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David W. Slayton,
Executive Officer/Clerk of Court,
By J. Covarrubias, Deputy Clerk

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF LOS ANGELES

ISRAEL RIOS, an individual, on behalf of
himself and all others similarly situated,

Plaintiff,

vs.

DOLLY, INC., a Delaware corporation; and
DOES 1 through 100, inclusive,

Defendants.

Case No. **25STCV19205**

CLASS ACTION COMPLAINT FOR:

**(1) FAILURE TO REIMBURSE EXPENSES
(LAB. CODE § 2802);**

**(2) UNLAWFUL DEDUCTIONS FROM
WAGES (LAB. CODE §§ 221-223);**

**(3) FAILURE TO PROVIDE ACCURATE
WAGE STATEMENTS (LAB. CODE §
226);**

**(4) FAILURE TO PROVIDE OVERTIME
(LAB. CODE § 510);**

**(5) FAILURE TO PROVIDE MEAL
PERIODS (LAB. CODE § 226.7);**

**(6) FAILURE TO PROVIDE REST BREAKS
(LAB. CODE § 226.7);**

**(7) FAILURE TO PAY WAGES WHEN DUE
(LAB. CODE §§ 201-203);**

**(8) UNFAIR BUSINESS PRACTICES (BUS.
& PROF. CODE §§ 17200 ET SEQ.);**

**INDIVIDUAL & REPRESENTATIVE
ACTION FOR:**

**(9) CIVIL PENALTIES UNDER LABOR
CODE'S PRIVILEGE ATTORNEY
GENERAL ACT ("PAGA") (LAB.
CODE §§ 2698 ET SEQ.)**

DEMAND FOR JURY TRIAL

ISRAEL RIOS (“Plaintiff”) on behalf himself and all others similarly situated, brings this action against Defendant DOLLY, INC., a Delaware corporation (“Dolly” or “Defendant”), and DOES 1 through 100, inclusive, and alleges on information and belief as follows:

INTRODUCTION

1. Defendant Dolly is a technology platform and “on demand” service provider that connects individuals and businesses with “Helpers” and “Drivers” to move, deliver, and transport goods and personal property. To provide these services to its customers, Defendant maintains a workforce of “Helpers” and “Drivers” like Plaintiff and the putative Class Members. Under Defendant’s management and control, these workers drive to assigned locations, load and unload items, and deliver them to the customers’ desired endpoint.

2. Helpers and Drivers are a core component of Defendant’s business and must operate under Defendant’s controls to satisfy Dolly’s customers. Yet, Defendant claims they are not employees and instead “independent contractors.”

3. By refusing to recognize its Helpers and Drivers as employees, Defendant deprives these individuals of protections provided by California labor laws such as minimum wages, overtime pay, and reimbursement of business expenses. Defendant’s misclassification of its workforce also deprives the State of important employee tax revenue and gives Defendant an undue advantage over law-abiding competitors who bear the necessary expenses associated with employing similar workers.

4. This Class Action seeks recovery on behalf of Plaintiff and other similarly situated Helpers and Drivers in California for violations of California’s Labor Code and the applicable Industrial Welfare Commission Wage Orders (“Wage Orders”) along with violations of California’s Unfair Competition Law predicated upon violations of California’s Labor Code and applicable Wage Orders.

JURISDICTION & VENUE

5. This Court has subject matter jurisdiction to hear this case because the damages and penalties sought herein resulting from Defendant’s conduct exceeds the jurisdictional minimum of this Superior Court.

6. Venue is proper pursuant to Code of Civil Procedure, sections 395 and 395.5, among other sections. Defendant employs workers, including Plaintiff, in this County. Furthermore, the obligation to comply with the Labor Code for the group of workers relevant to this case and the resulting liability for misclassifying and denying Labor Code/Wage Order benefits to those workers arose in this County, among others.

PARTIES

7. Mr. Rios is and at all relevant times was a resident of California. He formerly worked as a Helper and/or Driver for Defendant and was classified as an independent contractor.

8. Dolly, Inc. is a Delaware corporation with a principal business address at 10800 Alpharetta Hwy., Ste. 208-562, Roswell, GA 30076-1467.

9. Plaintiff does not know the true names and/or capacities, whether individual, partners, or corporate, of Defendants sued herein as DOES 1 through 100, inclusive, and for that reason sues said Defendants under fictitious names. Plaintiff will seek leave to amend this Complaint when the true names and capacities of these Defendants have been ascertained. Plaintiff is informed and believes and thereon alleges that these Defendants are responsible in whole or in part for Plaintiff's alleged damages.

10. At all times mentioned, Defendants were the agents, alter egos, servants, joint venturers, joint employers, or employees for each other. Defendants acted with the consent of the other Co-Defendants and acted within the course, purpose, and scope of their agency, service, or employment. All conduct was ratified by Defendants, and each of them.

GENERAL ALLEGATIONS

A. Dolly’s Business Model

11. Dolly was founded in 2013 and operates an “on-demand moving and delivery service designed to make moving easier.” Dolly is available in major metropolitan areas throughout the United States.

12. To book with Dolly, customers provide pickup and delivery locations, details about the items to be moved, and preferred pickup and delivery dates. Dolly then quotes a price for the

1 job. Its customers range from individuals moving personal items to large institutional clients needing
2 goods delivered to facilitate their operations.

3 13. To carry out its customers' bookings, Dolly maintains a network of "Helpers" and
4 "Drivers," available on-demand, who will load, transport, and deliver items from point A to point B.
5 In performance of these services, Helpers and Drivers routinely cross city and county lines and may
6 perform multiple jobs in a single day.

7 14. Defendant's workforce falls into two primary roles: Helpers, who assist with
8 loading/unloading and moving items, and Drivers, who provide the vehicle and drive the items to
9 the destination. Sometimes a single worker may perform both roles.

10 15. Workers receive a non-negotiable, per-job, piece-rate pay for their labor. In this way,
11 earnings are not modified where a job takes longer than planned due to circumstances out of their
12 control, such as traffic, weather, or delays at pickup/drop-off locations. Workers also receive no pay
13 for non-productive time such as waiting for access to buildings or between assignments.

14 16. To satisfy its customers and provide the services they demand, Defendant retains and
15 exercises a great deal of control over its workforce. For example, Defendant establishes pickup and
16 delivery dates and times that workers must meet. Workers must have certain equipment such as a
17 smartphone with enabled GPS tracking, and, in the case of Drivers, a vehicle that meets Dolly's
18 requirements. Defendant closely monitors workers, tracking them throughout the performance of
19 their services and intervening as needed. Defendant also reserves the right to change instructions
20 during the job in response to customer needs and imposes minimum activity requirements or may
21 terminate workers' access to the platform.

22 **B. Dolly Misclassifies Workers**

23 17. Defendant utilizes the labor of Helpers and Drivers like Plaintiff and the Sub-Classes
24 he seeks to represent to carry out moving and delivery services for Defendant's third-party
25 customers. They perform the most central part of Defendant's business: the pickup, transportation,
26 and delivery of goods for Defendant's customers. The work is necessary to Defendant's business
27 and is continuously performed for Defendant. Despite this, Defendant labels these workers
28 "independent contractors." This is willful misclassification.

1 18. Defendant strictly controls and regulates its workforce. Workers must follow the
2 terms of Defendant's hiring agreement and other written instructions. Under these operating
3 requirements and standards, Defendant exerts control and direction over workers in connection with
4 the performance of their services, both in contract and in fact. This includes, but is not limited to:

- 5 a. Workers must be at least 18 years old, have a smartphone with a data plan,
6 pass a background check, and, for Drivers, own or have access to a qualifying
7 vehicle.
- 8 b. Defendant performs background checks on all active workers at least annually
9 and reserves the right to perform additional checks at any time.
- 10 c. Workers must enable GPS tracking permissions to Defendant.
- 11 d. Defendant sets the price of the work and the associated share that goes to
12 Drivers and Helpers.
- 13 e. Defendant establishes delivery dates and times that workers must meet.
- 14 f. Workers may not bring unauthorized passengers on jobs.
- 15 g. If a worker cancels jobs or fails to meet performance standards, Defendant
16 may suspend or terminate their account.
- 17 h. Worker earnings are non-negotiable, and workers are expressly prohibited
18 from contacting customers to negotiate jobs or payment. All customer contact
19 must flow through Dolly.
- 20 i. Workers must comply with safety and conduct rules, including mandatory
21 seat belt use, no smoking in customer vehicles or around customer property,
22 and proper handling of items.
- 23 j. Defendant tracks worker performance through various ratings. Excessive
24 cancellations, late arrivals, no-shows, and poor job performance impact
25 workers' ratings and ability to receive future jobs.
- 26 k. Workers are expected to bring necessary equipment, including moving tools,
27 phone chargers, water, and other items, but are not reimbursed for these
28 purchases.

1 **C. Dolly’s Failure to Reimburse and Unlawful Deductions**

2 19. By policy and practice, Dolly does not reimburse workers for necessary business
3 expenses. These expenses include automobile-related expenses (fuel, maintenance, insurance, tolls,
4 parking), cell phone and data expenses, and moving tools and supplies required to perform their
5 work.

6 20. Defendant also makes unlawful deductions from the wages of workers. For example,
7 Defendant retains a “service fee” or “commission” from the wages of workers for each job, which
8 amounts to a significant percentage of their total wages. Defendant claims that the commission is
9 for use of Dolly’s technology, lead generation, insurance, and administrative support.

10 **D. Dolly’s Failure to Comply with Other California Wage and Hour Laws**

11 21. As explained further below, as a result of its unlawful misclassification, Defendant
12 fails to provide workers overtime pay, fails to make meal and rest breaks available, fails to pay
13 workers separately for rest periods, fails to pay wages when due, and fails to provide compliant wage
14 statements in violation of California law.

15 **CLASS ALLEGATIONS**

16 22. Pursuant to Code of Civil Procedure, section 382, Plaintiff brings this lawsuit as a
17 class action on behalf of himself and all other similarly situated members of the Class, defined below.
18 This action satisfies the ascertainability, numerosity, commonality, typicality, adequacy,
19 predominance, and superiority requirements of class actions.

20 23. **Class Period:** The Class Period shall be defined as: from four years preceding the
21 date that the first Complaint in this action is filed, until the full resolution of this action, plus any
22 time that may be attributed to equitable or other forms of tolling.

23 24. Plaintiff seeks to represent the following Sub-Classes of persons:

- 24 a. **Worker Class:** All individuals during the Class Period who used Dolly’s app
25 to carry out moving or delivery services for Dolly customers starting from a
26 location in California who were not classified as employees (“Worker Class”
27 or “Worker Class Members”).
28

1 b. **Driver Sub-Class:** All members of the Worker Class who provided a vehicle
2 to perform moving or delivery services for Dolly customers starting from a
3 location in California who were not classified as employees (“Driver Sub-
4 Class” or “Driver Sub-Class Members”).

5 25. These Sub-Classes do not include Defendant, its officers, and/or its directors; the
6 Judge to whom this case is assigned; or the Judge’s immediate family or staff.

7 26. Plaintiff reserves the right to amend the above Sub-Classes and to add additional
8 classes and sub-classes as appropriate based on discovery, and the specific theories of liability,
9 among other reasons.

10 27. **Numerosity:** The potential members of the Class as defined are so numerous that
11 joinder of all the members is impracticable. While the precise number of the members of the Class
12 has not been determined, Plaintiff is informed and believes that there are hundreds to thousands of
13 individuals meeting the Class definition. Defendant has access to data sufficient to identify the
14 members of the Class since they all perform work via the same mobile application and cannot
15 outsource the work.

16 28. **Adequacy of Representation:** The named Plaintiff is fully prepared to take all
17 necessary steps to fairly and adequately represent the interests of the Sub-Classes as defined above.
18 Plaintiff’s attorneys are highly experienced in employment class action litigation and intend to
19 prosecute this action vigorously.

20 29. **Common Questions of Law and Fact:** There are predominant common questions
21 and answers of law and fact and a community of interest amongst Plaintiff and the claims of the
22 Class as follows:

- 23 a. Whether Defendant misclassified workers as “independent contractors”
24 instead of employees (*e.g.*, whether Dolly can meet its burden under the ABC
25 test and/or Borello test for employment status);
- 26 b. Whether Defendant failed to reimburse workers for reasonable business
27 expenses;
- 28 c. Whether Defendant made unlawful deductions from workers’ wages;

- d. Whether Defendant properly provided meal and rest breaks to workers;
- e. Whether Defendant compensated workers separately for rest breaks;
- f. Whether Defendant failed to properly pay workers overtime;
- g. Whether Defendant failed to pay wages when due;
- h. Whether Defendant engaged in an unlawful, unfair, and/or fraudulent business practice or act in violation of Business and Professions Code section 17200 et seq.

30. **Typicality:** Plaintiff's claims are typical of the claims of all members of the Class because Defendant applied and continues to apply its illegal classification and pay practices to all workers.

31. **Superiority:** A class action is superior to other available means for the fair and efficient adjudication of this controversy. Individual joinder of all members of the Class is not practicable, and questions of law and fact common to the Class predominate over questions affecting only individual Class Members.

CAUSES OF ACTION

FIRST CAUSE OF ACTION

Failure to Reimburse Expenses

Lab. Code § 2802 and applicable IWC Wage Orders

32. Plaintiff incorporates by reference every allegation contained above.

33. Plaintiff brings this cause of action as a class action on behalf of himself and the Classes.

34. The Worker Class necessarily incurs many types of expenses that Defendant does not reimburse, including but not limited to cell phone and data expenses, vehicle-related expenses, and moving equipment and supplies.

35. As alleged above, Plaintiff and the Classes incurred business expenses while performing necessary work for Defendant. They were never fully reimbursed because they were uniformly misclassified as independent contractors.

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36. The California Labor Code section 2802 and applicable Wage Orders require that employers reimburse employees for business expenses reasonably incurred. Defendant failed to do so.

37. Plaintiff and the Classes have been damaged by Defendant's failures in this respect in an amount to be proven at trial and are entitled to recover their damages, penalties, interest, costs, and attorneys' fees.

SECOND CAUSE OF ACTION
Unlawful Deductions From Wages
Lab. Code §§ 221-223 and applicable IWC Wage Orders

38. Plaintiff incorporates by reference every allegation contained above.

39. Plaintiff brings this cause of action as a class action on behalf of himself and the Worker Class.

40. Under Labor Code section 221, it is unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee. Applicable Wage Orders further restrict deductions from wages.

41. Despite this, Defendant makes numerous deductions from the wages of its workers, including retaining a significant "service fee" or "commission" from each job.

42. Plaintiff and the Class are entitled to recover their damages, penalties, interest, costs, and attorneys' fees based on these violations.

THIRD CAUSE OF ACTION
Failure to Provide Accurate Wage Statements
Lab. Code § 226 and applicable Wage Orders

43. Plaintiff incorporates by reference every allegation contained above.

44. Plaintiff brings this cause of action as a class action on behalf of himself and the Worker Class.

45. Defendant violated the above statute by, among other things, failing to provide accurate gross and net wages earned and hours worked on paystubs to workers.

46. Defendant's violations of section 226 and applicable Wage Orders are ongoing and will continue until and unless this Court enters an injunction barring such violations.

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1 47. Plaintiff seeks damages and injunctive relief pursuant to Labor Code section 226,
2 along with penalties for past violations, including attorneys' fees and costs incurred.

3 **FOURTH CAUSE OF ACTION**

4 **Failure to Provide Overtime**
5 **Lab. Code § 510 and applicable Wage Orders**

6 48. Plaintiff incorporates by reference every allegation contained above.

7 49. Plaintiff brings this cause of action as a class action on behalf of himself and the
8 Worker Class.

9 50. Labor Code section 510 and applicable Wage Orders require overtime pay for all
10 hours worked over 8 in a day or 40 in a week.

11 51. Workers, including Plaintiff, work well over 8 hours per day and/or 40 hours per
12 week as necessary to complete assignments, but receive no overtime pay.

13 52. Defendant is liable for unpaid overtime, interest, reasonable attorneys' fees and costs,
14 and any related statutory penalties.

15 **FIFTH CAUSE OF ACTION**

16 **Failure to Provide Meal Periods**
17 **Lab. Code § 226.7 and applicable Wage Orders**

18 53. Plaintiff incorporates by reference every allegation contained above.

19 54. Plaintiff brings this cause of action as a class action on behalf of himself and the
20 Worker Class.

21 55. Under Labor Code sections 226.7 and 512, as well as applicable IWC Wage Orders,
22 employers must provide a 30-minute uninterrupted, off-duty meal period for each work shift of more
23 than 5 hours.

24 56. Defendant has no meal or rest policies and does not record when breaks start or stop,
25 nor does Defendant provide for uninterrupted meal periods or pay premium wages in lieu of these
26 breaks.

27 57. As a proximate result of Defendant's unlawful conduct, Plaintiff and the Class
28 sustained damages and are entitled to recover unpaid wages, liquidated damages, interest, applicable
penalties, attorneys' fees, and costs.

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SIXTH CAUSE OF ACTION
Failure to Provide Rest Breaks
Lab. Code § 226.7 and applicable Wage Orders

58. Plaintiff incorporates by reference every allegation contained above.

59. Plaintiff brings this cause of action as a class action on behalf of himself and the Worker Class.

60. Pursuant to Labor Code sections 226.7 and 226.2 and applicable IWC Wage Orders, employers must provide a 10-minute uninterrupted, off-duty rest break for each work shift of 3.5 hours or more, paid separately from piece-rate pay.

61. Defendant failed to provide for rest breaks or separately pay workers for rest breaks even if taken.

62. As a proximate result of Defendant's unlawful conduct, Plaintiff and the Class sustained damages and are entitled to recover unpaid wages, liquidated damages, interest, applicable penalties, attorneys' fees, and costs.

SEVENTH CAUSE OF ACTION
Failure to Pay Wages When Due
Lab. Code §§ 201-203 and applicable Wage Orders

63. Plaintiff incorporates by reference every allegation contained above.

64. Plaintiff brings this cause of action as a class action on behalf of himself and all Worker Class members who are no longer working for Defendant.

65. Defendant failed to pay all wages due, including unreimbursed expenses and wages illegally deducted, upon separation of employment as required by Labor Code sections 201 through 203.

66. Defendant's actions in this respect were willful within the meaning of Labor Code section 203, entitling Plaintiff and the Worker Class Members to recover waiting time penalties.

67. Plaintiff and the Worker Class Members are entitled to recover waiting time penalties and unpaid wages, as well as interest, applicable penalties, attorneys' fees, and costs.

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EIGHTH CAUSE OF ACTION
Unfair Business Practices
Bus. & Prof. Code §§ 17200 et seq.

68. Plaintiff incorporates by reference every allegation contained above.

69. Defendant knowingly and willfully engaged in the unlawful practices described above, which include but are not limited to:

- a. Intentionally misclassifying its workforce as “independent contractors;”
- b. Imposing unreimbursed business expenses on misclassified employees;
- c. Imposing unlawful deductions on misclassified employees;
- d. Failing to pay overtime;
- e. Failing to pay for each hour worked;
- f. Failing to provide adequate meal and rest breaks;
- g. Failing to pay wages when due; and
- h. Failing to provide accurate pay statements.

70. Defendant intended to, and did, profit from these illegal acts.

71. As a direct and proximate result of the above, Plaintiff and the Class Members have lost money or property, thereby entitling these individuals to restitution.

72. Pursuant to the Business and Professions Code, Plaintiff and the Class Members are entitled to restitution of money or property acquired by Defendant by means of such unlawful business practices, in amounts not yet known, but to be ascertained at trial.

73. Plaintiff and the Class and the public are also entitled to injunctive relief against Defendant’s ongoing continuation of such unlawful business practices, including public injunctive relief.

NINTH CAUSE OF ACTION
Violation of PAGA; Enforcement of PAGA
Labor Code § 2698, et seq.

74. Plaintiff incorporates by reference every allegation contained above.

75. PAGA permits aggrieved employees, like Plaintiff, to recover civil penalties for violations of numerous Labor Code sections. Plaintiff seeks to recover representative PAGA

1 penalties stemming from Defendant's Labor Code violations occurring to others (i.e., non-individual
2 PAGA penalties) during the relevant PAGA period.

3 76. Defendant's conduct, as alleged above, violates numerous sections of the California
4 Labor Code, including, but not limited to, sections 201, 202, 203, 204, 210, 216, 225.5, 223, 1194,
5 1194.2, 1197, 1197.1, 1199, 510, 558, 1198, 226, 226.2, 226.3, 226.7, 512, 226.8, 432.5, 1174,
6 1194.5, 221-223, and 2802.

7 77. Plaintiff has complied with all administrative requirements and pre-conditions
8 contained with California Labor Code Section 2699.3, including providing notice to the LWDA.

9 78. Pursuant to PAGA and California Labor Code sections 2699, 2699.3, and 2699.5,
10 Plaintiff is entitled to and hereby seeks civil penalties against Dolly, in addition to reasonable
11 attorney fees and costs, on behalf of himself and all other similarly-aggrieved current and former
12 employees for violations of the Labor Code sections referred to in this Complaint.

13 **PRAYER FOR RELIEF**

14 Plaintiff prays for judgment against Defendant, as follows:

- 15 1. For an order certifying the Classes and Sub-Classes as described herein, appointing
- 16 Plaintiff as Class representative, and his counsel as Class counsel;
- 17 2. For compensatory damages according to proof;
- 18 3. For enhanced damages, liquidated damages, and penalties as permitted under
- 19 prevailing law;
- 20 4. For civil penalties according to proof;
- 21 5. For pre-judgment and post-judgment interest where allowable;
- 22 6. For costs of suit;
- 23 7. For injunctive relief, including public injunctive relief, as described herein;
- 24 8. For restitution as described herein;
- 25 9. For punitive damages, where appropriate;
- 26 10. For reasonable attorneys' fees and costs; and
- 27 11. For such other and further relief as this Court may deem just and proper.

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DEMAND FOR JURY TRIAL

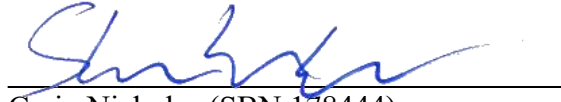
Plaintiff demands a trial by jury on all issues so triable.

Respectfully submitted,

Dated: July 1, 2025

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