

Justin Lo (SBN: 280102)
justin@caworklawyer.com
WORK LAWYERS PC
22939 Hawthorne Blvd., #300
Torrance, CA 90505
Tel: (310) 248-2944
Fax: (424) 355-8335

E-FILED
6/25/2025 10:17 AM
Clerk of Court
Superior Court of CA,
County of Santa Clara
25CV469037
Reviewed By: J. Nguyen

Attorneys for Plaintiff KEN CHENG, as representative of the State of California and the Labor and Workforce Development Agency, and on behalf of himself and Aggrieved Employees

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SANTA CLARA**

KEN CHENG, on behalf of himself and all
other Aggrieved Employees,

Plaintiff,

v.

FIRST AMERICA AUTOMOTIVE, LLC, a
Delaware Limited Liability Company registered
to do business in the state of California; SONIC
AUTOMOTIVE PROTECTION PRODUCTS,
INC, a Delaware Corporation doing business in
the state of California; ECHOPARK
AUTOMOTIVE INC, a Delaware corporation
doing business in California; and DOES 1- 50,
Inclusive,

Defendant,

Case No. 25CV469037

COMPLAINT

1. Civil Penalties under the Private Attorneys General Act (PAGA)

1 Plaintiff, KEN CHENG, (“Plaintiff”), as a representative of the State of California and the
2 Labor and Workforce Development Agency (LWDA), and on behalf of himself and other current
3 or former Aggrieved Employees, complains and alleges as follows:

4 **INTRODUCTION**

5 1. This is a representative action brought by Plaintiff, as a representative of the State
6 of California and the LWDA, and on behalf of himself and other Aggrieved Employees, to collect
7 civil penalties for Defendant’s Labor Code violations.

8 2. Defendants and employers, FIRST AMERICA AUTOMOTIVE, LLC, a
9 Delaware Limited Liability Company registered to do business in the state of California; SONIC
10 AUTOMOTIVE PROTECTION PRODUCTS, INC, a Delaware Corporation doing business in
11 the state of California; ECHOPARK AUTOMOTIVE INC, a Delaware corporation doing
12 business in California; and DOES 1- 50, Inclusive., (“Defendants”), violated numerous wage
13 and hour laws with respect to Plaintiff and other Aggrieved Employees by failing to provide, for
14 example: accurate and itemized wages statements, payment for all hours worked (including
15 regular wages and overtime), failure to provide a minimum wage, lawful meal periods, lawful
16 rest periods, timely payment during employment, failure to reimburse for expenses incurred
17 during the course and scope of employment, and payment upon separation of employment.

18 **PARTIES**

19 **The Plaintiff**

20 3. Plaintiff is, and at all times herein mentioned was, a resident of California,
21 currently residing in Alameda County.

22 4. Aggrieved Employees are all former and/or current non-exempt employees
23 holding various positions and employed by Defendant within California during the relevant time
24 period who may have been subject to at least one or more Labor Code violations set forth in the
25 PAGA Notice dated February 12, 2025.

26 ///

27 ///

The Defendants

5. Defendant FIRST AMERICA AUTOMOTIVE, LLC., is a Delaware Limited Liability Corporation doing business in the state of California, at all relevant times mentioned herein, existing, doing business and employing individuals in the County of Santa Clara, State of California. Plaintiff is informed and thereon alleges that Defendant exercised control over Plaintiff and Aggrieved Employees' wages, hours, and working conditions.

6. Defendant SONIC AUTOMOTIVE PROTECTION PRODUCTS, INC, a Delaware Corporation doing business in the state of California., which, at all relevant times mentioned herein, existing, doing business and employing individuals in the County of Santa Clara, State of California. Plaintiff is informed and thereon alleges that Defendant exercised control over Plaintiff and Aggrieved Employees' wages, hours, and working conditions.

7. Defendant ECHOPARK AUTOMOTIVE INC, a Delaware corporation doing business in California, which, at all relevant times mentioned herein, existing, doing business and employing individuals in the County of Santa Clara, State of California. Plaintiff is informed and thereon alleges that Defendant exercised control over Plaintiff and Aggrieved Employees' wages, hours, and working conditions.

8. The true names and capacities, whether individual, corporate, associate, or otherwise of Defendants named herein as DOES 1-50, inclusive, are unknown to Plaintiff at this time and therefore said Defendants are sued by such fictitious names. Plaintiff will seek leave to amend this Complaint to insert the true names and capacities of said Defendants when the same become known to Plaintiff. Plaintiff is informed and believes and thereupon alleges that each of the fictitiously-named Defendants are responsible for the wrongful acts alleged herein and is therefore liable to Plaintiff as alleged hereinafter.

9. Plaintiff is informed and believes, and based thereupon alleges, that at all times relevant, Defendants, and each of them, were the agents, employees, managing agents, supervisors, conspirators, parent corporation, joint employers, alter ego, and/or joint ventures of the other Defendants, and each of them, and in doing the things alleged herein, were acting at

GENERAL ALLEGATIONS

14. Defendant is in the business of selling vehicles. Defendant employed Plaintiff and Aggrieved Employees in California during the relevant PAGA period. Aggrieved Employees are all former and/or current non-exempt employees holding various positions and employed by Defendant within California during the relevant time period who may have been subject to at least one or more Labor Code violations set forth in the PAGA Notice dated February 12, 2025.

15. Plaintiff was employed by Defendant as a finance manager from about April 4, 2024, until approximately April 2025. Plaintiff's primary duties include assisting Defendants clients with financing their vehicles at the time of purchasing their vehicle.

16. The position required Plaintiff to work more than 8 hours a day and/or 40 hours per week without lawful compensation. Plaintiff and Aggrieved Employees were regularly not paid for minimum wages and overtime for compensable work time spent under the control of Defendant, including off-the-clock work which was in excess of regularly scheduled, eight-hour daily shifts.

17. Plaintiff and Aggrieved Employees were not paid for all compensable work time at the correct rate of pay. Plaintiff and Aggrieved Employees received non-discretionary pay in the form of "Comm washout," and "Adv Adjustment," that was not included in overtime compensation and all required premium pay.

18. Plaintiff and Aggrieved Employees also did not receive all compensation for their rest periods. Defendants did not pay all applicable rest and recovery time.

19. Plaintiff and Aggrieved Employees were subject to not having all their compensable work time recorded due to Defendant's lack of adequate staffing. Not all of Plaintiff and Aggrieved Employees' compensable work time spent under the control of Defendant was accounted for and compensated. Specifically, Plaintiff is informed and believes that Defendant (1) adjusted clock in and clock out times to the disadvantage of Plaintiff and other Aggrieved Employees by rounding up clock-in times when Plaintiff and Aggrieved Employees clocked-in before the scheduled start of their respective shifts and rounded down clock-out times when

1 Plaintiff and Aggrieved Employees worked past the scheduled end time for their shifts, as well
2 as (2) requiring Plaintiff and Aggrieved Employees to continue working when ostensibly on
3 duty-free meal periods, or requiring them to return to work before the end of their thirty-minute
4 meal periods but prohibiting them from clocking back in until the legally required thirty-minute
5 mark.

6 20. Based on information and belief, Plaintiff believes he and Aggrieved Employees
7 were also not being reimbursed for all necessary expenses incurred in the performance of their
8 job duties. Specifically, Defendant required Plaintiff and Aggrieved Employees, regardless of
9 classification, to use their personal cellular telephones to communicate with colleagues and
10 supervisors in the course of performing their respective duties but failed to reimburse them for
11 use of the personal cellular devices nor the consumption of personal calling to communicate with
12 supervisors regarding job duties and defendant's clients . Plaintiff and Aggrieved employees
13 were required to purchase their computer monitor, keyboard, mouse to perform their job duties.
14 Additionally, Plaintiff and Aggrieved employees were required to wash and maintain
15 defendant's uniform at their own time and expense without reimbursement.

16 21. Defendant failed to authorize and permit all required meal and rest periods for
17 Plaintiff and Aggrieved Employees because, upon information and belief, Defendant maintained
18 unlawful meal/rest period policies and practices. In order to curtail labor costs, Defendant
19 regularly did not staff enough employees to provide sufficient coverage to maintain their
20 business operations so Plaintiff and Aggrieved Employees could not both complete their
21 assigned daily duties and take complete, timely and uninterrupted meal and rest breaks.
22 Defendant prioritized completion of daily duties and customer satisfaction ahead of meal and
23 rest period compliance. Defendant failed to provide Plaintiff and Aggrieved Employees with an
24 additional hour of premium pay at the regular rate of pay for each meal/rest period violation, as
25 required by Labor Code section 226.7.

26 22. As a result of the violations described above, Plaintiff and Aggrieved Employees
27 experienced collateral or derivative violations. Specifically, Defendant failed to provide Plaintiff
28

1 and Aggrieved Employees accurate itemized wage statements in writing in compliance with
2 Labor Code section 226 and failed to compensate Plaintiff and Aggrieved Employees for all
3 wages owed at the time employment with Defendant had ended.

4 23. Pursuant to Labor Code section 2699, subdivision (a), any provision of the Labor
5 Code that provides for a civil penalty to be assessed and collected by the LWDA or any of its
6 departments, divisions, commissions, boards, agencies or employees for violation of the code
7 may, as an alternative, be recovered through a civil action brought by an aggrieved employee on
8 behalf of himself and other current or former employees pursuant to the procedures specified in
9 Labor Code section 2699.3.

10 24. For all provisions of the Labor Code except those for which a civil penalty is
11 specifically provided, Labor Code section 2699, subdivision (f) imposes upon Defendant a
12 penalty of one hundred dollars (\$100.00) for each Aggrieved Employee per pay period for the
13 initial violation and two hundred dollars (\$200.00) for each Aggrieved Employee per pay period
14 for each subsequent pay period in which Defendant violated these provisions of the Labor Code.

15 25. Defendant's conduct during the PAGA period with respect to Plaintiff and
16 Aggrieved Employees violates numerous Labor Code sections as detailed herein.

17 26. Plaintiff alleges that Defendant has engaged in a systematic pattern of wage and
18 hour violations under the California Labor Code and IWC Wage Orders.

19 27. At all relevant times herein, Defendant employed Plaintiff and Aggrieved
20 Employees who were subject to the employment policies described herein, in whole or in part,
21 and therefore suffered at least one or more of the violations set forth herein.

22 28. Plaintiff is informed and believes, and based thereon alleges, that Defendant knew
23 or should have known that Plaintiff and Aggrieved Employees were entitled to receive wages
24 for all hours worked, including the applicable minimum, regular, and overtime wages, and that
25 they were not receiving all wages earned for work that was required to be performed. In violation
26 of the Labor Code and IWC Wage Orders, Defendant failed to pay Plaintiff and Aggrieved
27 Employees for all hours worked. Accordingly, Defendant failed to pay Plaintiff and Aggrieved
28

1 Employees all earned minimum, regular, and/or overtime compensation.

2 29. Plaintiff is informed and believes, and based thereon alleges, that Defendant knew
3 or should have known that Plaintiff and Aggrieved Employees were entitled to receive all
4 required meal periods or payment of one (1) additional hour of pay at Plaintiff and Aggrieved
5 Employees' regular rate of pay when they did not receive a timely, uninterrupted off-duty meal
6 period. In violation of the Labor Code and IWC Wage Orders, Defendant had a pattern, practice,
7 and policy of not providing timely meal periods. Defendant failed to pay an additional hour of
8 pay to Plaintiff and Aggrieved Employees for late meal periods. As a result of Defendant's
9 unlawful policy and practice, Plaintiff and aggrieved employees did not receive all meal periods
10 or payment of one (1) additional hour of pay at Plaintiff's and Aggrieved Employees' regular
11 rate of pay when they did not receive a timely, uninterrupted 30 minute off-duty meal period.

12 30. Plaintiff is informed and believes, and based thereon alleges, that Defendant knew
13 or should have known that Plaintiff and Aggrieved Employees were entitled to receive all
14 required rest periods or payment of one (1) additional hour of pay at Plaintiff and Aggrieved
15 Employees' regular rate of pay when they did not receive a timely, uninterrupted off-duty rest
16 period. In violation of the Labor Code and IWC Wage Orders, Defendant had a pattern, practice,
17 and policy of not providing timely rest periods. Defendant failed to pay an additional hour of
18 pay to Plaintiff and Aggrieved Employees for each rest periods were not provided or was
19 interrupted. As a result of Defendant's unlawful policy and practice, Plaintiff and Aggrieved
20 Employees did not receive all required rest periods or payment of one (1) additional hour of pay
21 at Plaintiff's and Aggrieved Employees' regular rate of pay when they did not receive a timely,
22 uninterrupted 10 minute off-duty rest period.

23 31. Plaintiff is informed and believes, and based thereon alleges, that Defendant knew
24 or should have known that Plaintiff and certain Aggrieved Employees were entitled to timely
25 payment of wages due upon separation of employment. In violation of the Labor Code, Plaintiff
26 and certain Aggrieved Employees did not receive payment of all wages due, within permissible
27 time periods, upon separation of employment.

32. Plaintiff is informed and believes, and based thereon alleges, that Defendant knew or should have known that Plaintiff and Aggrieved Employees were entitled to receive itemized wage statements that accurately showed their actual hours worked, total hours worked, number of hours worked at each hourly rate, gross and net wages earned, and correct employer information in accordance with California law. As a result of the wage violations specified above, and in violation of the Labor Code, Plaintiff and Aggrieved Employees were not provided with accurate itemized wage statements that accurately reported their gross and net wages earned, total hours worked, each applicable rate of pay in effect during the pay period with the corresponding number of hours worked, and the address of the legal entity that is the employer, among other things.

33. Plaintiff is informed and believes, and thereon alleges, that Defendant knew or should have known that Defendant was required to maintain accurate records of the hours worked by Plaintiff and Aggrieved Employees. In violation of the Labor Code, Defendant failed to maintain accurate records of hours worked by Plaintiff and Aggrieved Employees due to its off-the-clock and/or unfair rounding practices, among other things.

FIRST CAUSE OF ACTION

**(Civil Penalties Under the Private Attorneys General Act,
Labor Code § 2699 et seq., For Violations of the Labor Code)**

34. Plaintiff realleges and incorporates by reference the preceding paragraphs of this Complaint as if fully alleged herein.

35. By this complaint, Plaintiff brings this case as a representative action seeking penalties for himself, the Aggrieved Employees, and the State of California in a representative capacity, as provided by the PAGA, Labor Code sections 2698 et seq. Plaintiff is an Aggrieved Employee who was employed by Defendant and subject to at least one of the Labor Code violations set forth in Labor Code section 2699.5. Plaintiff specifically alleged the following in their notice to the LWDA and Defendants: violation of Labor Code sections 201, 202, 203, 204, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198 and

2802.

36. Under Labor Code section 2699.3, subdivision (a), a plaintiff may bring a cause of action under PAGA only after giving the LWDA and the employer notice of the Labor Code sections alleged to have been violated, and after receiving notice from the LWDA of its intention not to investigate, or after 65 days have passed without notice from the LWDA.

37. Prior to filing this complaint, on February 12, 2025, Plaintiff gave written notice of the specific provisions alleged to have been violated, including the facts and theories to support the alleged violations, as required by Labor Code section 2699.3 to Defendants FIRSTAMERICA AUTOMOTIVE, LLC, SONIC AUTOMOTIVE PROTECTION PRODUCTS, INC and ECHOPARK AUTOMOTIVE, LLC. The written notice was given via certified mail to Defendant's, and the LWDA by electronically filing the notice via the Department of Industrial Relations website. Plaintiff was given an LWDA case number of LWDA-CM- 1079478-25; LWDA-CM- 1079482-25, and LWDA-CM- 1079479-25.

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

39. California Labor Code §§2698-2699.5, in relevant part provides, "any provision of this code that provides for a civil penalty to be assessed and collected by the Labor and Workforce Development Agency...for a violation of this 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 Section 2699.3."

40. As an Aggrieved Employee, Plaintiff brings this civil action to recover civil penalties for Defendant's Labor Code violations.

//

//

//

1 **First Violation**

2 **(Failure to Provide Meal Periods, in Violation of Labor Code Section 512)**

3 41. Under California Labor Code §512(a), “An employer may not employ an
4 employee for a work period of more than five hours per day without providing the employee
5 with a meal period of not less than 30 minutes, except that if the total work period per day of the
6 employee is no more than six hours, the meal period may be waived by mutual consent of both
7 the employer and employee.”

8 42. Defendant violated Labor Code § 512 by failing to provide Plaintiff and
9 Aggrieved Employees who worked shifts of greater than five hours, uninterrupted and/or timely
10 meal periods within the first five hours of the shifts worked.

11 43. Defendant failed to pay Plaintiff one hour’s pay at Plaintiff’s regular rate of pay
12 for each day Defendant failed to provide a meal period in compliance with section 512.

13 **Second Violation**

14 **(Failure to Provide Rest Periods, in Violation of Labor Code Section 226.7)**

15 44. Under California Labor Code §226.7(b), “An employer shall not require an
16 employee to work during a meal or rest or recovery period mandated pursuant to an applicable
17 statute, or applicable regulation, standard, or order of the Industrial Welfare Commission”

18 45. Industrial Welfare Commission (IWC) provides, “Every employer shall authorize
19 and permit all employees to take rest periods, which insofar as practicable shall be in the middle
20 of each work period. The authorized rest period time shall be based on the total hours worked
21 daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof.”

22 46. Defendant failed to authorize and permit Plaintiff and Aggrieved Employees to
23 take rest periods and mandated by the Wage Order.

24 47. Under §226.7(c), an employer who violates §226.7(b), “...shall pay the employee
25 one additional hour of pay at the employee’s regular rate of compensation for each workday that
26 the meal or rest or recovery period is not provided.”

27 48. Defendant failed to pay Plaintiff and Aggrieved Employees who were not
28

provided rest periods one hour of pay at their regular rate of pay.

Third Violation

**(Failure to Provide Complete and Accurate Wage Statements,
in Violation of Labor Code Section 226)**

49. Under California Labor Code §226(a), an employer is legally obligated to provide its employees, semi-monthly or at the time of payment of wages, “an accurate itemized statement in writing...”

50. Plaintiff, on behalf of the State of California and the LWDA, seeks civil penalties for Defendant’s Labor Code violations alleged herein, as well as attorney’s fees and costs, under Labor Code § 2699.

Fourth Violation

(Failure to Pay Overtime Wages)

51. Pursuant to California Labor Code §§ 510, 1194, and IWC Wage Orders, an employer is required to compensate employees for all overtime, which is calculated at one and one-half (1½) times the regular rate of pay for all hours worked in excess of eight (8) hours per day and/or forty (40) hours per week, and for the first eight (8) hours on the seventh consecutive workday, with double time for all hours worked in excess of twelve (12) hours in any workday and for all hours worked in excess of eight (8) hours on the seventh consecutive day of work in any workweek.

52. Plaintiff, on behalf of the State of California and the LWDA, seeks civil penalties for Defendant’s Labor Code violations alleged herein, as well as attorney’s fees and costs, under Labor Code § 2699.

Fifth Violation

(Failure to Pay Minimum Wages)

53. Pursuant to California Labor Code §§ 1194, 1197, and IWC Wage Orders, payment to an employee of less than the applicable minimum wage for all hours worked in a payroll period is unlawful.

54. Plaintiff, on behalf of the State of California and the LWDA, seeks civil penalties for Defendant's Labor Code violations alleged herein, as well as attorney's fees and costs, under Labor Code § 2699.

Sixth Violation

(Failure to Timely Pay Wages During Employment)

55. Pursuant to California Labor Code § 204, for all labor performed between the 1st and 15th days of any calendar month, an employer is required to pay its employees between the 16th and 26th day of the month during which the labor was performed. California Labor Code § 204 also provides that for all labor performed between the 16th and 26th days of any calendar month, Defendant was required to pay their employees between the 1st and 15th day of the following calendar month. In addition, California Labor Code § 204 provides that all wages earned for labor in excess of the normal work period shall be paid no later than the payday of the next regular payroll period.

56. Plaintiff, on behalf of the State of California and the LWDA, seeks civil penalties for Defendant's Labor Code violations alleged herein, as well as attorney's fees and costs, under Labor Code § 2699.

Seventh Violation

(Failure to Pay All Wages Due to Discharged and Quitting Employees)

57. Pursuant to California Labor Code § 201, 202, and 203, Defendant is required to pay all earned and unpaid wages to an employee who is discharged. California Labor Code § 201 mandates that if an employer discharges an employee, the employee's wages accrued and unpaid at the time of discharge are due and payable immediately.

58. Plaintiff, on behalf of the State of California and the LWDA, seeks civil penalties for Defendant's Labor Code violations alleged herein, as well as attorney's fees and costs, under Labor Code § 2699.

//

//

Eighth Violation

Failure to Reimburse Business Expenses in Violation of Labor Code § 2802

(Against all Defendants and DOES 1 to 50, inclusive)

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

60. Defendants failed to indemnify and reimburse Plaintiff for all necessary expenditures or losses incurred by Plaintiff in direct consequence of the discharge of Plaintiff's job duties.

61. Pursuant to Labor Code § 2802, Plaintiff is entitled to recover business expenses incurred as a result of discharging his duties, including interest.

62. Plaintiff, on behalf of the State of California and the LWDA, seeks civil penalties for Defendants' Labor Code violations alleged herein, as well as attorney's fees and costs, under Labor Code § 2699.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for the following relief:

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

Respectfully Submitted,

Dated: June 25, 2025

WORK LAWYERS PC



Justin Lo, Esq.
Attorney for Plaintiff KEN CHENG and
Aggrieved Employees