

March 11, 2025

Filed via the LWDA's PAGA Claim Notice Online Form

Copies Sent via Certified U.S. Mail to:

Human Resources
CES Cleaning Contractors LLC
1460 Shaw Rd
Stockton, CA 95215

CES Cleaning Contractors LLC
c/o Matthew H. Mascara
1460 Shaw Rd
Stockton, CA 95215

Re: *Maria Isabel Valdez v. CES Cleaning Contractors LLC*
Notice of Intent to File Suit Pursuant to California Labor Code
Section 2699

To Whom It May Concern:

This office represents Maria Isabel Valdez ("Plaintiff") and a group of the putative class members in a forthcoming lawsuit against CES Cleaning Contractors LLC ("Defendant"). The action, entitled *Maria Isabel Valdez v. CES Cleaning Contractors LLC*, is to be filed in the Superior Court of the State of California for the County of San Joaquin (the "Action"). A copy of the complaint as currently drafted, and as is intended to be filed in the Action, is enclosed as **Exhibit A**. This letter incorporates by reference the facts, law, and allegations of Exhibit A.

This letter serves as notice pursuant to the California Labor Code Private Attorneys General Act of 2004 ("PAGA"), codified at California Labor Code sections 2698 through 2699.6, that we intend to include representative claims in the Action for civil penalties under PAGA on behalf of a group of aggrieved employees. For the purposes of this letter, "Aggrieved Employees" is defined as: *All individuals who are or were employed by Defendant(s) as non-exempt employees in California, from one year prior to the mailing of this notice through the date of trial.*

As set forth in more detail in Exhibit A, Defendant violated its obligations to Plaintiff and the Aggrieved Employees under California law by: failing to pay minimum wages for all hours worked, failing to pay all applicable split shift premiums owed, failing to pay all overtime wages earned, failing to pay all accrued vacation time, failing to provide lawful rest periods and pay missed rest period premiums, failing to provide lawful meal periods and pay missed meal period premiums, failing to maintain accurate records, failing to reimburse all necessary business expenses, failing to provide accurate and complete wage statements, failing to pay all wages in full and on time during employment, and failing to pay all wages due upon termination.

Notice of Intent to File PAGA Action

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Because of these systemic violations, Defendant violated: Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 227.3, 510, 512, 1174, 1174.5, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2802, 2084, and California Industrial Welfare Commission Wage Orders Wage Orders 4-2001, 5-2001, 6-2001, and/or 17-2001, and others that may be applicable. (Cal. Code of Regs., tit. 8, §§ 11040, 11050, 11060, 11170.) The enclosed Complaint further details: **(1)** the alleged violations; **(2)** the facts and theories supporting these violations; **(3)** the people and entities, dates, classifications, violations, events, and actions at issue; and **(4)** the illegal practices instituted by Defendant.

Together with this correspondence, the enclosed complaint provides notice that we intend to proceed with a claim for civil penalties in the Action pursuant to PAGA. (See Lab. Code, §§ 2698–2699.6.) We intend to fully prosecute the representative claims alleged in the complaint, including by obtaining civil penalties under PAGA.

Please do not hesitate to contact me if you have any questions.

Sincerely,



JONATHAN MELMED

Enclosure

EXHIBIT A

(Anticipated Class Action Complaint in *Maria Isabel Valdez v. CES Cleaning Contractors LLC*)

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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN JOAQUIN**

MARIA ISABEL VALDEZ, an individual, on
behalf of herself and all others similarly situated,

Plaintiff,

v.

CES CLEANING CONTRACTORS LLC, a
California limited liability company; and DOES
1 TO 50,

Defendants.

Case Number:

Class Action Complaint For:

1. Failure to Pay All Minimum Wages,
2. Failure to Pay Split Shift Premiums,
3. Failure to Pay All Overtime Wages,
4. Failure to Pay Accrued Vacation Wages,
5. Failure to Provide Rest Periods and Pay Missed Rest Period Premiums,
6. Failure to Provide Meal Periods and Pay Missed Meal Period Premiums,
7. Failure to Maintain Accurate Employment Records,
8. Failure to Pay Wages Timely during Employment,
9. Failure to Pay All Wages Earned and Unpaid at Separation,
10. Failure to Indemnify All Necessary Business Expenditures,

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11. Failure to Furnish Accurate Itemized Wage Statements, and
12. Violations of California’s Unfair Competition Law (Bus. & Prof. Code, §§ 17200–17210).

Demand for Jury Trial

1 Plaintiff Maria Isabel Valdez (“Plaintiff”), on behalf of herself and all other similarly situated
2 employees within the State of California, complains and alleges of defendants CES Cleaning
3 Contractors LLC and Does 1 to 50 (collectively, “Defendants”), and each of them, as follows:

4 **I. INTRODUCTION**

5 1. This is a class action complaint brought pursuant to California Code of Civil Procedure
6 section 382.

7 2. The “Class Period” as used herein, is defined as the period from four years prior to the
8 filing of this action and continuing into the present and ongoing. Defendants’ violations of California’s
9 laws as described more fully below have been ongoing throughout the Class Period and are still
10 ongoing.

11 3. Plaintiff brings this class action on behalf of herself and the following class: *All*
12 *individuals who are or were employed by Defendants as non-exempt employees in California during*
13 *the Class Period* (the “Class Members”). (Code Civ. Proc., § 382.)

14 4. Plaintiff brings this action on behalf of herself and the Class Members, as a class action,
15 against Defendants for:

- 16 A. Failure to pay all minimum wages,
- 17 B. Failure to pay split shift premiums,
- 18 C. Failure to pay all overtime wages,
- 19 D. Failure to pay accrued vacation wages,
- 20 E. Failure to provide rest periods and pay missed rest period premiums,
- 21 F. Failure to provide meal periods and pay missed meal period premiums,
- 22 G. Failure to maintain accurate employment records,
- 23 H. Failure to pay wages timely during employment,
- 24 I. Failure to pay all wages earned and unpaid at separation,
- 25 J. Failure to indemnify all necessary business expenditures,
- 26 K. Failure to furnish accurate itemized wage statements, and
- 27 L. Violations of California’s Unfair Competition Law (“UCL”) (Bus. & Prof.
28 Code, §§ 17200–17210).

1 5. Plaintiff is informed and believes and thereon alleges that the California Industrial
2 Welfare Commission (“IWC”) Wage Orders applicable to the facts of this case are IWC Wage Orders
3 4-2001, 5-2001, 6-2001, and/or 17-2001 (the “Applicable Wage Orders”) and possibly others that may
4 be applicable. (Cal. Code of Regs., tit. 8, §§ 11040, 11050, 11060, 11170.) Plaintiff reserves the right
5 to amend or modify the definition of “Applicable Wage Orders” with greater specificity or add
6 additional IWC Wage Orders if additional applicable wage orders are discovered in litigation.

7 **II. JURISDICTION & VENUE**

8 6. This Court has subject matter jurisdiction over all causes of action asserted herein
9 pursuant to Article VI, section 10, of the California Constitution and Code of Civil Procedure section
10 410.10 because this is a civil action in which the matter in controversy, exclusive of interest, exceeds
11 \$25,000, and because each cause of action asserted arises under the laws of the State of California or
12 is subject to adjudication in the courts of the State of California.

13 7. This Court has personal jurisdiction over Defendants because Defendants have caused
14 injuries in the County of San Joaquin and the State of California through their acts, and by their
15 violation of the California Labor Code and California state common law. Defendants transact millions
16 of dollars of business within the State of California. Defendants own, maintain offices, transact
17 business, have an agent or agents within the County of San Joaquin, and/or otherwise are found within
18 the County of San Joaquin, and Defendants are within the jurisdiction of this Court for purposes of
19 service of process.

20 8. Venue as to Defendants is proper in this judicial district, pursuant to section 395 of the
21 Code of Civil Procedure. Defendants operate within California and do business within San Joaquin
22 County, California. The unlawful acts alleged herein have a direct effect on Plaintiff and all of
23 Defendants’ employees identified above within San Joaquin County and surrounding counties where
24 Defendants may remotely operate.

25 9. This matter is not appropriate for removal under the Class Action Fairness Act (28
26 U.S.C. § 1332) as the amount in controversy for Plaintiff’s and the Class Members’ claims, in
27 aggregate, is less than \$5 million. Additionally, all the allegations herein occurred in the State of
28 California. As such, even if the amount in controversy did exceed \$5 million this matter would still not

1 be appropriate for removal under the “local controversy” exception to the Class Action Fairness Act.
2 (28 U.S.C. § 1332, subd. (d)(4)(A).)

3 **III. THE PARTIES**

4 **A. PLAINTIFF**

5 10. At all relevant times, Plaintiff, who is over the age of 18, was and currently is a citizen
6 of California residing in the State of California. Defendants employed Plaintiff as a non-exempt hourly
7 employee in the County of San Joaquin.

8 11. Plaintiff brings this action on behalf of herself and the following class pursuant to
9 section 382 of the Code of Civil Procedure as follows: *All individuals who are or were employed by*
10 *Defendants as non-exempt employees in California during the Class Period* (the “Class Members”).

11 12. The Class Members, at all times pertinent hereto, are or were employees of Defendants
12 during the relevant statutory period.

13 **B. DEFENDANTS**

14 13. Plaintiff is informed and believes and thereon alleges that Defendants were authorized
15 to and doing business in San Joaquin County and is and/or was the legal employer of Plaintiff and the
16 other Class Members during the applicable statutory periods. Plaintiff and the other Class Members
17 were, and are, subject to Defendants’ policies and/or practices complained of herein and have been
18 deprived of the rights guaranteed to them by: California Labor Code sections 201, 202, 203, 204, 210,
19 226, 226.3, 226.7, 227.3, 510, 512, 1174, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2802,
20 2804, and others that may be applicable; California Business and Professions Code sections 17200
21 through 17210 (“UCL”); and the Applicable Wage Orders (Cal. Code of Regs., tit. 8, §§ 11040, 11050,
22 11060, 11170).

23 14. Plaintiff is informed and believes, and based thereon alleges, that during the Class
24 Period, Defendants did (and continue to do) business in the State of California, County of San Joaquin.
25 Defendants’ operations are headquartered in San Joaquin County.

26 15. Plaintiff does not know the true names or capacities, whether individual, partner, or
27 corporate, of the defendants sued herein as Does 1 to 50, inclusive, and for that reason, said defendants
28 are sued under such fictitious names, and Plaintiff will seek leave from this Court to amend this

1 complaint when such true names and capacities are discovered. Plaintiff is informed, and believes, and
2 thereon alleges, that each of said fictitious defendants, whether individual, partners, or corporate, were
3 responsible in some manner for the acts and omissions alleged herein, and proximately caused Plaintiff
4 and the other Class Members to be subject to the unlawful employment practices, wrongs, injuries, and
5 damages complained of herein.

6 16. Plaintiff is informed, and believes, and thereon alleges, that at all times mentioned
7 herein, Defendants were and/or are the employers of Plaintiff and the other Class Members. At all times
8 herein mentioned, each of said Defendants participated in the doing of the acts hereinafter alleged to
9 have been done by the named Defendants. Furthermore, the Defendants, and each of them, were the
10 agents, representatives, and employees of each and every one of the other Defendants, and at all times
11 herein mentioned were acting within the course and scope of said agency, representation, and
12 employment. Defendants, and each of them, approved of, condoned, or otherwise ratified every one of
13 the acts or omissions complained of herein.

14 17. Plaintiff is further informed, and believes, and thereon alleges, that at all times
15 mentioned herein, that Defendants, and each of them, are the alter egos of one another and that there
16 existed and now exists a unity of interest and ownership between them such that the individuality and
17 separateness of each of them has ceased. Plaintiff is further informed, and believes, and thereon alleges,
18 that at all times mentioned herein, that Defendants, and each of them, have been and now are mere
19 shells and naked frameworks that their principal uses for the conduct of that Defendant's own business,
20 property, and affairs, for which Defendants, and each of them, have concealed and misrepresented their
21 identities as the entities responsible for their ownership, management, and financial interests.

22 18. Plaintiff is further informed, and believes, and thereon alleges, that at all times
23 mentioned herein, Defendants, and each of them, were members of and engaged in a joint venture,
24 partnership, and common enterprise, and acting within the course and scope of and in pursuance of said
25 joint venture, partnership, and common enterprise. Further, Plaintiff is informed, and believes, and
26 thereon alleges, that all Defendants were joint employers for all purposes of Plaintiff and the other
27 Class Members.
28

1 **IV. COMMON FACTS & ALLEGATIONS**

2 19. Plaintiff and the other Class Members (collectively, the “Class Members”) are, and were
3 at all relevant times, employed by the Defendants within the State of California.

4 20. The Class Members are, and were, at all relevant times, non-exempt employees for the
5 purposes of minimum wages, split shift premiums, overtime, rest breaks, meal periods, and the other
6 claims alleged in this complaint.

7 21. Specifically, Plaintiff was employed by Defendants within the statutory Class Period,
8 working as an hourly, non-exempt employee for Defendants.

9 **A. MINIMUM WAGE VIOLATIONS**

10 22. Labor Code section 1197 requires employees to be paid at least the minimum wage fixed
11 by the IWC, and any payment of less than the minimum wage is unlawful. Similarly, Labor Code
12 section 1194 entitles “any employee receiving less than the legal minimum wage . . . to recover in a
13 civil action the unpaid balance of the full amount of this minimum wage.” Likewise, the Applicable
14 Wage Orders also obligate employers to pay each employee minimum wages for all hours worked.
15 (Cal. Code of Regs., tit. 8, §§ 11040, 11050, 11060, 11170.) Labor Code section 1198 makes unlawful
16 the employment of an employee under conditions that the IWC Wage Orders prohibit.

17 23. These minimum wage standards apply to each hour that employees work. Therefore, an
18 employer’s failure to pay for any particular time worked by an employee is unlawful, even if averaging
19 an employee’s total pay over all hours worked, paid or not, results in an average hourly wage above
20 minimum wage. (*Armenta v. Osmose, Inc.* (2005) 135 Cal.App.4th 314, 324.)

21 24. Here, Defendants failed to fully conform their pay practices to the requirements of the
22 law during the relevant statutory periods. The Class Members were not compensated for all hours
23 worked including, but not limited to, all hours they were subject to the control of Defendants and/or
24 suffered or permitted to work under the California Labor Code and the Applicable Wage Orders.
25 Among other violations, the Class Members were subject to the control of Defendants while off-the-
26 clock and did not receive minimum wage for each hour worked.

27 25. Labor Code sections 1194, subdivision (a), and 1194.2, subdivision (a), provide that an
28 employer who has failed to pay its employees the legal minimum wage is liable to pay those employees

1 the unpaid balance of the unpaid wages as well as liquidated damages in an amount equal to the wages
2 due and interest thereon.

3 26. When employees, such as the Class Members, are not paid for all hours worked under
4 Labor Code section 1194, they are entitled to recover minimum wages for the time which they received
5 no compensation. (See *Sillah v. Command International Security Services* (N.D. Cal. 2015) 154
6 F.Supp.3d 891 [employees suing for failure to pay overtime could recover liquidated damages under
7 Labor Code section 1194.2 if they also showed they were paid less than minimum wage].)

8 27. Labor Code section 1197.1 authorizes employees who are paid less than the minimum
9 wage fixed by an applicable state or local law, or by an order of the IWC, a civil penalty, among other
10 damages, as follows:

11 (1) “For any initial violation that is intentionally committed, one hundred
12 dollars (\$100) for each underpaid employee for each pay period for
13 which the employee is underpaid.”

14 (2) “For each subsequent violation for the same specific offense, two
15 hundred fifty dollars (\$250) for each underpaid employee for each pay
16 period for which the employee is underpaid regardless of whether the
17 initial violation is intentionally committed.” (Lab. Code, § 1197.1, subd.

18 (a).)

19 28. As set forth above, Defendants failed to fully compensate the Class Members for all
20 minimum wages. Accordingly, the Class Members are entitled to recover liquidated damages for
21 violations of Labor Code section 1197.1.

22 29. Based upon these same factual allegations, the Class Members are likewise entitled to
23 penalties under Labor Code sections 1199.

24 **B. UNPAID SPLIT SHIFT PREMIUMS**

25 30. Under the Applicable Wage Orders, a “split shift” is defined as “a work schedule, which
26 is interrupted by non-paid non-working periods established by the employer, other than bona fide rest
27 or meal periods.” When an employer requires an employee to work a split shift, the employee is entitled
28 to a split shift premium, which is equal to the difference between what the employee earned for the

1 shift and what they would have earned had they been paid the minimum wage for their entire shift plus
2 an extra hour. (Cal. Code of Regs., tit. 8, §§ 11040, 11050, 11060, 11170, subds. 4(C); *Aleman v.*
3 *AirTouch Cellular* (2012) 209 Cal.App.4th 556, 575–576.) The Applicable Wage Orders treat split
4 shift violations as a minimum wage violation. Labor Code sections 1197 and 1198 make the minimum
5 wages set by the IWC enforceable and recoverable in a civil action.

6 31. Here, the Class Members were at times scheduled to work more than one shift in the
7 same day, with an unpaid, non-working break of longer than an hour—and longer than a bona fide
8 meal period—between the shifts. This includes many occasions when the total amount paid to the Class
9 Members was less than the minimum wage for all hours worked plus one hour. Defendants, however,
10 failed to pay the Class Members one hour’s pay at the state minimum wage in addition to the minimum
11 wage for the workday.

12 C. OVERTIME VIOLATIONS

13 32. Labor Code section 510 requires employers to compensate employees who work more
14 than eight hours in one workday, forty hours in a workweek, and for the first eight hours worked on
15 the seventh consecutive day no less than one and one-half times the regular rate of pay for an employee.
16 (Lab. Code, § 510, subd. (a).) Further, Labor Code section 510 obligates employers to compensate
17 employees at no less than twice the regular rate of pay when an employee works more than twelve
18 hours in a day or more than eight hours on the seventh consecutive day of work. (Lab. Code, § 510,
19 subd. (a).) These rules are also reflected in the Applicable Wage Orders.

20 33. In accordance with Labor Code section 1194 and the Applicable Wage Orders, the Class
21 Members could not then agree and cannot now agree to work for a lesser wage than the amount
22 provided by Labor Code sections 510 or the Applicable Wage Orders.

23 34. Here, Defendants violated their duty to accurately and completely compensate the Class
24 Members for all overtime worked. The Class Members periodically worked hours that entitled them to
25 overtime compensation under the law but were not fully compensated for those hours.

26 35. These actions were and are in clear violation of California’s overtime laws as set forth
27 in Labor Code sections 510, 1194, 1199, and the Applicable Wage Orders. (Cal. Code of Regs., tit. 8,
28 §§ 11040, 11050, 11060, 11170.) As a result of Defendants’ faulty policies and practices, the Class

1 Members were not compensated for all hours worked or paid accurate overtime compensation.

2 **D. UNPAID ACCRUED VACATION TIME**

3 36. California Labor Code section 227.3 states that:

4 “[W]henever a contract of employment or employer policy provides for paid
5 vacations, and an employee is terminated without having taken off his vested
6 vacation time, all vested vacation shall be paid to him as wages at his final rate
7 in accordance with such contract of employment or employer policy respecting
8 eligibility or time served; provided, however, that an employment contract or
9 employer policy shall not provide for forfeiture of vested vacation time upon
10 termination.”

11 37. Thus, when an employer has a vacation policy, it must pay out all accrued but unused
12 vacation time upon termination. An employer may not adopt policies that require forfeiture of vested
13 vacation time without compensation. (*Rhea v. General Atomics* (2014) 227 Cal.App.4th 1560, 1571
14 [“California law prohibits an employer from requiring the forfeiture of vacation time”].)

15 38. Here, Defendants had a vacation policy, and the Class Members had completed all
16 prerequisites and/or necessary limitations of service required by Defendants’ vacation policy to
17 accumulate vested vacation pay. Despite that fact, many of the Class Members were denied all accrued
18 but unused vacation time at termination in violation of California law.

19 39. By failing to pay accrued vacation time at termination of employment, Defendants have
20 violated California Labor Code provisions including, but not limited to, sections 201, 202, and 227.3.

21 **E. REST BREAK VIOLATIONS**

22 40. Pursuant to Labor Code section 226.7 and the Applicable Wage Orders, Defendants
23 were and are required to provide the Class Members with compensated, duty-free rest periods of not
24 less than ten minutes for every major fraction of four hours worked. Under the Applicable Wage
25 Orders, an employer must authorize and permit all employees to take ten minute duty free rest periods
26 for every major fraction of four hours worked. (Cal. Code of Regs., tit. 8, §§ 11040, 11050, 11060,
27 11170.)
28

1 41. Likewise, Labor Code section 226.7 provides that “[a]n employer shall not require an
2 employee to work during a meal or rest or recovery period mandated pursuant to an applicable statute,
3 or applicable regulation, standard, or order of the Industrial Welfare Commission” (Lab. Code, §
4 226.7, subd. (b).) Labor Code section 226.7 also provides that employers must pay their employees one
5 additional hour of pay at the employee’s regular rate for each workday that a “meal or rest or recovery
6 period is not provided.” (Lab. Code, § 226.7, subd. (c).) The “regular rate” for these purposes must
7 factor in all nondiscretionary payments for work performed by the employee, including non-
8 discretionary bonuses, commissions, and other forms of wage payments exceeding the employees’ base
9 hourly rate. (*Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.5th 858, 878.) Thus, the Wage
10 Orders set when and for how long the rest period must take place and the Labor Code establishes that
11 violations of the IWC Wage Orders are unlawful and sets forth the premium pay employer must pay
12 their employees when employers fail to provide rest periods.

13 42. The California Supreme Court has held that, during required rest periods, “employers
14 must relieve their employees of all duties and relinquish any control over how employees spend their
15 break time.” (*Augustus v. ABM Security Services, Inc.* (2016) 2 Cal.5th 257, 260.) Relinquishing
16 control over employees during rest periods requires that employees be “free to leave the employer’s
17 premises” and be “permitted to attend to personal business.” (*Id.* at p. 275.) The *Brinker* Court
18 explained in the context of rest breaks that employer liability attaches from adopting an unlawful
19 policy:

20 “An employer is required to authorize and permit the amount of rest break time
21 called for under the wage order for its industry. If it does not—if, for example,
22 it adopts a uniform policy authorizing and permitting only one rest break for
23 employees working a seven-hour shift when two are required—it has violated
24 the wage order and is liable.” (*Brinker Rest. Corp. v. Superior Court* (2012) 53
25 Cal.4th 1004, 1033.)

26 43. Here, Defendants periodically did not permit the Class Members to take compliant duty-
27 free rest breaks, free from Defendants’ control as required by Labor Code section 226.7, the Applicable
28 Wage Orders, and applicable precedent. (See *Augustus v. ABM Security Services, Inc.* (2016) 2 Cal.5th

1 257, 269 [concluding that “during rest periods employers must relieve employees of all duties and
2 relinquish control over how employees spend their time.”].) At all relevant times, the Class Members
3 were periodically not provided with legally-compliant and timely rest periods of at least ten minutes
4 for each four hour work period, or major fraction thereof due to Defendants’ unlawful rest period
5 policies/practices. The Class Members were often expected and required to continue working through
6 rest periods to meet the expectations Defendants and finish the workday. In some cases when the Class
7 Members worked more than ten hours in a shift, Defendants failed to authorize and/or permit a third
8 mandated rest period. As a result, the Class Members were periodically unable to take compliant rest
9 periods.

10 44. In such cases where Defendants did not offer the Class Members the opportunity to
11 receive a compliant off-duty rest period, “the court may not conclude employees voluntarily chose to
12 skip those breaks.” (*Alberts v. Aurora Behavioral Health Care* (2015) 241 Cal.App.4th 388, 410 (2015)
13 [“If an employer fails to provide legally compliant meal or rest breaks, the court may not conclude
14 employees voluntarily chose to skip those breaks.”]; *Brinker Rest. Corp. v. Superior Court, supra*, 53
15 Cal.4th at p. 1033 [“No issue of waiver ever arises for a rest break that was required by law but never
16 authorized; if a break is not authorized, an employee has no opportunity to decline to take it.”].)

17 45. In addition to failing to authorize and permit compliant rest periods, the Class Members
18 were not compensated with one hour’s worth of pay at their regular rate of compensation when they
19 were not provided with a compliant rest period in accordance with Labor Code section 226.7,
20 subdivision (c). Thus, Defendants have violated Labor Code section 226.7 and the Applicable Wage
21 Orders.

22 46. Based on the foregoing, Plaintiff seeks to recover, on behalf of herself and other non-
23 exempt employees, rest period premiums and penalties.

24 **F. MEAL BREAK VIOLATIONS**

25 47. Labor Code section 512 and the Applicable Wage Orders require employers to provide
26 employees with a thirty-minute uninterrupted and duty-free meal period within the first five hours of
27 work. (Lab. Code, § 512, subd. (a) [“An employer shall not employ an employee for a work period of
28 more than five hours per day without providing the employee with a meal period of not less than 30

1 minutes”]; Cal. Code of Regs., tit. 8, §§ 11040, 11050, 11060, 11170 [“No employer shall employ
2 any person for a work period of more than five (5) hours without a meal period of not less than 30
3 minutes”].) Additionally, an employee who works more than ten hours per day is entitled to
4 receive a second thirty-minute uninterrupted and duty-free meal period. (Lab. Code, § 512, subd. (a)
5 [“An employer shall not employ an employee for a work period of more than 10 hours per day without
6 providing the employee with a second meal period of not less than 30 minutes”].)

7 48. “An on-duty meal period is permitted only when the nature of the work prevents an
8 employee from being relieved of all duty and the parties agree in writing to an on-duty paid meal
9 break.” (*Lubin v. The Wackenhut Corp.* (2016) 5 Cal.App.5th 926, 932.) The written agreement must
10 include a provision allowing the employee to revoke it at any time. (*Ibid.*) Generally, the California
11 Department of Industrial Relations, Division of Labor Standards Enforcement (“DLSE”) and courts
12 have “found that the nature of the work exception applies: (1) where the work has some particular
13 external force that requires the employee to be on duty at all times, and (2) where the employee is the
14 sole employee of a particular employer.” (*Id.* at p. 945, internal quotation marks omitted; *Abdullah v.*
15 *U.S. Security Associates, Inc.* (9th Cir. 2013) 731 F.3d 952, 958–959.) “[I]t is the employer’s obligation
16 to determine whether the nature of the work prevents an employee from being relieved before requiring
17 an employee to take an on-duty meal period.” (*Lubin v. The Wackenhut Corp.*, *supra*, 5 Cal.App.5th at
18 p. 946.)

19 49. Here, the Class Members were never asked to sign any enforceable document agreeing
20 to an on-duty meal period. Moreover, nothing in the nature of their work involved the kind of “external
21 force” that might justify on-duty meal breaks. (*Lubin v. The Wackenhut Corp.*, *supra*, 5 Cal.App.5th at
22 p. 945.) Nevertheless, Defendants periodically did not provide compliant off-duty meal periods within
23 the first five hours of work for the Class Members.

24 50. As with rest breaks, meal breaks must be duty-free. (*Brinker Restaurant Corp. v.*
25 *Superior Court* (2012) 53 Cal.4th 1004, 1035 [“The IWC’s wage orders have long made a meal period’s
26 duty-free nature its defining characteristic.”].) Relinquishing control over employees during meal
27 periods requires that employees be “free to leave the employer’s premises” and be “permitted to attend
28 to personal business.” (*Augustus v. ABM Security Services, Inc.*, *supra*, 2 Cal.5th at p. 275.) Under

1 Labor Code section 512, if an employer maintains a uniform policy that does not authorize and permit
2 the amount of meal time called for under the law (as specified in the Labor Code and/or applicable
3 IWC Wage Order), “it has violated the wage order and is liable.” (*Brinker Restaurant Corp. v. Superior*
4 *Court, supra*, 53 Cal.4th at p. 1033.)

5 51. During the applicable statutory periods here, the Class Members were periodically
6 denied legally-compliant and timely off-duty meal periods of at least thirty minutes due to Defendants’
7 unlawful meal period policy and practices. As a result of Defendants’ uniform meal period policies and
8 practices, the Class Members were often not permitted to take compliant first meal periods before the
9 end of the fifth hour of work. The Class Members were also periodically not permitted to take second
10 meal periods for shifts in excess of ten hours. Defendants thus violated Labor Code section 512 and
11 the Applicable Wage Orders by failing to advise, authorize, or permit the Class Members to receive
12 thirty-minute, off-duty meal periods within the first five hours of their shifts.

13 52. Labor Code section 226.7 provides that “[a]n employer shall not require an employee
14 to work during a meal or rest or recovery period mandated pursuant to an applicable statute, or
15 applicable regulation, standard, or order of the Industrial Welfare Commission.” (Lab. Code, § 226.7,
16 subd. (b).) Labor Code section 226.7, subdivision (c), and the Applicable Wage Orders further obligate
17 employers to pay employees one additional hour of pay at the employee’s regular rate of compensation
18 for each workday that the meal period is not provided. (Lab. Code, § 226.7, subd. (c); Cal. Code of
19 Regs., tit. 8, §§ 11040, 11050, 11060, 11170 [“If an employer fails to provide an employee a meal
20 period in accordance with the applicable provisions of this order, the employer shall pay the employee
21 one (1) hour of pay at the employee’s regular rate of compensation for each workday that the meal
22 period is not provided.”].) The “regular rate” for these purposes must factor in all nondiscretionary
23 payments for work performed by the employee, including non-discretionary bonuses, commissions,
24 and other forms of wage payments exceeding the employees’ base hourly rate. (*Ferra v. Loews*
25 *Hollywood Hotel, LLC* (2021) 11 Cal.5th 858, 878.)

26 53. Accordingly, for each day that the Class Members did not receive compliant meal
27 periods, they were and are entitled to receive meal period premiums pursuant to Labor Code section
28 226.7 and the Applicable Wage Orders. Defendants, however, failed to pay the Class Members

1 applicable meal period premiums for many workdays that the employees did not receive a compliant
2 meal period. Thus, Defendants have violated Labor Code section 226.7 and the Applicable Wage
3 Orders.

4 54. Based on the foregoing, Plaintiff seeks to recover, on behalf of herself and other non-
5 exempt employees, meal period premiums and penalties.

6 **G. UNTIMELY WAGES DURING EMPLOYMENT**

7 55. Labor Code section 204 expressly requires employers who pay employees on a weekly,
8 biweekly, or semimonthly basis to pay all wages “not more than seven calendar days following the
9 close of the payroll period.” Labor Code section 210, subdivision (a), makes employers who violate
10 Labor Code section 204 subject to a penalty of:

11 “(1) For any initial violation, one hundred dollars (\$100) for each failure to
12 pay each employee.

13 “(2) For each subsequent violation, or any willful or intentional violation, two
14 hundred dollars (\$200) for each failure to pay each employee, plus 25
15 percent of the amount unlawfully withheld.” (Lab. Code, § 210, subd.
16 (a).)

17 56. Notably, the penalty provided by Labor Code section 210 is “[i]n addition to, and
18 entirely independent and apart from, any other penalty provided in this article” (Lab. Code, § 210,
19 subd. (a).)

20 57. Due to Defendants’ failure to pay the Class Members the wages described above, along
21 with rest and meal break premiums, Defendants failed to timely pay the Class Members within seven
22 calendar days following the close of payroll in accordance with Labor Code section 204 on a regular
23 and consistent basis. (See *Parson v. Golden State FC, LLC* (N.D. Cal., May 2, 2016, No. 16-CV-00405-
24 JST) 2016 WL 1734010, at p. *3–5, 2016 U.S. Dist. LEXIS 58299 [finding that a failure to pay rest
25 period premiums can support claims under Labor Code sections 203 and 204].)

26 **H. UNTIMELY WAGES AT SEPARATION**

27 58. Labor Code section 203 provides “if an employer willfully fails to pay . . . any wages
28 of an employee who is discharged or who quits, the wages of the employee shall continue as a penalty”

1 for up to thirty days. (Lab. Code § 203; *Mamika v. Barca* (1998) 68 Cal.App.4th 487, 492.) As a result
2 of Defendants' failure to pay the Class Members for the wages described above, along with rest and
3 meal break premiums, Defendants violated and continue to violate Labor Code section 203.

4 59. Due to Defendants' faulty pay policies, those Class Members whose employment with
5 Defendants concluded were not compensated for each and every hour worked at the appropriate rate.
6 Defendants have failed to pay formerly-employed Class Members whose sums were certain at the time
7 of termination within at least seventy-two hours of their resignation and have failed to pay those sums
8 for thirty days thereafter.

9 **I. FAILURE TO REIMBURSE BUSINESS EXPENSES**

10 60. At all relevant times herein, Defendants were subject to Labor Code section 2802, which
11 states that "an employer shall indemnify his or her employees for all necessary expenditures or losses
12 incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her
13 obedience to the directions of the employer." The purpose of this section is to "prevent employers from
14 passing along their operating expenses onto their employees." (*Gattuso v. Harte-Hanks Shoppers, Inc.*
15 (2007) 42 Cal.4th 554, 562.)

16 61. At all relevant times herein, Defendants were subject to Labor Code section 2804, which
17 states that "any contract or agreement, express or implied, made by any employee to waive the benefits
18 of this article or any part thereof, is null and void, and this article shall not deprive any employee or his
19 personal representative of any right or remedy to which he is entitled under the laws of this State."

20 62. Thus, the Class Members were and are entitled to reimbursement for the expenses they
21 incurred during the course of their duties. The duty to reimburse even extends to the use of equipment
22 the employee may already own and would be required to pay for anyway. (*Cochran v. Schwan's Home*
23 *Serv., Inc.* (2014) 228 Cal.App.4th 1137, 1144 ["The threshold question in this case is this: Does an
24 employer always have to reimburse an employee for the reasonable expense of the mandatory use of a
25 personal cell phone, or is the reimbursement obligation limited to the situation in which the employee
26 incurred an extra expense that he or she would not have otherwise incurred absent the job? The answer
27 is that reimbursement is always required. Otherwise, the employer would receive a windfall because it
28 would be passing its operating expenses on to the employee."].)

63. Here, Defendants failed to fully reimburse the Class Members for necessary expenditures incurred as a direct consequence and requirement of performing their job duties, including the costs associated with their personal cell phone and mileage they required to perform their work. Consequently, Defendants failed to comply with Labor Code section 2802.

J. WAGE STATEMENT VIOLATIONS

64. Defendants also failed to provide accurate itemized wage statements in accordance with Labor Code sections 226, subdivisions (a)(1), (2), (5), and (9). Labor Code section 226, subdivision (a), obligates employers, semi-monthly or at the time of each payment to furnish an itemized wage statement in writing showing:

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

65. Due to Defendants' failure to pay the Class Members properly as described above, the wage statements issued do not indicate the correct amount of gross wages earned, total hours worked, or the net wages earned, or the applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate. Thus, Defendants have violated Labor

1 Code section 226, subdivisions (a)(1), (2), (5), and (9).

2 66. In addition to Labor Code section 226, subdivision (a), Defendants also knowingly and
3 intentionally failed to provide the Class Members with accurate itemized wage statements in violation
4 of Labor Code section 226, subdivision (e). Defendants knew that they were not providing the Class
5 Members with wage statements required by California law but nevertheless failed to correct their
6 unlawful practices and policies. (See *Garnett v. ADT LLC* (E.D. Cal. 2015) 139 F.Supp.3d 1121, 1134
7 [finding the defendant knowingly and intentionally violated Labor Code section 226 because the
8 “[d]efendant knew that it was not providing total hours worked to plaintiff or other employees paid on
9 commission” even though it believed that employees paid solely on commission or commission and
10 salary “are exempt and therefore we do not record hours on a wage statement.”].)

11 **K. RECORDKEEPING VIOLATIONS**

12 67. Labor Code section 226, subdivision (a), requires employers to keep an accurate record
13 of, among other things, all hours worked by employees. Labor Code section 226.3 provides, in pertinent
14 part, as follows:

15 “Any employer who violates subdivision (a) of Section 226 shall be subject to a
16 civil penalty in the amount of two hundred fifty dollars (\$250) per employee per
17 violation in an initial citation and one thousand dollars (\$1,000) per employee
18 for each violation in a subsequent citation, for which the employer fails to
19 provide the employee a wage deduction statement or fails to keep the records
20 required in subdivision (a) of Section 226. The civil penalties provided for in
21 this section are in addition to any other penalty provided by law.” (Lab. Code, §
22 226.3, emphasis added.)

23 68. Likewise, Labor Code section 1174, subdivision (d), requires every employer, including
24 Defendants, to:

25 “Keep, at a central location in the state or at the plants or establishments at which
26 employees are employed, payroll records showing the hours worked daily by
27 and the wages paid to, and the number of piece-rate units earned by and any
28 applicable piece rate paid to, employees employed at the respective plants or

1 establishments. These records shall be kept in accordance with rules established
2 for this purpose by the commission, but in any case shall be kept on file for not
3 less than three years. An employer shall not prohibit an employee from
4 maintaining a personal record of hours worked, or, if paid on a piece-rate basis,
5 piece-rate units earned.” (Lab. Code, § 1174, subd. (d), emphasis added.)

6 69. As explained in detail above, Defendants failed to provide the Class Members with
7 accurate itemized wage statements. Defendants did so, in part, because they failed to accurately track
8 hours worked by the Class Members. Defendants have thus failed to keep accurate records of the “total
9 hours worked by the employee[s]” in violation of Labor Code section 226, subdivision (a), and are
10 therefore subject to the penalties provided by Labor Code section 226.3. These penalties are “in
11 addition to any other penalty provided by law.” (Lab. Code, § 226.3.)

12 70. The failure to accurately track hours worked also resulted in a failure of Defendants to
13 keep a record of all “payroll records showing the hours worked daily by” Defendants’ employees,
14 including Plaintiff and the other Class Members, in violation of Labor Code section 1174, subdivision
15 (d).

16 **V. CLASS ACTION ALLEGATIONS**

17 71. As mentioned above, Plaintiff brings this action on behalf of herself and the Class
18 Members pursuant to section 382 of the Code of Civil Procedure.

19 72. **Numerosity/Ascertainability:** The Class Members are so numerous that joinder of all
20 members would be unfeasible and not practicable. The membership of the class is unknown to Plaintiff
21 at this time; however, it is estimated that the number of Class Members is greater than 100 individuals.
22 The identity of such membership is readily ascertainable via inspection of Defendants’ employment
23 records.

24 73. **Common Questions of Law and Fact Predominate/Well Defined Community of**
25 **Interest:** There are common questions of law and fact as to Plaintiff and all other similarly situated
26 non-exempt employees, which predominate over questions affecting only individual members
27 including, without limitation to:
28

1 A. Whether Defendants' pay policies/practices resulted in a failure to pay the Class
2 Members for all hours worked, including all minimum wages;

3 B. Whether Defendants' pay policies/practices resulted in a failure to pay the Class
4 Members all split shift premiums lawfully owed;

5 C. Whether Defendants' pay policies/practices resulted in a failure to pay the Class
6 Members for all required overtime wages at the Class Members' regular rate of pay;

7 D. Whether Defendants' pay policies/practices resulted in a failure to pay out all
8 accrued vacation time to the Class Members at termination of employment;

9 E. Whether Defendants' rest period policies and practices afforded legally
10 compliant rest periods or compensation in lieu thereof;

11 F. Whether Defendants' meal period policies and practices afforded legally
12 compliant meal periods or compensation in lieu thereof;

13 G. Whether Defendants maintained accurate employment records;

14 H. Whether Defendants timely paid all wages during employment;

15 I. Whether Defendants timely paid all wages earned and unpaid at separation;

16 J. Whether Defendants indemnified their employees for all necessary business
17 expenditures;

18 K. Whether Defendants furnished legally-compliant wage statements to the Class
19 Members pursuant to Labor Code section 226; and

20 L. Whether Defendants' violations of the Labor Code and the Applicable Wage
21 Orders amounted to a violation of California's UCL.

22 74. **Predominance of Common Questions:** Common questions of law and fact
23 predominate over questions that affect only individual Class Members. The common questions of law
24 set forth above are numerous and substantial and stem from Defendants' uniform policies and practices
25 applicable to each individual class member, such as Defendants' uniform policy and practice of failing
26 to pay for all hours worked, Defendants' uniform policies and practices which failed to provide
27 compliant rest periods, Defendants' uniform policies and practices which failed to provide compliant
28 meal periods, Defendants' failure to provide accurate itemized wage statements, and others. As such,

1 the common questions predominate over individual questions concerning each individual class
2 member's showing as to his or her eligibility for recovery or as to the amount of his or her damages.

3 75. **Typicality:** The claims of Plaintiff are typical of the claims of the Class Members
4 because Plaintiff was employed by Defendants as a non-exempt employee in California during the
5 statute(s) of limitation applicable to each cause of action pleaded in this complaint. As alleged herein,
6 Plaintiff, like the other Class Members, was deprived of minimum, regular, and overtime wages
7 because of Defendants' unlawful timekeeping policies and practices, was deprived of rest periods and
8 premium wages in lieu thereof, was deprived of meal periods and premium wages in lieu thereof, was
9 subject to Defendants' uniform rest period policies and practices, was subject to Defendants' uniform
10 meal period policies and practices, was not provided accurate itemized wage statements, was not paid
11 all wages in full and on time, , and was subject to other similar policies and practices to which the Class
12 Members were subject.

13 76. **Adequacy of Representation:** Plaintiff is fully prepared to take all necessary steps to
14 represent fairly and adequately the interests of the Class Members. Moreover, Plaintiff's attorneys are
15 ready, willing, and able to fully and adequately represent the Class Members and Plaintiff. Plaintiff's
16 attorneys have prosecuted numerous wage-and-hour class actions in state and federal court in the past
17 and are committed to vigorously prosecuting this action on behalf of the Class Members.

18 77. **Superiority:** The California Labor Code is broadly remedial in nature and serves an
19 important public interest in establishing minimum working conditions and standards in California.
20 These laws and labor standards protect the average working employee from exploitation by employers
21 who have the responsibility to follow the laws and who may seek to take advantage of superior
22 economic and bargaining power in setting onerous terms and conditions of employment. The nature of
23 this action and the format of laws available to Plaintiff and the Class Members make the class action
24 format a particularly efficient and appropriate procedure to redress the violations alleged herein. If each
25 employee were required to file an individual lawsuit, Defendants would necessarily gain an
26 unconscionable advantage since they would be able to exploit and overwhelm the limited resources of
27 each individual plaintiff with their vastly superior financial and legal resources.
28

1 78. Moreover, requiring each Class Member to pursue an individual remedy would also
2 discourage the assertion of lawful claims by employees who would be disinclined to file an action
3 against their former or current employer for real and justifiable fear of retaliation and permanent
4 damages to their careers at subsequent employment. Further, the prosecution of separate actions by the
5 individual Class Members, even if possible, would create a substantial risk of inconsistent or varying
6 verdicts or adjudications with respect to the individual Class Members against Defendants herein, and
7 which would establish potentially incompatible standards of conduct for Defendants or legal
8 determinations with respect to individual Class Members which would, as a practical matter, be
9 dispositive of the interest of the other Class Members not parties to adjudications or which would
10 substantially impair or impede the ability of the Class Members to protect their interests.

11 79. Further, the claims of the individual Class Members are not sufficiently large to warrant
12 vigorous individual prosecution considering the concomitant costs and expenses attending thereto. As
13 such, the Class Members identified above are maintainable as a class under section 382 of the Code of
14 Civil Procedure.

15 **VI. CAUSES OF ACTION**

16 **First Cause of Action**

17 *Failure to Pay All Minimum Wages*

18 *(Against All Defendants)*

19 80. Plaintiff realleges and incorporates by reference all previous paragraphs.

20 81. Section 4 of the Applicable Wage Orders and Labor Code section 1197 establish the
21 right of employees to be paid minimum wages for all hours worked, in amounts set by state law. (Lab.
22 Code, § 1197; Cal. Code of Regs., tit. 8, §§ 11040, 11050, 11060, 11170.) Labor Code sections 1194,
23 subdivision (a), and 1194.2, subdivision (a), provide that an employee who has not been paid the legal
24 minimum wage as required by Labor Code section 1197 may recover the unpaid balance, together with
25 attorneys' fees and costs of suit, as well as liquidated damages in an amount equal to the unpaid wages
26 and interest accrued thereon.

27 82. Here, Defendants failed to fully conform their pay practices to the requirements of the
28 law during the relevant statutory periods. Plaintiff and the other Class Members were not compensated

1 for all hours worked including, but not limited to, all hours they were subject to the control of
2 Defendants and/or suffered or permitted to work under the Labor Code and the Applicable Wage
3 Orders.

4 83. Labor Code section 1198 makes unlawful the employment of an employee under
5 conditions that the IWC Wage Orders prohibit. Labor Code sections 1194, subdivision (a), and 1194.2,
6 subdivision (a), provide that an employer who has failed to pay its employees the legal minimum wage
7 is liable to pay those employees the unpaid balance of the unpaid wages as well as liquidated damages
8 in an amount equal to the wages due and interest thereon.

9 84. As a direct and proximate result of Defendants' unlawful conduct as alleged herein,
10 Plaintiff and the other Class Members have sustained economic damages, including but not limited to
11 unpaid wages and lost interest, in an amount to be established at trial, and they are entitled to recover
12 economic and statutory damages and penalties and other appropriate relief because of Defendants'
13 violations of the Labor Code and Applicable Wage Orders.

14 85. Defendants' practices and policies regarding illegal employee compensation are
15 unlawful and create an entitlement to recovery by Plaintiff and the other Class Members in a civil
16 action for the unpaid amount of minimum wages, liquidated damages, including interest thereon,
17 statutory penalties, attorneys' fees, and costs of suit according to Labor Code sections 204, 218.5, 1194,
18 1194.2, 1197, and 1198, and Code of Civil Procedure section 1021.5.

19 **Second Cause of Action**

20 *Failure to Pay Split Shift Premiums*

21 *(Against All Defendants)*

22 86. Plaintiff realleges and incorporates by reference all previous paragraphs.

23 87. The Applicable Wage Orders define "split shifts" as including any work schedule that
24 is interrupted by unpaid nonworking periods established by the employer, other than bona fide rest or
25 meal periods. Subdivision 4(C) requires that "[w]hen an employee works a split shift, one (1) hour's
26 pay at the minimum wage shall be paid in addition to the minimum wage for that workday, except
27 when the employee resides at the place of employment." (Cal. Code of Regs., tit. 8, §§ 11040, 11050,
28 11060, 11170, subds. 4(C).) The split shift premium required by the Applicable Wage Orders

effectively increase the applicable minimum wage on split shifts. (*Aleman v. AirTouch Cellular* (2012) 209 Cal.App.4th 556, 575.) Labor Code sections 1197 and 1198 make the minimum wages set by the IWC enforceable and recoverable in a civil action.

88. As explained above, Defendants routinely required employees, including Plaintiff and the other Class Members, to work multiple shifts in the same day with a gap in the period of work longer than one hour. Defendants, however, failed to pay these employees wages that were at least the minimum wage plus one hour. As a result of the wrongful and unlawful acts of Defendants alleged herein, Plaintiff and the other Class Members have been deprived of split shift premium pay in amounts to be determined, and are entitled to recovery of said amounts according to proof, interest thereon, injunctive relief, attorneys' fees, and costs.

Third Cause of Action

Failure to Pay All Overtime Wages

(Against All Defendants)

89. Plaintiff realleges and incorporates by reference all previous paragraphs.

90. This cause of action is brought pursuant to Labor Code sections 204, 510, 1194, and 1198, which provide that non-exempt employees are entitled to overtime wages for all overtime hours worked and provide a private right of action for the failure to pay all overtime compensation for overtime work performed. At all times relevant herein, Defendants were required to properly pay Plaintiff and the other Class Members for all overtime wages earned pursuant to Labor Code section 1194 and the Applicable Wage Orders. Defendants caused Plaintiff and the other Class Members to work overtime hours but did not compensate them at one and one-half times their regular rate of pay for such hours in accordance with California law. Likewise, Defendants caused Plaintiff and the other Class Members to work double-time hours but did not compensate them at twice their regular rate of pay for such hours in accordance with California law.

91. Defendants failed to fully conform their pay practices to the requirements of California law. This unlawful conduct includes but is not limited to Defendants' uniform and unlawful pay policies and practices of failing to accurately record all the time that non-exempt employees were under the supervision and control of Defendants. The foregoing policies and practices are unlawful and allow

1 Plaintiff and the other Class Members to recover in a civil action the unpaid amount of overtime
2 premiums owing, including interest thereon, statutory penalties, attorneys' fees, and costs of suit
3 according to Labor Code section 204, 510, 1194, and 1198, the Applicable Wage Orders, and Code of
4 Civil Procedure section 1021.5.

5 **Fourth Cause of Action**

6 *Failure to Pay Accrued Vacation Wages*

7 *(Against All Defendants)*

8 92. Plaintiff realleges and incorporates by reference all previous paragraphs.

9 93. Under California law, accrued vacation and/or paid time off are considered earned
10 wages and cannot be forfeited if unused. (Lab. Code, § 227.3.) A vacation policy and/or paid time off
11 policy that provides for forfeiture of vested vacation pay if not used within a designated time, such as
12 before termination, is impermissible. (*Boothby v. Atlas Mechanical, Inc.* (1992) 6 Cal.App.4th 1595,
13 1602.)

14 94. As explained above, Plaintiff and other Class Members accrued vested vacation pay
15 under a "contract of employment," for purposes of Labor Code section 227.3. When they ended their
16 employment with Defendants, Defendants failed to pay their vested vacation pay in violation of Labor
17 Code sections 201, 202, and 227.3. Accordingly, pursuant to section 227.3 of the California Labor
18 Code, Plaintiff and other Class Members are entitled to recover their accrued, vested, and unpaid
19 vacation time.

20 95. Pursuant to sections 218.5 and 227.3 of the Labor Code, Plaintiff and the other Class
21 Members are also entitled to recover interest, costs, and attorneys' fees associated with this cause of
22 action.

23 **Fifth Cause of Action**

24 *Failure to Provide Rest Periods and Pay Missed Rest Period Premiums*

25 *(Against All Defendants)*

26 96. Plaintiff realleges and incorporates by reference all previous paragraphs.

27 97. Section 12 of the Applicable Wage Orders, and Labor Code section 226.7 establish the
28 right of employees to be provided with a rest period of at least ten minutes for each four hour period

1 worked, or major fraction thereof. (See Cal. Code of Regs., tit. 8, §§ 11040, 11050, 11060, 11170.)

2 98. Due to Defendants' unlawful rest period policies and practices described in detail above,
3 Defendants did not authorize and permit Plaintiff and the other Class Members to take all rest periods
4 to which they were legally entitled. Despite Defendants' violations, Defendants have not paid an
5 additional hour of pay to Plaintiff and the other Class Members at their respective regular rates of pay
6 for each violation, in accordance with California Labor Code section 226.7.

7 99. The foregoing violations create an entitlement to recovery by Plaintiff and the other
8 Class Members in a civil action for the unpaid amount of rest period premiums owing, including interest
9 thereon, statutory penalties, and costs of suit pursuant to the Applicable Wage Orders, and California
10 Labor Code section 226.7.

11 **Sixth Cause of Action**

12 *Failure to Provide Meal Periods and Pay Missed Meal Period Premiums*

13 *(Against All Defendants)*

14 100. Plaintiff realleges and incorporates by reference all previous paragraphs.

15 101. Plaintiff is informed and believes and thereon alleges, that Defendants failed in their
16 affirmative obligation to provide their hourly non-exempt employees, including Plaintiff and the other
17 Class Members, with all required meal periods in accordance with the mandates of the Labor Code and
18 the Applicable Wage Orders, for the reasons set forth herein above. Despite Defendants' violations,
19 Defendants have not paid an additional hour of pay to Plaintiff and the other Class Members at their
20 respective regular rates of pay for each violation, in accordance with California Labor Code section
21 226.7.

22 102. As a result, Defendants are responsible for paying premium compensation for meal
23 period violations, including interest thereon, statutory penalties, and costs of suit pursuant to the
24 Applicable Wage Orders and Labor Code sections 226.7 and 512, and Civil Code sections 3287,
25 subdivision (b), and 3289. (See Cal. Code of Regs., tit. 8, §§ 11040, 11050, 11060, 11170.)
26
27
28

1 **Seventh Cause of Action**

2 *Failure to Maintain Accurate Employment Records*

3 *(Against All Defendants)*

4 103. Plaintiff realleges and incorporates by reference all previous paragraphs.

5 104. Pursuant to California Labor Code section 1174, subdivision (d), an employer shall keep
6 at a central location in the state or at the plants or establishments at which employees are employed,
7 payroll records showing the hours worked daily by and wages paid to employees employed at the
8 respective plants or establishments. These records must be kept in accordance with rules established
9 for this purpose by the commission, but in any case shall be kept on file for not less than two years.

10 105. Labor Code section 1174.5 imposes a civil penalty of \$500 for an employer's failure to
11 maintain accurate and complete records.

12 106. Defendant has intentionally and willfully failed to keep accurate and complete records
13 showing the hours worked daily and wages paid to Plaintiff and the other Class Members. Thus,
14 Plaintiff and the other Class Members have been denied their legal right and protected interest in having
15 available at a central location at the plant or establishment where they are employed, accurate and
16 complete payroll records showing the hours worked daily by, and the wages paid to, employees at those
17 respective locations pursuant to Labor Code 1174.

18 **Eighth Cause of Action**

19 *Failure to Pay Wages Timely during Employment*

20 *(Against All Defendants)*

21 107. Plaintiff realleges and incorporates by reference all previous paragraphs.

22 108. Labor Code section 200 provides that "wages" include all amounts for labor performed
23 by employees of every description, whether the amount is fixed or ascertained by the standard of time,
24 task, pieces, commission basis, or other method of calculation. Labor Code section 204 states that all
25 wages earned by any person in any employment are payable twice during the calendar month and must
26 be paid not more than seven days following the close of the period when the wages were earned. Labor
27 Code section 210, subdivision (a), makes employers who violate Labor Code section 204 subject to a
28 penalty of \$100 for any initial failure to timely pay each employee's full wages and \$200 for each

1 subsequent violation, plus 25% of the amount unlawfully withheld.

2 109. Labor Code section 216 establishes that it is a misdemeanor for any person, with regards
3 to wages due, to “falsely deny the amount or validity thereof, or that the same is due, with intent to
4 secure himself, his employer or other person, any discount upon such indebtedness, or with intent to
5 annoy, harass, oppress, hinder, delay, or defraud, the person to whom such indebtedness is due.”

6 110. Defendants as a matter of established company policy and procedure in the State of
7 California, scheduled, required, suffered, and/or permitted Plaintiff and the other Class Members, to
8 work without full compensation, to work without legally-compliant off-duty meal periods, to work
9 without legally-compliant off-duty rest periods, and thereby failed to fully pay Plaintiff and the other
10 Class Members within seven days of the close of payroll, as required by law.

11 111. Defendants, as a matter of established company policy and procedure in the State of
12 California, falsely deny they owe Plaintiff and the other Class Members these wages, with the intent of
13 securing for itself a discount upon its indebtedness and/or to annoy, harass, oppress, hinder, delay,
14 and/or defraud Plaintiff and the other Class Members.

15 112. Defendants’ pattern, practice, and uniform administration of its corporate policy of
16 illegally denying employees compensation, as described herein, is unlawful and entitles Plaintiff and
17 the other Class Members to recover, pursuant to Labor Code section 218, the unpaid balance of the
18 compensation owed to them in a civil action and any applicable penalties, attorney fees, and interest
19 owed to them pursuant to Labor Code sections 210 and 218.5.

20 **Ninth Cause of Action**

21 *Failure to Pay All Wages Earned and Unpaid at Separation*

22 *(Against All Defendants)*

23 113. Plaintiff realleges and incorporates by reference all previous paragraphs.

24 114. The actionable period for this cause of action is three years prior to the filing of this
25 complaint through the present, and ongoing until the violations are corrected or the class is certified.
26 (*Pineda v. Bank of America, N.A.* (2010) 50 Cal.4th 1389, 1395; *Murphy v. Kenneth Cole Productions,*
27 *Inc.* (2007) 40 Cal.4th 1094, 1109; Code Civ. Proc., § 338, subd. (a).) Labor Code sections 201 and
28 202 of the California Labor Code require Defendants to pay all compensation due and owing to its

1 former employees (including the formerly-employed Class Members) during the actionable period for
2 this cause of action at or around the time that their employment is or was terminated, or ended.

3 115. Section 203 of the Labor Code provides that if an employer willfully fails to pay
4 compensation promptly upon discharge or resignation, as required by Sections 201 and 202, then the
5 employer is liable for penalties in the form of continued compensation up to thirty workdays.

6 116. Due to Defendants' faulty pay policies, those Class Members whose employment with
7 Defendants has concluded were not compensated for each and every hour worked at the appropriate
8 rate. Defendants have willfully failed to pay those formerly-employed Class Members whose sums
9 were certain at the time of termination within seventy-two hours of their resignation and have failed to
10 pay those sums for thirty days thereafter as required by Labor Code sections 201 through 203.

11 117. As a result, Defendants are liable to the formerly-employed Class Members for waiting
12 time penalties amounting to thirty days wages for the formerly-employed Class Members pursuant to
13 Labor Code section 203. (See, e.g., DLSE Manual, § 4.3.4 [failure to pay any sort of wages due upon
14 termination entitles an employee to recover waiting time penalties].)

15 **Tenth Cause of Action**

16 *Failure to Indemnify All Necessary Business Expenditures*

17 *(Against All Defendants)*

18 118. Plaintiff realleges and incorporates by reference all previous paragraphs.

19 119. California Labor Code Section 2802 states that employers must "indemnify" an
20 employee for "all necessary expenditures or losses incurred by the employee in direct consequence of
21 the discharge of his or her duties, or of his or her obedience to the directions of the employer." Likewise,
22 Labor Code section 2804 states that "any contract or agreement, express or implied, made by any
23 employee to waive the benefits of this article or any part thereof, is null and void, and this article shall
24 not deprive any employee or his personal representative of any right or remedy to which he is entitled
25 under the laws of this State."

26 120. Here, Plaintiff and the other Class Members paid out of pocket for necessary business
27 expenditures incurred as a direct consequence and requirement of performing their job duties, including
28 the costs associated with their personal cell phone and mileage they required to perform their work.

1 Despite knowing that Plaintiff and the other Class Members incurred these necessary business
2 expenses, and requiring Plaintiff and the other Class Members to use such items, Defendants did not
3 reimburse them.

4 121. Thus, Plaintiff and the other Class Members are entitled to recover the cost of such
5 necessary business expenses, plus interest from the date each incurred such business expenses, plus
6 fees and costs. (Lab. Code, § 2802, subds. (b), (c).)

7 **Eleventh Cause of Action**

8 *Failure to Furnish Accurate Itemized Wage Statements*

9 *(Against All Defendants)*

10 122. Plaintiff realleges and incorporates by reference all previous paragraphs.

11 123. Labor Code section 226, subdivision (a), obligates employers, semi-monthly or at the
12 time of each payment to furnish an itemized wage statement in writing showing:

- 13 (1) The gross wages earned;
- 14 (2) The total hours worked by the employee;
- 15 (3) The number of piece-rate units earned and any applicable piece rate if
16 the employee is paid on a piece rate basis;
- 17 (4) All deductions, provided that all deductions made on written orders of
18 the employee may be aggregated and shown as one item;
- 19 (5) The net wages earned;
- 20 (6) The inclusive dates of the period for which the employee is paid;
- 21 (7) The name of the employee and only the last four digits of his or her social
22 security number or an employee identification number other than a social
23 security number;
- 24 (8) The name and address of the legal entity that is the employer; and
- 25 (9) All applicable hourly rates in effect during the pay period and the
26 corresponding number of hours worked at each hourly rate by the
27 employee.
28

1 124. As set forth above, Defendants issued and continues to issue wage statements to its non-
2 exempt employees including Plaintiff and the other Class Members that are inadequate under Labor
3 Code section 226, subdivision (a). By failing to pay Plaintiff and the other Class Members properly as
4 described above, Defendants failed to include required information on their wage statements, including,
5 but not limited to, the gross wages earned, the net wages earned in violation of Labor Code section
6 226, subdivision (a).

7 125. Defendants' failure to comply with Labor Code section 226, subdivision (a), of the
8 Labor Code was knowing and intentional. (Lab. Code, § 226, subd. (e)).

9 126. As a result of Defendants' issuance of inaccurate itemized wage statements to Plaintiff
10 and the other Class Members in violation of Labor Code section 226, subdivision (a), Plaintiff and the
11 other Class Members are each entitled to recover an initial penalty of \$50, and subsequent penalties of
12 \$100, up to an amount not exceeding an aggregate penalty of \$4,000 per Plaintiff and per each Class
13 Member from Defendants pursuant to Labor Code section 226, subdivision (e), along with costs and
14 reasonable attorneys' fees.

15 **Twelfth Cause of Action**

16 *Violations of California's Unfair Competition Law*

17 *(Against All Defendants)*

18 127. Plaintiff realleges and incorporates by reference all previous paragraphs.

19 128. Defendants have engaged and continue to engage in unfair and/or unlawful business
20 practices in California in violation of California Business and Professions Code section 17200 through
21 17210, by committing the unlawful acts described above. Defendants' utilization of these unfair and
22 unlawful business practices deprived and continue to deprive Plaintiff and the other Class Members of
23 compensation to which they are legally entitled. These practices constitute unfair and unlawful
24 competition and provide an unfair advantage over Defendants' competitors who have been and/or are
25 currently employing workers and attempting to do so in honest compliance with applicable wage and
26 hour laws.

27 129. Because Plaintiff is a victim of Defendants' unfair and unlawful conduct alleged herein,
28 Plaintiff for herself and on behalf of the Class Members, seeks full restitution of monies, as necessary

1 and according to proof, to restore any and all monies withheld, acquired and/or converted by
2 Defendants pursuant to Business and Professions Code sections 17203 and 17208.

3 130. The acts complained of herein occurred within the four years prior to the initiation of
4 this action and are continuing into the present and ongoing.

5 131. Plaintiff was compelled to retain the services of counsel to file this Court action to
6 protect her interests and those of the Class Members, to obtain restitution and injunctive relief on behalf
7 of Defendants' current non-exempt employees and to enforce important rights affecting the public
8 interest. Plaintiff has thereby incurred the financial burden of attorneys' fees and costs, which Plaintiff
9 is entitled to recover under Code of Civil Procedure section 1021.5.

10 **VII. DEMAND FOR JURY TRIAL**

11 132. Plaintiff hereby demands trial by jury of Plaintiff's and the Class Members' claims
12 against Defendants.

13 **VIII. PRAYER FOR RELIEF**

14 Plaintiff prays for judgment for herself and for all others on whose behalf this suit is brought
15 against Defendants, as follows:

- 16 1. For an order certifying the proposed class;
- 17 2. For an order appointing Plaintiff as representative of the class;
- 18 3. For an order appointing Plaintiff's counsel as counsel for the class;
- 19 4. For the failure to pay all minimum wages, compensatory, consequential, general, and
20 special damages according to proof pursuant to Labor Code sections 1194, 1194.2,
21 1197, and others as may be applicable;
- 22 5. For the failure to pay split shift premiums, compensatory damages in the amount of the
23 split shift premiums owed, as may be proven;
- 24 6. For the failure to pay all overtime wages, compensatory, consequential, general, and
25 special damages according to proof pursuant to Labor Code sections 204, 510, 1194,
26 1198, and others as may be applicable;
- 27 7. For the failure to pay all accrued vacation, compensatory damages in the amount of the
28 unpaid vacation accrued and owed, as may be proven;

- 1 **8.** For the failure to provide rest periods and pay missed rest period premiums,
2 compensatory, consequential, general, and special damages according to proof pursuant
3 to Labor Code section 226.7;
- 4 **9.** For the failure to provide meal periods and pay missed meal period premiums,
5 compensatory, consequential, general, and special damages according to proof pursuant
6 to Labor Code sections 226.7 and 512;
- 7 **10.** For the failure to maintain accurate employment records, penalties pursuant to Labor
8 Code sections 226.3, 1174.5, and others that may be applicable;
- 9 **11.** For the failure to pay wages timely during employment, the unpaid balance of the
10 compensation owed to Plaintiff and the other Class Members and any applicable
11 penalties owed to them pursuant to Labor Code section 210;
- 12 **12.** For the failure to pay all wages earned and unpaid at separation, statutory waiting time
13 penalties pursuant to Labor Code sections 201 through 203, for the Class Members who
14 quit or were fired in an amount equal to their daily wage multiplied by thirty days, as
15 may be proven;
- 16 **13.** For the failure to indemnify all necessary business expenditures, all unreimbursed
17 business expenses, and interest thereon, that are owed, pursuant to Labor Code section
18 2802, and attorney fees, pursuant to Labor Code section 2802, subdivision (c);
- 19 **14.** For the violations of California's Unfair Competition Law, restitution to Plaintiff and
20 the other Class Members of all money and/or property unlawfully acquired by
21 Defendants by means of any acts or practices declared by this Court to be in violation
22 of Business and Professions Code sections 17200 through 17210;
- 23 **15.** Prejudgment interest on all due and unpaid wages pursuant to Labor Code section 218.6
24 and Civil Code sections 3287 and 3289;
- 25 **16.** On all causes of action for which attorneys' fees may be available, for attorneys' fees
26 and costs as provided by Labor Code sections 218.5, 226, Code of Civil Procedure
27 section 1021.5, and others as may be applicable;
- 28

1 **17.** For an order enjoining Defendants, and each of them, and their agents, servants, and
2 employees, and all persons acting under, in concert with, or for them, from acting in
3 derogation of any rights or duties adumbrated in this complaint; and

4 **18.** For such other and further relief, this Court may deem just and proper.

5
6 Dated: March 11, 2025

MELMED LAW GROUP P.C.

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JONATHAN MELMED

Attorneys for Plaintiff and the Putative Class