

1 Elliot J. Siegel (Bar No. 286798)
2 elliot@kingsiegel.com
3 Julian Burns King (Bar No. 298617)
4 julian@kingsiegel.com
5 **KING & SIEGEL LLP**
6 724 South Spring Street, Suite 201
7 Los Angeles, California 90014
8 tel: (213) 465-4802
9 fax: (213) 465-4803

Attorneys for Plaintiff and the Putative Class

Electronically FILED by
Superior Court of California,
County of Los Angeles
1/23/2025 6:33 PM
David W. Slayton,
Executive Officer/Clerk of Court,
By J. Nunez, Deputy Clerk

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

Amberlee Norris, individually and on
behalf of all similarly situated individuals,

Plaintiff,

vs.

Aristotle Capital Management, LLC,
a Delaware limited liability company; and
Does 1-10, inclusive;

Defendants.

CASE NO. **25STCV01883**

CLASS ACTION COMPLAINT FOR:

- 1) Failure to Pay Minimum or Regular Wages;**
- 2) Failure to Pay Overtime Wages;**
- 3) Failure to Provide Compliant Meal Periods;**
- 4) Failure to Provide Compliant Rest Periods;**
- 5) Failure to Reimburse Necessary Business Expenses;**
- 6) Failure to Maintain and Provide Complete and Accurate Wage Statements;**
- 7) Failures to Pay Wages When Due;**
- 8) Illegal Restrictions on Discussing Wages; and**
- 9) Violation of California Business & Professions Code §§ 17200, et seq.**

Jury Trial Requested

1 Plaintiff, by and through her counsel of record, hereby brings this action on behalf of her-
2 self and all other similarly situated current and former employees of Defendants and alleges as
3 follows:

4 **PARTIES**

5 1. At all relevant times for this Complaint, Plaintiff **Amberlee Norris**, (“Plaintiff”)
6 was a resident of Los Angeles, California. Plaintiff began her employment with Defendants in or
7 around May 2022 and was employed as a full-time, hourly, non-exempt Staff Accountant until
8 July 2024. Unless otherwise specified, Plaintiff was subject to the policies and practices de-
9 scribed in this complaint at all times during her employment with Defendants.

10 2. Defendant **Aristotle Capital Management, LLC** (“ACM”) is a Delaware limited
11 liability company with a principal place of business of 11100 Santa Monica Boulevard, Ste 1700,
12 Los Angeles, CA 90025. **Aristotle Capital Management, LLC** is an investment management
13 organization specializing in equity and fixed-income portfolio management for institutional and
14 advisory clients worldwide.

15 3. Plaintiff is not currently aware of the names and true identities of defendants Does
16 1-10. Plaintiff reserves the right to amend this complaint to allege their true names and capacities
17 when this information is available. Each Doe defendant is responsible for the damages alleged
18 pursuant to each of the causes of action asserted, either through its own conduct, or vicariously
19 through the conduct of others. All further references in this complaint to any of the named De-
20 fendants include the fictitiously named defendants.

21 4. At all times alleged herein, each Defendant was an agent, servant, joint employer,
22 employee, partner, and/or joint venture of every other Defendant and was acting within the
23 scope of their relationship with each other. Moreover, the conduct of every Defendant was rati-
24 fied by each other Defendant.

25 **VENUE AND JURISDICTION**

26 5. The court has jurisdiction over all causes of action in this complaint pursuant to
27 Article VI, § 10 of the California Constitution. No federal question is at issue; Plaintiff relies
28 solely on California statutes and law, including the Labor Code and the Business & Professions

Code. Because Plaintiff and putative class members were employed by Defendants in Los Angeles County, the policies and practices complained of herein were implemented in Los Angeles County, and Defendants transact business within Los Angeles County, Defendants are within the jurisdiction of the court for service of process. Moreover, Business & Professions Code § 17204 provides that any person acting on their own behalf may bring an action in any court of competent jurisdiction.

6. Venue as to each Defendant is proper in this Superior Court pursuant to California Code of Civil Procedure § 395. Defendants transact business and/or have offices in this county, employ putative class members in this County, and the acts and omissions alleged herein took place in this county. Moreover, this action is brought on behalf of the State of California as a private attorney general and has jurisdiction in this venue.

CLASS ACTION ALLEGATIONS

7. As a matter of uniform and systemic policy, Defendants required Plaintiff and Class Members to work additional hours off the clock while failing to pay them at their applicable regular or overtime rates of pay, or even at minimum wage rates, for this off-the-clock work pursuant to Labor Code §§ 223, 510, 1182.12, 1194, 1194.2, 1197.1, and 1198.

8. Defendants have consistently scheduled their non-exempt employees for workdays lasting eight hours while assigning them workloads that could not reasonably be completed during these eight-hour shifts.

9. However, Defendants do not allow employees to record overtime hours worked on their timecards. Nor do Defendants utilize a timekeeping system allowing employees to contemporaneously record their start and end times for work. Rather, employees are directed to record their *scheduled* start and end times for each day worked while being told that overtime is not authorized and will not be approved or paid for if included on timecards.

10. Regardless, Defendants expected all work to be completed by deadlines without incurring overtime, so knowingly permitted Plaintiff and Class Members to work off the clock, including during meal and rest breaks and/or after scheduled shift-ends, to make that happen.

11. Every few months, Plaintiff complained to her supervisor, Ben Kha, that she was

consistently required to work overtime hours while off the clock and without pay to finish her assignments by deadlines. However, Mr. Kha told her that assignments should not take more than her 40 scheduled work hours to complete, so her overtime hours were not authorized, would not be approved, and would not be paid for—despite having been worked by Plaintiff. Upon information and belief, other Class Members were similarly denied overtime pay.

12. While Plaintiff was not allowed to include her off-the-clock, overtime work hours on timecards, Defendants maintained electronic logs of her work activities along with date and time stamps. At the end of her employment, Plaintiff presented work activity logs showing that she had accumulated hundreds of unpaid overtime work hours, but Defendants still refused to compensate her for this time because it was not “authorized” or “approved.”

13. As a matter of uniform and systemic policy, Defendants have consistently denied their non-exempt employees the opportunity to take compliant 30-minute meal periods and 10-minute rest periods in accordance with Labor Code § 226.7.

14. Upon information and belief, Class Members, including Plaintiff, were regularly required to work during meal periods to meet immediate demands and deadlines but were not allowed to record this time as hours worked. So, in addition to undercounting their hours worked, Defendants failed to count their missed and interrupted meal periods as being non-compliant.

15. Upon information and belief, Plaintiff’s and Class Members’ meal periods were also interrupted by supervisors with work-related requests made through Microsoft Teams chat or in person, which they were required to respond to immediately. Indeed, Plaintiff was chastised by her supervisor for being “slow to respond” during her meal breaks, notwithstanding the fact that these breaks had been scheduled by Defendants so were known by them. Yet other times, when she did not respond to messages during meal breaks, Plaintiff was called by her supervisor on her phone and told to immediately respond or complete a task.

16. Defendants also failed to provide Plaintiff and Class Members with required second meal periods whenever their off-the-clock work (discussed above) caused them to work more than 10 hours in a day.

1 17. Employees were further not paid all premium wages due when they were forced to
2 interrupt, cut short, or work through their meal periods because Defendants did not permit them
3 to record any off-the-clock work on their timecards, including by modifying their scheduled meal
4 period start and end times with actual “clock-in” and “clock-out” times. This “auto-deduct” pol-
5 icy resulted in Class Members remaining unpaid for compensable work in addition to being de-
6 nied compliant meal periods or premium pay in lieu thereof.

7 18. In addition to tallying up her off-the-clock hours worked at the end of her employ-
8 ment with Defendants, Plaintiff examined work activity logs showing that she missed or received
9 short and interrupted meal periods, because she performed work during them, over one-hun-
10 dred-and-fifty times without receiving premium pay in lieu thereof.

11 19. In the same manner, and as a matter of uniform and systemic policy, Defendants
12 have required non-exempt employees to continue working during their rest periods by answer-
13 ing messages or phone calls, otherwise interrupting or cutting short their rest periods, or re-
14 maining on duty and under Defendants’ control during their rest periods to perform other tasks
15 at Defendants’ directions. Defendants further failed to provide required third rest periods when-
16 ever Plaintiff’s and Class Members’ off-the-clock work (discussed above) caused them to work
17 more than 10 hours in a day. Accordingly, Defendants failed to authorize and permit compliant
18 rest periods as required by law.

19 20. Defendants have also implemented a uniform policy of denying premium pay in
20 lieu of rest periods to non-exempt employees, notwithstanding their actual knowledge that such
21 employees were uniformly denied compliant rest periods.

22 21. As a matter of uniform and systemic policy, Defendants failed to reimburse their
23 non-exempt employees for necessary business expenditures pursuant to Labor Code section
24 2802.

25 22. Until approximately January 2024, Defendants required non-exempt employees
26 to work hybrid remote/in-office work schedules, whereby some number of days each week were
27 worked remotely, and the others were worked in the office. After January 2024, hybrid work
28 schedules remained available to Plaintiff and Class Members as an option.

1 23. As a matter of uniform and systemic policy, Defendants required non-exempt em-
2 ployees to utilize their personal cell phone data plans and/or internet services for work-related
3 purposes while working remotely, including answering emails and Microsoft Teams messages,
4 being assigned tasks, submitting completed work, and general administrative matters, among
5 other things.

6 24. However, Defendants failed to compensate their non-exempt employees for rea-
7 sonable costs associated with utilizing their personal cell phone data plans and/or internet ser-
8 vices for these work-related purposes.

9 25. As a matter of uniform and systemic policy, Defendants illegally prohibit, retaliate
10 against, and/or discourage employees from discussing their wages or working collectively to ad-
11 dress issues regarding their pay and other unlawful acts of Defendants.

12 26. In late 2022 or early 2023, Plaintiff discussed with coworkers their expectations
13 regarding end-of-year wage bonuses, but her supervisor reprimanded her and instructed that it
14 was against company policy to discuss employee compensation, including wages and bonuses.

15 27. As a matter of uniform and systemic policy, Defendants failed to provide its non-
16 exempt employees with accurate itemized wage statements in accordance with California's Labor
17 Code. Upon information and belief, Defendants failed to furnish Plaintiff and Class Members,
18 either semimonthly or at the time of each payment of wages, either as a detachable part of the
19 check or separately, an accurate, itemized statement in writing showing actual gross and net
20 wages earned, the correct number of hours worked, and the applicable hourly rates in effect for
21 those missing hours.

22 28. As a matter of uniform and systemic policy, Defendants willfully failed to pay
23 Plaintiff and Class Members all the above-described wages, including, but not limited to, regular
24 and overtime wages for off-the-clock hours worked and meal and rest period premium wages,
25 either at the time they became due, at the time of discharge, or within seventy-two (72) hours of
26 leaving Defendants' employ.

27 29. Plaintiff, therefore, brings this action on behalf of herself and as a class action on
28 behalf of the following defined Class:

Non-Exempt Employee Class:

All persons who worked as a non-exempt employee for Defendants in the State of California from the period four years prior to the filing of this Action and until the date of trial ("Class").

30. Common methods of proof exist for determining these issues on a class-wide basis, including but not limited to, Defendants' employment records, payroll records, timesheets, work activity logs, written policies, disciplinary records, and witness declarations.

31. **Numerosity.** Plaintiff is informed and believes that, during the class period, at least 50 Class Members have been employed as non-exempt employees by Defendants within the state of California. The number of Class Members is sufficiently numerous such that joinder of all members is impossible or impracticable.

32. **Typicality.** Plaintiff's claims are typical of all Class Members. Plaintiff, like all other Class Members, was subjected to the policies and practices set forth above. Plaintiff's job duties were typical of Class Members in all relevant respects.

33. **Adequacy.** There are no material conflicts between the claims of the representative Plaintiff and Class Members that would make class certification inappropriate. Plaintiff understands her obligation to inform the Court of any relationship, conflicts, or differences with any Class Member. Plaintiff will fairly and adequately protect the interests of the Class Members. Plaintiff is invested in redressing Defendants' illegal practices on behalf of all Class Members. Moreover, Plaintiff has retained competent counsel experienced in both class action and employment litigation. Plaintiff's attorneys, the proposed class counsel, are well versed in the rules governing class action discovery, certification, and settlement, and will vigorously assert the claims of all Class Members. Plaintiff has incurred, and will continue to incur, costs and attorneys' fees that have been, are, and will be necessarily expended for the prosecution of this action for the substantial benefit of each Class Member.

34. **Existence and Predominance of Common Issues.** Common questions of law and fact exist as to all Class Members, which predominate over issues affecting individual Class Members, including, but not limited to:

a. Whether Defendants had a common policy and/or practice of depriving

1 Plaintiff and Class Members of required minimum, regular, and/or over-
2 time wages for all hours worked;

3 b. Whether Defendants unlawfully and/or willfully failed to compensate Plain-
4 tiff and Class Members with required minimum and overtime wages;

5 c. Whether Defendants had a common policy and/or practice of depriving
6 Plaintiff and Class Members of compliant, off-duty meal and/or rest peri-
7 ods;

8 d. Whether Defendants unlawfully and/or willfully deprived Plaintiff and
9 Class Members of compliant, off-duty meal and/or rest periods;

10 e. Whether Defendants had a common policy and/or practice of depriving
11 Plaintiff and Class Members of premium pay in lieu of compliant, off-duty
12 meal and/or rest periods;

13 f. Whether Defendants unlawfully and/or willfully deprived Plaintiff and
14 Class Members of premium pay in lieu of compliant, off-duty meal and/or
15 rest periods;

16 g. Whether Defendants have a common policy and/or practice of failing to re-
17 imburse Plaintiff and Class Members for reasonable business expenses;

18 h. Whether Defendants unlawfully and/or willfully failed to reimburse Plain-
19 tiff and Class Members for reasonable business expenses;

20 i. Whether Defendants have a common policy and/or practice of illegally pro-
21 hibiting, retaliating against, and/or discouraging employees from discuss-
22 ing their wages or working collectively to address issues regarding their pay
23 and other labor practices;

24 j. Whether Defendants have a common policy and/or practice of failing to
25 maintain complete or accurate payroll records in the State of California;

26 k. Whether Defendants unlawfully and/or willfully failed to maintain com-
27 plete or accurate payroll records in the State of California;

28 l. Whether Defendants have a common policy and/or practice of failing to

- 1 provide complete or accurate wage statements reflecting all hours worked,
2 applicable rates of pay, and wages earned to Plaintiff and Class Members;
- 3 m. Whether Defendants unlawfully and/or willfully failed to provide complete
4 and accurate wage statements reflecting all hours worked, applicable rates
5 of pay, and wages earned to Plaintiff and Class Members;
- 6 n. Whether Defendants have a common policy and/or practice of failing to pay
7 Plaintiff and Class Members all wages at the time they became due, at the
8 time of discharge, or within seventy-two (72) hours of leaving Defendants'
9 employ;
- 10 o. Whether Defendants unlawfully and/or willfully failed to pay Plaintiff and
11 Class Members all wages at the time they became due, at the time of dis-
12 charge, or within seventy-two (72) hours of leaving Defendants' employ;
- 13 p. Whether Plaintiff and Class Members sustained damages as a result of any
14 of the aforementioned violations, and, if so, the proper measure of those
15 damages, including interest, penalties, costs, attorneys' fees, and equitable
16 relief; and
- 17 q. Whether Defendants violated the Unfair Competition Law, Cal. Bus. & Prof.
18 Code § 17200, *et seq.*, by violating the above provisions of law.

19 35. **Superiority.** A class action is superior to other available means for the fair and
20 efficient adjudication of this dispute. The damages suffered by individual Class Members, while
21 substantial, are small compared to the burden and expense of individual prosecution of the com-
22 plex and expensive litigation necessary to address Defendants' conduct. Even if Class Members
23 themselves could afford individual litigation, the court system would be overwhelmed by indi-
24 vidual lawsuits if all Class Members sought redress. In addition, individualized litigation in-
25 creases the delay and expense to all parties and to the court system resulting from the complex
26 legal and factual issues of this case. Individualized litigation also presents a potential for incon-
27 sistent or contradictory judgments. By contrast, the class action device presents far fewer man-
28 agement difficulties; it allows the hearing of claims that might otherwise go unaddressed because

1 of the relative expense of bringing individual lawsuits, and it provides the benefits of single ad-
2 judication, economies of scale, and comprehensive supervision by a single court. Plaintiff con-
3 templates providing notice to members of the Class identified through Defendants' records.

4 **CAUSES OF ACTION**

5 **FIRST CAUSE OF ACTION**

6 ***Labor Code §§ 223, 1182.12, 1194, 1194.2, 1197, 1197.1, and 1198***

7 ***Failure to Pay Minimum or Regular Wages for All Hours Worked***

8 **(Plaintiff and Class Against Defendants)**

9 36. Plaintiff repeats and incorporates by reference all allegations contained in the pre-
10 ceding paragraphs as if fully set forth herein.

11 37. California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198 provide that
12 payment of a wage less than the minimum wage as set by statute, commission, or by the general
13 prevailing rate is unlawful.

14 38. California law requires employers to compensate employees for all time that an
15 employee is "suffered or permitted to work," which includes all time "when any employer 'di-
16 rects, commands or restrains' an employee." *See, e.g., Morillion v. Royal Packing Co.*, 22 Cal.
17 4th 575, 583 (2000), as modified (May 10, 2000); *see also* Code Regs. tit. 8, § 11040(2)(L)
18 ("Hours worked' means the time during which an employee is subject to the control of an em-
19 ployer and includes all the time the employee is suffered or permitted to work, whether or not
20 required to do so.").

21 39. Defendants failed to compensate Plaintiff and the Class for all hours worked be-
22 cause they were regularly required to work additional hours to those regularly scheduled for
23 them, either during their breaks or after their scheduled shift-ends, to complete work by dead-
24 lines, but Defendants had a uniform policy and/or practice of refusing to recognize or pay for
25 any additional hours worked beyond those that were scheduled.

26 40. Upon information and belief, Defendants failed to pay Class Members all wages
27 due in other ways not currently known to Plaintiff.

28 41. As a result, Plaintiff and Class Members were not permitted to record these

1 additional working hours on their time sheets, and Defendants failed to pay them for all hours
2 during which they were suffered or permitted to work under the control of Defendants.

3 42. Defendants' failure to pay Plaintiff and Class Members their regular wages, or even
4 minimum wages, for all hours worked violates California Labor Code sections 223, 1182.12, 1194,
5 1197, 1197.1, and 1198.

6 43. Pursuant to California Labor Code section 1194.2, Plaintiff and Class Members are
7 entitled to recover the amount of underpaid wages, plus liquidated damages in an amount equal
8 to the wages unlawfully withheld and interest thereon, applicable civil penalties, and reasonable
9 attorneys' fees and costs.¹

10 **SECOND CAUSE OF ACTION**

11 ***Labor Code 510 and 1198***

12 ***Failure to Pay Overtime Wages***

13 **(Plaintiff and Class Against Defendants)**

14 44. Plaintiff repeats and incorporates by reference all allegations contained in the pre-
15 ceding paragraphs as if fully set forth herein.

16 45. California Labor Code sections 510, 1198, and Industrial Wage Order No. 4 provide
17 that it is unlawful to employ persons without compensating them at a rate of pay either time-
18 and-one-half or two times that person's regular rate of pay, depending on the number of hours
19 worked by the person on a daily or weekly basis. Specifically, Industrial Wage Order No. 9 pro-
20 vides that Defendants were required to pay Plaintiff and Class Members working more than eight
21 hours in a day or more than forty hours in a workweek, at the rate of time and one-half (1½) for
22 all hours worked in excess of eight hours in a day or more than forty hours in a workweek.

23 46. Throughout the Class Period, Plaintiff and the Class were not paid overtime pre-
24 miums for all of the hours they worked in excess of eight hours in a day, in excess of twelve hours
25 in a day, in excess of eight hours on the seventh consecutive day of work in a workweek, and/or
26

27 ¹ Defendants are liable for civil penalties in the amount of \$100 per initial violation and \$250 for
28 each subsequent pay period, plus injunctive relief and reasonable attorney's fees and costs. Lab.
Code § 1197.1.

1 in excess of 40 hours in a week as a direct consequence of Defendants' uniform policy and/or
2 practice of refusing to recognize or pay for any additional hours worked beyond those that were
3 originally scheduled.

4 47. As a result, Plaintiff and Class Members were not permitted to record these addi-
5 tional working hours on their time sheets, and Defendants failed to pay them for all hours during
6 which they were suffered or permitted to work under the control of Defendants.

7 48. Defendants knew or should have known that their policies and practices forced
8 their non-exempt employees to work in excess of eight hours per workday and/or 40 hours per
9 workweek without being compensated for all hours worked. Because Plaintiff and Class Mem-
10 bers regularly worked shifts lasting eight hours a day or totaling forty hours a week on the clock,
11 some or most of this off-the-clock work qualified for overtime premium pay. Therefore, Plaintiff
12 and Class Members were not paid overtime wages at the correct rate of pay for all overtime hours
13 worked by them.

14 49. Pursuant to Labor Code section 1194, Plaintiff and Class Members are entitled to
15 recover their unpaid overtime compensation, as well as interest, costs, and attorneys' fees, and
16 applicable civil penalties.

17 **THIRD CAUSE OF ACTION**

18 ***Labor Code §§ 226.7, 512(a), and 1198***

19 ***Failure to Provide Complaint Meal Periods or Premium Pay in Lieu Thereof***

20 **(Plaintiff and Class Against Defendants)**

21 50. Plaintiff repeats and incorporates by reference every allegation in this complaint
22 as if fully set forth herein.

23 51. At all times relevant to this complaint, Defendants knew they were obligated to
24 provide legally compliant meal periods to their non-exempt employees pursuant to Labor Code
25 §§ 512 and 226.7. Labor Code § 512(a) states in pertinent part: "[A]n employer may not employ
26 an employee for a work period of more than five hours per day without providing the employee
27 with a meal period of not less than 30 minutes, except that if the total work period per day of the
28 employee is no more than six hours, the meal period may be waived by mutual consent of both

1 the employer and employee. An employer may not employ an employee for a work period of
2 more than 10 hours per day without providing the employee with a second meal period of not
3 less than 30 minutes.”

4 52. Further, Labor Code sections 226.7, 512(a), and 1198 provide that no employer
5 shall require an employee to work during any meal period mandated by an applicable order of
6 the IWC. “An off-duty meal period, therefore, is one in which the employee is relieved of all duty
7 during the 30-minute meal period [...] an employer’s obligation is to provide an off-duty meal
8 period: an uninterrupted 30–minute period during which the employee is relieved of all duty.”
9 *Brinker Rest. Corp. v. Superior Court*, 53 Cal. 4th 1004, 1035 (2012).

10 53. However, Defendants’ policies and practices served to deprive Plaintiff and the
11 Class of full 30-minute meal periods in which they were relieved of all duties and free of employer
12 control. Upon information and belief, employees were required to work during meal periods
13 and/or after scheduled shift-ends to meet immediate demands and deadlines but were not al-
14 lowed to record this time as hours worked.

15 54. Defendants did not permit Plaintiff and Class Members to record any of this off-
16 the-clock work on their timecards, including by modifying their scheduled meal period start and
17 end times with actual “clock-in” and “clock-out” times, resulting in Defendants’ failure to recog-
18 nize when meal periods were missed, cut short, or interrupted. Further, Defendant’s failed to
19 provide second meal periods as required whenever their non-exempt employees’ off-the-clock
20 work caused them to work more than 10 hours in a day.

21 55. Upon information and belief, employees were required to skip breaks, interrupt
22 their breaks, cut them short, take them after the fifth hour of work, work through them, or re-
23 main under Defendant’s control during breaks due to Defendants’ policies and practices.

24 56. Finally, Defendants have also implemented a uniform policy of denying compen-
25 sation in lieu of meal periods to its non-exempt employees, notwithstanding their actual
26 knowledge that such employees were uniformly denied compliant meal periods.

27 57. Accordingly, Plaintiff and Class Members were uniformly denied meal periods as
28 a result of Defendants’ policies and/or practices. By failing to consistently provide

uninterrupted, off-duty 30-minute meal periods, or premium pay in lieu thereof, Defendants violated the Labor Code as to Plaintiff and Class Members. Defendants were aware that their actions were a violation of applicable law but consistently refused to pay these premiums as required by law.

58. Pursuant to Labor Code § 226.7(b), Plaintiff and Class Members are entitled to recover from Defendants an additional hour of pay at their regular rates of pay for each shift in which a required meal period was not provided.

FOURTH CAUSE OF ACTION

Labor Code §§ 226.7, 512(a), and 1198

Failure to Provide Compliant Rest Periods or Premium Pay in Lieu Thereof (Plaintiff and Class Against Defendants)

59. Plaintiff repeats and incorporates by reference every allegation in this complaint as if fully set forth herein.

60. At all times relevant to this complaint, Defendants knew they were obligated to provide compliant rest periods to their non-exempt employees pursuant to Labor Code § 226.7.

61. Labor Code § 226.7 provides:

(a) No employer shall require any employee to work during any meal or rest period mandated by an applicable order of the Industrial Welfare Commission.

(b) If any employer fails to provide an employee a meal period or rest period in accordance with an applicable order of the Industrial Welfare Commission, the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each work day that the meal or rest period is not provided.

62. Labor Code § 226.7, 512(a), and 1198 provide that no employer shall require an employee to work during any rest or meal period mandated by an applicable order of the IWC, including Wage Order No. 4-2001. Employers must authorize and permit employees to be relieved of all duty during their rest and meal periods: "A rest period, in short, must be a period of rest." *Augustus v. ABM Sec. Servs., Inc.*, 385 P.3d 823, 834 (2016).

63. However, Defendants have required non-exempt employees to continue working

1 during their rest periods by answering messages or phone calls, otherwise interrupting or cutting
2 short their rest periods, or remaining on duty and under Defendants' control during their rest
3 periods to perform other tasks at Defendants' directions.

4 64. Defendants further failed to provide required third rest periods whenever Plain-
5 tiff's and Class Members' off-the-clock work caused them to work more than 10 hours in a day

6 65. Finally, Defendants have also implemented a uniform policy of denying compen-
7 sation in lieu of rest periods to its non-exempt employees, notwithstanding their actual
8 knowledge that such employees were uniformly denied compliant rest periods. Defendants were
9 aware that their actions were a violation of applicable law but consistently refused to pay these
10 premiums as required by law.

11 66. Pursuant to Wage Order No. 5 and Labor Code § 226.7(b), Plaintiff and Class Mem-
12 bers are entitled to recover from Defendants one additional hour of pay at their regular rates of
13 pay for each shift that a compliant rest period was not provided.

14 **FIFTH CAUSE OF ACTION**

15 ***Labor Code § 2802***

16 ***Failure to Reimburse Necessary Business Expenses***

17 **(Plaintiff and Class Against Defendants)**

18 67. Plaintiff repeats and incorporates by reference every allegation in this complaint
19 as if fully set forth herein.

20 68. Labor Code section 2802 provides that "[a]n employer shall indemnify his or his
21 employee for all necessary expenditures or losses incurred by the employee in direct conse-
22 quence of the discharge of his or his duties, or of his or his obedience to the directions of the
23 employer." Lab. Code § 2802. The purpose of Labor Code section 2802 is to prevent employers
24 from passing off their cost of doing business and operating expenses on to their employees.
25 *Cochran v. Schwan's Home Service, Inc.*, 228 Cal. App. 4th 1137, 1144 (2014).

26 69. Defendants required non-exempt employees to work hybrid remote/in-office work
27 schedules, whereby some number of days each week were worked remotely, and the others were
28 worked in the office.

70. As a matter of uniform and systemic policy, Defendants required non-exempt employees to utilize their personal cell phone data plans and/or internet services for work-related purposes while working remotely, including answering emails and Microsoft Teams messages, being assigned tasks, submitting completed work, and general administrative matters, among other things. Defendants further failed to compensate their non-exempt employees for reasonable costs associated with utilizing their personal cell phone data plans and/or internet services for these work-related purposes.

71. However, Defendants failed to reimburse Plaintiff and Class Members for reasonable costs associated with utilizing their personal cell phone data plans and/or internet services for these work-related purposes. *See Cochran, supra*, 228 Cal. App. 4th at 1144 (“We hold that when employees must use their personal cell phones for work related calls, Labor Code section 2802 requires the employer to reimburse them. Whether the employees have cell phone plans with unlimited minutes or limited minutes, the reimbursement owed is a reasonable percentage of their cell phone bills.”).

72. By unlawfully failing to reimburse Plaintiff and Class Members, Defendants are liable for a reasonable portion of their incurred expenses, to be determined upon trial, plus reasonable attorneys’ fees and costs. Lab. Code § 2802.

SIXTH CAUSE OF ACTION

Labor Code §§ 226, 226.3, and 1174

Failure to Maintain and Provide Complete and Accurate Wage Statements (Plaintiff and Class Against Defendants)

73. Plaintiff repeats and incorporates by reference all allegations contained in the preceding paragraphs as if fully set forth herein.

74. Labor Code § 226 requires employers to furnish employees with complete and accurate, itemized statements in writing showing, among other things, (1) gross wages earned; (2) total hours worked by the employee (for hourly-paid, non-exempt employees); (3) all deductions; (4) net wages earned; (5) the inclusive dates of the period for which the employee is paid; (6) the name of the employee and the last four digits of his or his social security number; (7) the

1 name and address of the legal entity that is the employer; and (8) all applicable hourly rates in
2 effect during the pay period and the corresponding number of hours worked at each hourly rate
3 by the employee.

4 75. At all times relevant to this complaint, Defendants' failure to pay for off-the-clock
5 hours worked and premium wages for missed meal and/or rest periods ensured that Class Mem-
6 bers' wage statements inaccurately reflected their gross and net wages earned.

7 76. Further, Defendants' failure to authorize or allow the recording of any overtime
8 hours, even though worked, ensured that Class Members' wage statements inaccurately reflected
9 their hours worked with applicable rates of pay.

10 77. For the same reasons, Defendants have also failed to keep accurate payroll records
11 for Plaintiff and Class Members in accordance with Labor Code § 1174.

12 78. Defendants' failure to keep and maintain payroll records accurately reflecting their
13 gross and net wages earned, hours worked, and applicable rates of pay has impeded Plaintiff's
14 and Class Members' ability to determine whether they were paid properly.

15 79. Injury. Defendants knowingly and intentionally failed to comply with Labor Code
16 § 226, causing injury and damages to Plaintiff and Class Members. Plaintiff and all those simi-
17 larly situated were injured by these failures because, among other things, they were confused
18 about whether they were paid properly and/or misinformed about how much compensation was
19 owed to them. These damages include but are not limited to, costs incurred in calculating the
20 correct gross and net wages earned for each pay period and the amount of employment taxes
21 that were not paid to state and federal tax authorities.

22 80. Relief. Labor Code § 226(e)(1) provides that an employee suffering injury as a re-
23 sult of not being provided with a complete and accurate itemized wage statement is entitled to
24 recover the greater of all actual damages suffered or fifty (\$50) dollars for the initial violation
25 and one hundred (\$100) dollars for each subsequent violation, up to \$4,000. Pursuant to Labor
26 Code §§ 226(e) and (g), Class Members are further entitled to injunctive relief to ensure Defend-
27 ants' compliance with Labor Code § 226, as well as attorneys' fees and costs of suit.
28

1 **SEVENTH CAUSE OF ACTION**

2 ***Labor Code §§ 201, 202, 203, 204, and 210***

3 ***Failures to Pay Wages When Due***

4 **(Plaintiff and Class Against Defendants)**

5 81. Plaintiff repeats and incorporates by reference all the allegations of this Complaint
6 as though fully set forth herein.

7 82. Labor Code § 201 provides, in relevant part, that:

8 If an employee not having a written contract for a definite period quits his
9 or her employment, his or her wages² shall become due and payable not
10 later than 72 hours thereafter, unless the employee has given 72 hours pre-
11 vious notice of his or her intention to quit, in which case the employee is
12 entitled to his or her wages at the time of quitting. Notwithstanding any
13 other provision of law, an employee who quits without providing a 72-hour
14 notice shall be entitled to receive payment by mail if he or she so requests
15 and designates a mailing address. The date of the mailing shall constitute
16 the date of payment for purposes of the requirement to provide payment
17 within 72 hours of quitting.

18 83. Labor Code § 203 provides:

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

25 84. Labor Code § 204 provides that all wages, other than those mentioned in sections
26 201 and 202, are due and payable twice during each calendar month, on days designated in ad-
27 vance by the employer as regular paydays.

28 85. Failure to Timely Pay Wages Due. As set forth above, Defendants failed to timely
pay the regular rate or overtime wages earned for off-the-clock work and meal and rest period
premiums resulting from deficient timekeeping practices and meal and rest period policies upon

25 _____
26 ² Labor Code § 200 defines “wages” as “all amounts for labor performed by employees of every
27 description, whether the amount is fixed or ascertained by the standard of time, task, piece, com-
28 mission basis, or other method of calculation.” “Labor” is defined as “labor, work, or service . . .
if the labor to be paid for is performed personally by the person demanding payment.” Addition-
ally, in *Naranjo v. Spectrum Security Services, Inc.*, 13 Cal. 5th 93 (2022), the California Su-
preme Court recently held that failure to pay premiums for violating the California Labor Code’s
meal and rest break provisions constitutes “wages” for purposes of waiting time penalties.

1 regularly scheduled paydays.

2 86. Relief. Defendants' failure to pay Plaintiff and those Class Members wages on their
3 regularly scheduled paydays subjects Defendants to civil penalties in the amount of \$100 per
4 employee per initial violation and \$200 per employee for every subsequent violation of Labor
5 Code § 204 pursuant to Labor Code § 210.

6 87. Failure to Pay Upon Termination. Plaintiff and many Class Members have left De-
7 fendants' employ during the Class Period. As discussed above, Defendants knowingly failed to
8 pay Plaintiff and Class Members all their earned wages upon termination. Instead, Defendants
9 willfully and intentionally refused to pay minimum wages, regular rate wages, overtime wages,
10 and meal and/or rest period premiums as alleged herein to Plaintiff and Class Members in vio-
11 lation of Labor Code §§ 201 and 202.

12 88. Relief. Defendants' failure to pay Plaintiff and those Class Members who are no
13 longer employed by Defendants their wages earned and unpaid at the time of discharge, or
14 within seventy-two (72) hours of their leaving Defendants' employment, violates Labor Code §§
15 201 and 202. Plaintiff and Class Members are therefore entitled to recover from Defendants the
16 statutory penalty wages for each day they were not paid, at their regular rate of pay, up to a 30-
17 day maximum penalty under Labor Code § 203.

18 **EIGHTH CAUSE OF ACTION**

19 ***Labor Code §§ 232, 923, and 1197.5(k)***

20 ***Illegal Restrictions on Discussing Wages***

21 ***(Plaintiff and Class Against Defendants)***

22 89. Plaintiff repeats and incorporates by reference all allegations contained in the pre-
23 ceding paragraphs as if fully set forth herein.

24 90. Labor Code § 232 provides that "[n]o employer may do any of the following: (a)
25 require, as a condition of employment, that an employee refrain from disclosing the amount of
26 his or her wages; (b) require an employee to sign a waiver or other document that purports to
27 deny the employee the right to disclose the amount of his or her wages; [or] (c) discharge, for-
28 mally discipline, or otherwise discriminate against an employee who discloses the amount of his

1 or her wages.” Lab. Code § 232; *see also Grant-Burton v. Covenant Care, Inc.*, 99 Cal.App.4th
2 1361, 1367, 77 (2002) (“The very purpose of [Section 232] is to protect employees who want to
3 discuss some aspect of their compensation.”).

4 91. Labor Code § 1197.5(k) provides that “[a]n employer shall not discharge, or in any
5 manner discriminate or retaliate against, any employee by reason of any action taken by the
6 employee to invoke or assist in any manner the enforcement of this section. An employer shall
7 not prohibit an employee from disclosing the employee’s own wages, discussing the wages of
8 others, inquiring about another employee’s wages, or aiding or encouraging any other employee
9 to exercise his or her rights under this section.”

10 92. Labor Code § 923 protects the rights of employees to organize, including to discuss
11 wages, to negotiate with their employer and otherwise protect their rights under the Labor Code:
12 “[T]he declared purpose of section 923 is to guarantee to individual employees full freedom of
13 self-organization and of association with others for the purpose of collective bargaining or other
14 mutual aid or protection, free from interference or coercion by their employers.” *Gelini v. Tish-*
15 *gart*, 77 Cal.App.4th 219, 224 (1999).

16 93. “Any employee who has been discharged, discriminated or retaliated against, in
17 the terms and conditions of their employment because the employee engaged in any conduct
18 delineated in this section may recover in a civil action reinstatement and reimbursement for lost
19 wages and work benefits caused by the acts of the employer, including interest thereon, as well
20 as appropriate equitable relief.” Lab. Code § 1197.5.

21 94. Despite these clear mandates, Defendants implemented a company-wide policy
22 against discussing employee compensation, including wages and bonuses. Upon information
23 and belief, Class Members have been “discharged, discriminated or retaliated against, in the
24 terms and conditions of their employment” for discussing wages in line with these statutes.

25 95. The Class is entitled to appropriate equitable relief, including injunctive relief, as
26 well as actual damages for lost wages and work benefits for Defendants’ illegal conduct.

1 **NINTH CAUSE OF ACTION**

2 ***Business & Professions Code §§ 17200, et seq.***

3 ***Unlawful Business Practices***

4 **(Plaintiff and Class Against Defendants)**

5 96. Plaintiff repeats and incorporates by reference all the allegations of this Complaint
6 as though fully set forth herein.

7 97. Defendants are “persons” as defined by California Business & Professions Code
8 § 17201, as they are a natural person, corporations, firms, partnerships, joint stock companies,
9 and/or associations.

10 98. Unlawful Business Practices. Defendants’ knowing violations of provisions of the
11 Labor Code and IWC Wage Order No. 5-2001 constitute unlawful business practices as set forth
12 in Business & Professions Code § 17200, *et seq.*

13 99. Defendants’ failure to abide by the laws discussed herein provided Defendants an
14 unfair advantage over their competitors at the expense of their workers. Instead, Defendants
15 cuts corners in the name of higher profits and at the expense of employee well-being. Defendants’
16 actions thereby constitute an unfair, fraudulent, and/or unlawful business practice under Busi-
17 ness & Professions Code § 17200, *et seq.*

18 100. Relief. Plaintiff brings this cause of action seeking equitable and injunctive relief
19 to stop Defendants’ willful and ongoing misconduct and to seek restitution of the amounts De-
20 fendants acquired through the unfair, unlawful, and fraudulent business practices described
21 herein. In addition, Plaintiff seeks an award of costs and attorneys’ fees pursuant to California
22 Code of Civil Procedure § 1021.5.

23 **DEMAND FOR JURY TRIAL**

24 Pursuant to California Code of Civil Procedure § 631, Plaintiff demands a trial by jury on
25 all issues so triable.

26 **PRAYER FOR RELIEF**

27 WHEREFORE, Plaintiff respectfully prays judgment as follows:

28 A. For an Order:

- 1 a. Certifying the Class;
2 b. Appointing Plaintiff as representative of the Class;
3 c. Appointing Plaintiff's counsel as Class Counsel;
4 B. For actual and liquidated damages according to proof at trial;
5 C. For statutory and civil penalties and special damages, according to proof at trial;
6 D. For pre- and post-judgment interest on monetary damages;
7 E. For preliminary and permanent injunctive relief;
8 F. For reasonable attorneys' fees and costs and expert fees and costs as allowed by
9 law; and
10 G. For such other relief as this Court deems just and proper.
11

12 Dated: January 23, 2025

Respectfully submitted,

13 **KING & SIEGEL LLP**

14
15 By: Elliot J. Siegel
16 Elliot J. Siegel, Esq.
17 Attorneys for Plaintiff and the Putative Class
18
19
20
21
22
23
24
25
26
27
28