and upon separation of employment within the time
13 required by Labor Code sections 201-203, and are liable for statutory penalties pursuant to Labor
14 Code section 203 for the applicable limitations period.

15 33. Plaintiff and the aggrieved employees also did not receive accurate itemized wage
16 statements as required by Labor Code section 226. Rather, Defendants required Plaintiff and the
17 aggrieved employees to be paid with reduced rent without any withholdings, recovery for costs
18 and expenses, and without any indication that Defendants were, as a matter of fact and law, the
19 direct employers of the Plaintiff and the aggrieved employees. No wage statements were provided
20 to Plaintiff and the aggrieved employee. As such, Defendant failed to accurately comply with
21 Labor Code section 226(a) by issuing wage statements including, but not limited to: gross wages
22 earned, net wages earned, total hours worked, all applicable hourly rates in effect during the pay
23 period and the corresponding number of hours worked at each hourly rate, all deductions, the
24 inclusive dates of the pay period, the employee's name and the last four digits of his or her Social
25 Security number or employee identification number, and the name and address of the legal entity
26 that is the employer.

27 34. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
28 should have known that Defendants were required to maintain accurate records of the hours

1 worked by Plaintiff and aggrieved employees. In violation of the California Labor Code,
2 Defendants failed to maintain accurate records of hours worked by and wages paid to Plaintiff
3 and aggrieved employees, among other things.

4 35. Plaintiff alleges that Defendants' violations of the wage and hour components of
5 the Labor Code and IWC Wage Orders enabled them to decrease expenses and to increase their
6 level of productivity and profits, thereby allowing Defendants to gain an unfair advantage over
7 their competitors who are required by law to employ the drivers as employees, and pay necessary
8 taxes. Plaintiff is informed and believes that the entire enterprise of the Defendants was to violate
9 the law, to underpay wages and benefits, and to cheat and/or deprive the State of California and
10 the federal government of payroll and other taxes levied for the common good.

11 **FIRST CAUSE OF ACTION**

12 **VIOLATION OF THE PRIVATE ATTORNEYS GENERAL ACT FOR WILLFUL**
13 **MISCLASSIFICATION**

14 **(Lab. Code Sections 226.8, 2750.3)**

15 **(Plaintiff Against all Defendants)**

16 36. Plaintiff realleges and incorporates by reference the allegations in the preceding
17 paragraphs.

18 37. Labor Code section 226.8 provides that it is unlawful for any employer to willfully
19 misclassify an individual as an independent contractor. The civil penalty for willfully
20 misclassifying an employee as an independent contractor shall be "not less than five thousand
21 dollars (\$5,000) and not more than fifteen thousand dollars (\$15,000.00) for each violation, in
22 addition to any other penalties or fines permitted by law." Lab. Code § 226.8.

23 38. Labor Code section 2750.3 codified and expanded the California Supreme Court's
24 decision in *Dynamex Operations W. v. Superior Court*, 4 Cal. 5th 903 (2018), *reh'g denied* (June
25 20, 2018), which held that the "ABC" test (with some exemptions for certain employees and
26 industries) applies when determining whether a person providing labor or services for
27 remuneration shall be considered an employee rather than an independent contractor. The
28 elements of the ABC test are as follows:

1 (A) The person is free from the control and direction of the hiring entity in
2 connection with the performance of the work, both under the contract for the
performance of the work and in fact.

3 (B) The person performs work that is outside the usual course of the hiring entity's
4 business.

5 (C) The person is customarily engaged in an independently established trade,
occupation, or business of the same nature as that involved in the work performed.

6 Lab. Code section 2750.3. The ABC test applies to all wage and hour Labor Code violations. *Id.*

7 39. Plaintiff and the aggrieved employees do not meet any of the exemptions outlined
8 in Labor Code section 2750.3, and as such the ABC test applies.

9 40. Plaintiff is informed and believes, and based thereon alleges that Defendants
10 willfully misclassified him and other aggrieved employees as independent contractors rather than
11 as non-exempt employees in violation of Labor Code section 226.8 in order to avoid compliance
12 with the various sections of the Labor Code outlined in this correspondence. Pursuant to Labor
13 Code section 2750.3, Plaintiff and other aggrieved employees should have been classified as non-
14 exempt employees since (A) they were not free from the control and direction of Defendants in
15 connection with the performance of the work, both under the contract for the performance of the
16 work and in fact, (B) they did not perform work that is outside the usual course of Defendants'
17 business, and (C) they were not customarily engaged in an independently established trade,
18 occupation, or business of the same nature as the work performed as alleged in the preceding
19 paragraphs of this complaint.

20 41. By virtue of Defendants' unlawful actions, Plaintiff and the aggrieved employees
21 have suffered, and will continue to suffer, damages in amounts which are presently unknown, but
22 will be ascertained according to proof at trial.

23 42. Plaintiff seeks recovery of civil penalties individually, on behalf of the aggrieved
24 employees and the State of California for violations of Labor Code section 226.8 during the
25 PAGA period, in a sum as provided by the Labor Code and/or other statutes.

26 43. Plaintiff, individually and on behalf of the aggrieved employees and the State of
27 California also seeks attorneys' fees and costs pursuant to Labor Code section 2699(g).

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SECOND CAUSE OF ACTION

**VIOLATION OF THE PRIVATE ATTORNEYS GENERAL ACT FOR FAILURE TO
PAY ALL WAGES INCLUDING MINIMUM, REGULAR, AND OVERTIME WAGES**

(Lab. Code Sections 204, 510, 558, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198)

(Plaintiff Against all Defendants)

44. Plaintiff realleges and incorporates by reference the allegations in the preceding paragraphs.

45. Labor Code section 204 provides that all wages earned during employment are due and payable twice during each calendar month on dates designated in advance by the employer.

46. Labor Code 1182.12 provides the applicable minimum wage rate in California.

47. Labor Code section 510, subdivision (a), provides that any work in excess of eight (8) hours in any workday and any work in excess of forty (40) hours in a workweek, shall be compensated at a rate of no less than one and one-half times the regular rate of pay for an employee. Any work in excess of twelve (12) hours in a workday shall be compensated at the rate of twice the regular rate of pay for an employee.

48. Labor Code sections 1194 and 1194.2 provide the remedies available for an action to recover minimum and overtime wages, 1197 mandates that payment of less than the applicable minimum wage is unlawful, and 1198 provides that an employer's failure to follow the standard conditions of labor fixed by the commissions is unlawful.

49. Labor Code section 558, subdivision (a) further provides "[a]ny employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provision regulating hours and days of work in any order of the Industrial Welfare Commission shall be subject to a civil penalty as follows: (1) For any initial violation, fifty dollars (\$50.00) for each underpaid employee for each pay period for which the employee was underpaid . . . (2) For each subsequent violation, one hundred dollars (\$100.00) for each underpaid employee for each pay period for which the employee was underpaid."

50. Labor Code section 1197.1 also provides "[a]ny employer or other person acting either individually or as an officer, agent, or employee of another person, who pays or causes to

1 be paid to any employee a wage less than the minimum fixed by an applicable state or local law,
2 or by an order of the commission shall be subject to a civil penalty . . . as follows: (1) For any
3 initial violation that is intentionally committed, one hundred dollars (\$100.00) for each underpaid
4 employee for each pay period for which the employee is underpaid . . . (2) For each subsequent
5 violation for the same specific offense, two hundred fifty dollars (\$250.00) for each underpaid
6 employee for each pay period for which the employee is underpaid regardless of whether the
7 initial violation is intentionally committed.

8 51. At all relevant times, Defendants were employers of Plaintiff and the aggrieved
9 employees, and subject to the Labor Code, IWC Wage Orders, and other applicable statutes, rules,
10 and regulations.

11 52. At all relevant times herein, Plaintiff and aggrieved employees were and are
12 misclassified as independent contractors.

13 53. At all relevant times, Plaintiff and the aggrieved employees regularly worked in
14 excess of eight (8) hours per day and forty (40) hours per week.

15 54. Defendants failed to pay Plaintiff and aggrieved employees for all hours worked,
16 including the applicable minimum, regular, and overtime compensation, and failed to record
17 actual hours worked by, *inter alia*, failing to pay wages to Plaintiff and aggrieved employees and
18 misclassifying them as independent contractors.

19 55. By virtue of Defendants' unlawful actions, Plaintiff and the aggrieved employees
20 have suffered, and will continue to suffer, damages in amounts which are presently unknown, but
21 will be ascertained according to proof at trial.

22 56. Plaintiff seeks recovery of civil penalties individually, on behalf of the aggrieved
23 employees and the State of California for violations of Labor Code sections 204, 510, 1194, 1197,
24 1198 and pursuant to Labor Code section 1197.1 during the PAGA period, in a sum as provided
25 by the Labor Code and/or other statutes.

26 57. Plaintiff, individually and on behalf of the aggrieved employees and the State of
27 California also seeks attorneys' fees and costs pursuant to Labor Code section 2699,
28 subdivision (g).

1 **THIRD CAUSE OF ACTION**

2 **VIOLATION OF THE PRIVATE ATTORNEYS GENERAL ACT FOR**

3 **FAILURE TO PROVIDE MEAL PERIODS**

4 **(Lab. Code §§ 226.7 and 512)**

5 **(Against all Defendants)**

6 58. Plaintiff realleges and incorporates by reference the allegations in the preceding
7 paragraphs.

8 59. Labor Code sections 226.7 and 512 provide that no employer shall employ any
9 person for a work period of more than five (5) hours without providing a meal period of not less
10 than thirty (30) minutes or employ any person for a work period of more than ten (10) hours
11 without a second meal period of not less than thirty (30) minutes.

12 60. Labor Code section 226.7 provides that if an employer fails to provide an
13 employee a meal period in accordance with this section, the employer shall pay the employee one
14 (1) hour of pay at the employee's regular rate of compensation for each workday that the meal
15 period is not provided in accordance with this section.

16 61. At all times relevant hereto, Plaintiff and aggrieved employees have regularly
17 worked shifts of more than five (5) hours and/or ten (10) hours in a workday. Plaintiff alleges
18 Defendants failed to provide legally compliant meal periods, in addition to impeding and/or not
19 relieving employees from all work duties during meal periods thereby preventing employees from
20 taking legally compliant meal periods. Specifically, Defendants lacked a compliant meal period
21 policy and never told Plaintiff and other aggrieved employees that they could take a meal period.
22 As such, Plaintiff and other aggrieved employees missed their meal periods or had them
23 interrupted or shortened due to orders from tenants, among other reasons. Despite failing to
24 provide compliant meal periods, Defendants failed to pay one (1) additional hour of pay at
25 Plaintiff and aggrieved employees' regular rate of pay for each workday that a meal period
26 violation occurred.

27 62. By and through their actions, Defendants have intentionally and improperly denied
28 compliant meal periods or compensation in lieu thereof to Plaintiff and the aggrieved employees

1 in violation of Labor Code sections 226.7 and 512 and/or other statutes.

2 63. Defendants' Labor Code violations have caused Plaintiff and the aggrieved
3 employees to suffer, and continue to suffer, damages in amounts which are presently unknown,
4 but will be ascertained according to proof at trial.

5 64. Plaintiff, individually and on behalf of the aggrieved employees and the state of
6 California request recovery of civil penalties for violations of Labor Code sections 226.7 and 512
7 during the PAGA period, in a sum as provided by the Labor Code and/or other statutes.

8 65. Plaintiff also seeks attorneys' fees and costs pursuant to Labor Code section 2699,
9 subdivision (g).

10 **FOURTH CAUSE OF ACTION**

11 **VIOLATION OF THE PRIVATE ATTORNEYS GENERAL ACT FOR**
12 **FAILURE TO PROVIDE REST PERIODS**

13 **(Labor Code section 226.7)**

14 **(Plaintiff Against all Defendants)**

15 66. Plaintiff realleges and incorporates by reference the allegations in the preceding
16 paragraphs.

17 67. Labor Code section 226.7 and the applicable IWC Wage Orders require employers
18 to authorize and permit all non-exempt employees to take rest periods at the rate of ten (10)
19 minutes rest time per four (4) work hours or major fraction thereof.

20 68. Labor Code section 226.7, subdivision (b) provides that if an employer fails to
21 provide non-exempt employees with rest periods in accordance with this section, the employer
22 shall pay the employee one (1) hour of pay at the employees' regular rate of compensation for
23 each workday that the rest period is not provided.

24 69. At all times relevant hereto, Plaintiff and aggrieved employees have worked shifts
25 of more than three-and-a-half (3 ½) hours in a workday. Defendants failed to authorize or permit
26 ten-minute (10) rest periods for every four (4) hours or major fraction thereof worked because
27 Plaintiff and other aggrieved employees were not authorized or permitted to take their rest periods
28 at the appropriate time intervals. Similar to meal periods, Defendants lacked a compliant rest

1 period policy and never told Plaintiff and other aggrieved employees that they could take a rest
2 period. Consequently, Plaintiff and aggrieved employees consistently had their rest breaks
3 missed, interrupted or shortened due to Defendants' uniform policies, practices, understaffing,
4 and workload. Defendants also failed to pay one (1) additional hour of pay at Plaintiff and
5 aggrieved employees' regular rate of pay for each workday that a rest period violation occurred.

6 70. By and through their actions, Defendants intentionally and improperly denied
7 compliant rest periods to Plaintiff and the aggrieved employees in violation of Labor Code section
8 226.7 and/or other statutes.

9 71. Defendants' Labor Code violations have caused Plaintiff and the aggrieved
10 employees to suffer, and continue to suffer, damages, in amounts which are presently unknown,
11 but will be ascertained according to proof at trial.

12 72. Plaintiff, individually and on behalf of the aggrieved employees and the State of
13 California request recovery of civil penalties for violations of Labor Code section 226.7 during
14 the PAGA period, in a sum as provided by the Labor Code and/or other statutes.

15 73. Plaintiff also seeks attorneys' fees and costs pursuant to Labor Code section 2699,
16 subdivision (g).

17 **FIFTH CAUSE OF ACTION**

18 **VIOLATION OF THE PRIVATE ATTORNEYS GENERAL ACT FOR FAILURE TO**
19 **TIMELY PAY WAGES DUE UPON SEPARATION OF EMPLOYMENT**

20 **(Labor Code sections 201, 202, 203)**

21 **(Plaintiff Against all Defendants)**

22 74. Plaintiff realleges and incorporates by reference the allegations in the preceding
23 paragraphs.

24 75. Labor Code section 201 provides that an employer is required to pay an employee
25 whose employment is terminated by the employer all wages earned and unpaid immediately upon
26 termination.

27 76. Labor Code section 202 requires an employer to pay to an employee who quits his
28 or her employment, all wages earned and unpaid no later than 72 hours thereafter.

77. Labor Code section 203 provides that an employer who fails to pay all wages earned and due an employee who is discharged or who quits within the timeframe set forth in sections 201 and 202, the wages of the employee shall continue as a penalty from the due date at the same rate of pay until paid, but not more than thirty (30) days. In other words, the employer owes the employee his or her daily rate of pay at their regular rate of pay for each day the full amount of unpaid wages is not paid, for a penalty of up to thirty (30) days' wages.

78. In violation of the Labor Code and IWC Wage Orders, Defendants failed to timely pay all wages due to Plaintiff and the aggrieved employees upon separation of employment. Specifically, Defendants failed to pay Plaintiff and the aggrieved employees all minimum, regular, and overtime wages owed immediately upon termination or within 72 hours of resignation as a result of their misclassification, and failure to reimburse business expenses, among other things.

79. By virtue of Defendants' unlawful actions, Plaintiff and the aggrieved employees have suffered, and will continue to suffer, damages in amounts which are presently unknown, but will be ascertained according to proof at trial.

80. Plaintiff seeks recovery of civil penalties individually, on behalf of the aggrieved employees and the State of California for violations of Labor Code sections 201, 202, and 203 during the PAGA period, in a sum as provided by the Labor Code and/or other statutes.

81. Plaintiff, individually and on behalf of the aggrieved employees and the State of California also seeks attorneys' fees and costs pursuant to Labor Code section 2699, subdivision (g).

SIXTH CAUSE OF ACTION

VIOLATION OF THE PRIVATE ATTORNEYS GENERAL ACT FOR FAILURE TO

MAINTAIN ACCURATE PAYROLL RECORDS

(Labor Code sections 226, subd. (a), (e), 226.3, 1174, 1174.5)

(Plaintiff Against all Defendants)

82. Plaintiff realleges and incorporates by reference the allegations in the preceding paragraphs.

1 83. Labor Code section 226, subdivision (a), requires employers to furnish each
2 employee with a statement that accurately reflects, *inter alia*, gross wages earned, total hours
3 worked, net wages earned, name and address of the legal entity that is the employer, and all
4 applicable hourly rates in effect during the pay period and the corresponding number of hours
5 worked at each hourly rate. Labor Code section 226, subdivision (e), provides that if an employer
6 knowingly and intentionally fails to provide a statement itemizing the foregoing information, and
7 the employee suffers an injury as a result of the employer's failure to comply with subdivision
8 (a), then the employee is entitled to recover the greater of all actual damages or fifty dollars
9 (\$50.00) for each subsequent violation, up to four thousand dollars (\$4,000.00).

10 84. Labor Code 226.3 provides that any employer who violates subdivision (a) of
11 Labor Code section 226 shall be subject to a civil penalty in the amount of two hundred fifty
12 dollars (\$250.00) per employee per initial violation and one thousand dollars (\$1,000.00) per
13 employee for each subsequent violation, for which the employer fails to provide the employee a
14 wage deduction statement or fails to keep the records required in subdivision (a) of Labor Code
15 section 226. The civil penalties provided for in this section are in addition to any other penalty
16 provided by law.

17 85. An employee is deemed to suffer injury if the employer fails to provide an accurate
18 wage statement containing all of the required information set forth in Labor Code section 226,
19 subdivision (a). (Lab. Code § 226, subd. (e)(2).)

20 86. Labor Code section 1174, subdivision (d), requires an employer to keep at a central
21 location in California or at the plant or establishment at which the employees are employed,
22 payroll records showing the hours worked daily and the wages paid to each employee.

23 87. Labor Code section 1174.5 imposes a civil penalty of five hundred dollars
24 (\$500.00) for an employer's failure to maintain accurate and complete records. This civil penalty
25 is in addition to the civil penalty of one hundred dollars (\$100.00) per initial violation and two
26 hundred dollars (\$200.00) per subsequent violation per pay period, per aggrieved employee that
27 would be imposed pursuant to Labor Code section 2699 for a violation of section 1174,
28 subdivision (d).

1 88. The IWC Wage Orders require that every employer shall keep accurate
2 information with respect to each employee, including, but not limited to, time records showing
3 the total daily hours worked by each employee, the total hours worked in each payroll period, and
4 applicable rates of pay.

5 89. Plaintiff is informed and believes that Defendants willfully and intentionally failed
6 to make and/or keep records that accurately reflect the hours worked by Plaintiff and aggrieved
7 employees. Specifically, Plaintiff believes that Defendants' records fail to include, *inter alia*:
8 actual hours worked, total hours worked, number of hours worked at each hourly rate, gross wages
9 earned, net wages earned, all applicable hourly rates in effect during the pay period and the
10 corresponding number of hours worked at each hourly rate, all deductions, the inclusive dates of
11 the pay period, the employee's name and the last four digits of his or her Social Security number
12 (or employee identification number), and the name and address of the legal entity that is the
13 employer.

14 90. In addition, the omission of time worked make it difficult for employees to
15 determine whether they were paid all wages due without complicated calculations and/or
16 reconstruction of records required to be maintained by the employer.

17 91. Plaintiff is informed and believes, and based thereon alleges, that Defendants
18 willfully failed to maintain accurate payroll records for Plaintiff and the aggrieved employees by
19 failing to accurately reflect the hours worked by and wages paid to Plaintiff and the aggrieved
20 employees.

21 92. By virtue of Defendants' unlawful actions, Plaintiff and the aggrieved employees
22 have suffered, and will continue to suffer, damages in amounts which are presently unknown, but
23 will be ascertained according to proof at trial.

24 93. Plaintiff seeks recovery of civil penalties individually, on behalf of the aggrieved
25 employees and the State of California for violations of Labor Code sections 226, 1174, and
26 pursuant to Labor Code sections 226.3 and 1174.5 during the PAGA period, in a sum as provided
27 by the Labor Code and/or other statutes.

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1 94. Plaintiff, individually and on behalf of the aggrieved employees and the State of
2 California also seeks attorneys' fees and costs pursuant to Labor Code section 2699,
3 subdivision (g).

4 **SEVENTH CAUSE OF ACTION**

5 **VIOLATION OF THE PRIVATE ATTORNEYS GENERAL ACT FOR FAILURE TO**
6 **REIMBURSE BUSINESS EXPENSES, AND UNLAWFUL DEDUCTIONS AND**
7 **PATRONIZATION**

8 **(Labor Code section 2802)**

9 **(Plaintiff Against all Defendants)**

10 95. Plaintiff realleges and incorporates by reference the allegations in the preceding
11 paragraphs.

12 96. Labor Code section 2802 provides that an employer shall indemnify his or her
13 employee for all necessary expenditures or losses incurred by the employee in direct consequence
14 of the discharge of his or her duties, or of his or her obedience to the directions of the employer.

15 97. Defendants also failed to reimburse Plaintiff and other aggrieved employees
16 necessary business expenses in violation of Labor Code section 2802. During the PAGA period,
17 Defendants failed to reimburse Plaintiff and other aggrieved employees for all business expenses
18 incurred for Defendants' benefit, including using their personal cell phones and or computers for
19 necessary to complete necessary work responsibilities such as communicating with tenants and
20 Defendants.

21 98. By virtue of Defendants' unlawful actions, Plaintiff and the aggrieved employees
22 have suffered, and will continue to suffer, damages in amounts which are presently unknown, but
23 will be ascertained according to proof at trial.

24 99. Plaintiff seeks recovery of civil penalties individually, on behalf of the aggrieved
25 employees and the State of California for violations of Labor Code sections 2802 during the
26 PAGA period, in a sum as provided by the Labor Code and/or other statutes.

27 100. Plaintiff, individually and on behalf of the aggrieved employees and the State of
28 California also seeks attorneys' fees and costs pursuant to Labor Code section 2699(g).

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1. For civil penalties pursuant to the PAGA in an amount according to proof;
2. For reasonable attorney's fees and costs, pursuant to the PAGA; and
3. For such other and further relief as this Court may deem just and proper.

MAHONEY LAW GROUP, APC

Kevin Mahoney, Esq. 
John A. Young, Esq.
Attorneys for Plaintiff RUSSEL RAMSEY

EXHIBIT A



John Young, Esq.
(562) 590-5550 phone
(562) 590-8400 facsimile
jyoung@mahoney-law.net

VIA ELECTRONIC FILLING

LABOR AND WORKFORCE DEVELOPMENT AGENCY
Attn: PAGA Administrator

VIA CERTIFIED MAIL# 7021 0950 0001 6447 5117

Glendale Property Management
Attn: Edwin Savidian
807 N Central Avenue
Glendale, CA 91203

VIA CERTIFIED MAIL# 7021 0950 000 6447 5124

Vendome Properties, LLC
Attn: Emerita Mannarelli
771 Forest Green Drive
La Canada, CA 91011

VIA CERTIFIED MAIL# 7021 0950 0001 6447 5131

Vendome Properties, LLC
Attn: Emerita Mannarelli
14641 Deep Creek Ct
Chino Hills, CA 91709

Re: *Russell Ramsey v. Glendale Property Management and Vendome Properties, LLC*

**NOTICE OF LABOR CODE VIOLATIONS PURSUANT TO
LABOR CODE SECTION § 2698 ET SEQ.**

To: California Labor and Workforce Development Agency, Glendale Property Management
Edwin Savidian, and Vendome Properties, LLC.
From: Russell Ramsey, on behalf of himself and similarly aggrieved employees who were subject
to the employer's wage and hour policies as set forth below.

I. FACTUAL STATEMENT

Please note that the firm, Mahoney Law Group, APC, represents the interests of Russell Ramsey ("Employee"), who intends to file a complaint alleging various Labor Code violations and seeking civil penalties under the Private Attorneys General Act of 2004, Labor Code section 2698 et seq. ("PAGA"), on behalf of herself and all other aggrieved employees.

II. THEORIES OF LABOR CODE VIOLATIONS AND REMEDIES

Glendale Property Management and Vendome Properties, LLC are property management companies that provide their services throughout southern California. Glendale Property Management, Edwin Savidian, and Vendome Properties, LLC hereinafter jointly referred to as "Employer". Employee alleges Employer violated various sections of the Labor Code, including, but not limited, to sections 201, 202, 203, 226, 226.3, 226.7, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1194, 1197, and 2802, by failing to provide Employee and all other aggrieved employees all wages for all hours worked, failing to pay Employee and all other aggrieved employees minimum wage, failure to pay overtime wages, failure to authorize and permit rest periods or premium wages in lieu thereof, failure to provide meal periods or premium wages in lieu thereof, failure to reimburse Employee and other aggrieved employees for work-related expenses, and failure to provide accurate itemized wage statements, based on Employer's misclassification of Employee and all other aggrieved employees as independent contractors.

Employer willfully misclassified Employee and all other aggrieved employees as independent contractors. Specifically, Employer maintained the right to exercise control over Employee and all other aggrieved employees, including the manner and means in which work was performed. For example, Employer required Employee and all other aggrieved employees to submit weekly time logs, Employer assigned specific services assigned by Employer, and Employer would reprimand employees if they received complaints regarding an employee or did not. Further, Employee and other aggrieved employees performed work that was/is quintessential to Employer's usual course of business. Employer's willful misclassification of Employee and all aggrieved employees is in violation of Labor Code section 226.8.

Employer failed to pay Employee and other aggrieved employees for all hours worked at the legally mandated wage rates. Employer failed to pay Employee and other aggrieved employees all legally mandated wages, including regular and overtime wages, for all work performed, in violation of California law. Specifically, Employer obligated Employee and other aggrieved employees to work without any compensation. In lieu of compensating Employee and other aggrieved employees, Employer "compensated" its employees by providing reduced rent at Employer's properties. The reduced rent amount would not fluctuate regardless of the amount of hours Employee and other aggrieved employees worked. As such, Employee and other aggrieved employees were not compensated the legally mandated wage rate for the time worked during these periods. Employer's conduct is in violation of Labor Code sections 294, 510, and 1194, and is actionable under PAGA.

Employer also failed to provide Employee and other aggrieved employees with timely uninterrupted meal and rest periods. Employer had a practice of prioritizing work responsibilities and having Employee and other aggrieved employees assist in evictions, monitor camera systems, monitor parking space, post notices for Employer, show apartments, report any issues with common areas, and clean common areas rather than provide Employee and other aggrieved employees their legally mandated meal or rest break. As a result of Employer's policy and practices, Employee and her co-workers did not receive timely uninterrupted meal and rest periods and were not compensated with premium wages for non-compliant meal and/or rest periods.

Employer's conduct is in violation of Labor Code sections 226.7 and 512, and is also actionable under PAGA.

Further, Employer failed to reimburse Employee and other aggrieved employees for their work-related expenses in violation of Labor Code section 2802. Employer ordered Employee and other aggrieved employees to use their personal cell phone and or computer to complete necessary work responsibilities such as communicating with tenants and Employer. Employer's failure to reimburse Employee and other aggrieved employees for work-related expenses is a direct violation of Labor Code section 2802 and is also actionable under PAGA.

As a result of Employer's failure to pay all wages owed and record its employees' hours worked as described herein, Employer further failed to keep accurate payroll records, time records, and failed to provide Employee and other aggrieved employees with complete and accurate wage statements showing the actual hours worked and premium wages earned per pay period. Employer's conduct is in violation of Labor Code sections 226 and 1174, and is actionable under PAGA.

As a further result of Employer's failure to pay all wages owed as described herein, Employer also violated Labor Code sections 201, 202, and 203, due to its uniform policy, practice and procedure of failing to pay all wages earned to former employees.

Employee will bring her lawsuit on behalf of himself and all other aggrieved employees who were employed by Employer. Please advise if the LWDA has any objection to my client including PAGA claims in her complaint. We look forward to your response. Please feel free to contact our office if you have any questions, comments or concerns.

Sincerely,

A handwritten signature in blue ink, appearing to read "John A. Young".

John A. Young, Esq.

MAHONEY LAW GROUP, APC