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Clerk of the Superior Court
By J. Walters ,Deputy Clerk

Attorneys for Plaintiff CATHERINE STEVENS,
on behalf of herself and current and former aggrieved employees

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN DIEGO

CATHERINE STEVENS, on behalf of herself
and current and former aggrieved employees

Plaintiff,

vs.

ROAD RUNNER SPORTS, INC.; and DOES 1
to 100, inclusive,

Defendants.

Case No.: 24CU006939C

PAGA ACTION

COMPLAINT FOR:

- CIVIL PENALTIES PURSUANT
TO THE PRIVATE ATTORNEYS
GENERAL ACT OF 2004
("PAGA"), LABOR CODE
SECTIONS 2698, ET SEQ.**

COMES NOW Plaintiff CATHERINE STEVENS (“Plaintiff”), who alleges and complains on information and belief except as to those allegations relating to plaintiff herself, which are asserted on personal knowledge, against Defendants ROAD RUNNER SPORTS, INC.; and DOES 1 to 100, inclusive (collectively “Defendants”) as follows:

I. INTRODUCTION

1. This is a Private Attorneys General Act of 2004, Labor Code §§ 2698, *et seq.* (“PAGA”) representative action brought by Plaintiff on behalf of the State of California, herself and other current and former aggrieved employees of Defendants who worked as hourly non-exempt employees in California during the relevant time period seeking civil penalties associated with Defendants’ violation of the Labor Code based on Defendants’ failure to pay wages for all hours worked at the employees’ minimum wage rate or overtime rate, indemnification for all necessary expenditures or losses incurred by employees in direct consequence of discharging their duties, failure to timely pay earned wages during employment, failure to provide complete and accurate wage statements, failure to timely pay all unpaid wages following separation of employment. Plaintiff seeks on a representative basis, following notice to the Labor and Workforce Development Agency, civil penalties, reasonable attorneys’ fees pursuant to Labor Code section 2699(g)(1) and costs brought on behalf of Plaintiff, the State of California, and others aggrieved.

II. JURISDICTION AND VENUE

This Court has jurisdiction over the claims of Plaintiff and all other current and former aggrieved California-based hourly non-exempt employees because Plaintiff’s lawsuit seeks civil penalties on behalf of herself, all other current and former aggrieved California-based hourly non-exempt employees, and the State of California in excess of thirty-five thousand dollars (\$35,000); Defendants employed Plaintiff and all other current and former aggrieved California-based hourly non-exempt employees; and the injuries to Plaintiff and all other current and former aggrieved California-based hourly non-exempt employees occurred in locations throughout California, including but not limited to San Diego County, at 5549 Copley Drive, San Diego, CA 92111.

III. PARTIES

1 2. Plaintiff brings this action as a representative of the Labor and Workforce
2 Development Agency on behalf of herself and other current and former employees subject to
3 violations of the Labor Code. The named Plaintiff and the persons on whose behalf this action is
4 filed include current, former and/or future employees of Defendants who work, worked, or will work
5 for Defendants as direct employees as well as temporary employees employed through temp
6 agencies as hourly non-exempt employees in California. At all times mentioned herein, the currently
7 named Plaintiff was employed by Defendants in an hourly position at Defendants' location in San
8 Diego from approximately February 13, 2023 until on or about May 15, 2024.

9 3. Defendant ROAD RUNNER SPORTS, INC. is authorized to do business within the
10 State of California and is doing business in the State of California and/or that Defendants DOES 1-
11 50 are, and at all times relevant hereto were persons acting on behalf of Defendant ROAD RUNNER
12 SPORTS, INC. in the establishment of, or ratification of, the aforementioned illegal wage and hour
13 practices or policies. Defendant ROAD RUNNER SPORTS, INC. operates in San Diego County
14 and employed Plaintiff and aggrieved employees in San Diego County, including but not limited to,
15 at 5549 Copley Drive, San Diego, CA 92111.

16 4. Defendants DOES 1 through 50 are corporations or other business entities or
17 organizations of a nature unknown to Plaintiff that employed Plaintiff and aggrieved California non-
18 exempt employees, permitted Plaintiff and aggrieved employees to work, and exercised control over
19 the wages, hours and working conditions of employment of Plaintiff and aggrieved employees.

20 5. Defendants DOES 51 through 100 are individuals unknown to Plaintiff. Each
21 Defendant is sued individually and in their capacity as an agent, shareholder, owner, representative,
22 manager, supervisor, independent contractor and/or employee of each defendant who violated or
23 caused to be violated the minimum wage and overtime provisions of the Labor Code and/or any
24 provision of the Industrial Welfare Commission's wage orders regulating hours and days of work.

25 6. Plaintiff is unaware of the true names of Defendants DOES 1 through 100. Plaintiff
26 sues said defendants by said fictitious names and will amend this complaint when the true names
27 and capacities are ascertained or when such facts pertaining to liability are ascertained, or as
28 permitted by law or by the Court. Each fictitiously named defendant is in some manner responsible

1 for the events and allegations set forth in this complaint.

2 7. Plaintiff makes the allegations in this complaint without any admission that, as to
3 any particular allegation, Plaintiff bears the burden of pleading, proving, or persuading and Plaintiff
4 reserves all of Plaintiff's right to plead in the alternative.

5 **FIRST CAUSE OF ACTION**

6 **CIVIL PENALTIES PURSUANT TO THE PRIVATE ATTORNEYS GENERAL ACT OF**
7 **2004, LABOR CODE SECTIONS 2698, ET SEQ.**

8 **(Against all Defendants by Plaintiff on behalf of Themselves, the State of California, and**
9 **Other Current and Former Aggrieved Employees)**

10 8. Plaintiff incorporates by reference and re-alleges each and every allegation contained
11 in this pleading as though fully set forth herein.

12 9. During Plaintiff's employment and continuing through the present, Plaintiff alleges
13 Defendants violated Labor Code sections 201, 202, 203, 204, 223, 226, 510, 1194, 1197, 2802, and
14 the applicable Wage Orders.

15 10. Specifically, Defendants have committed the following violations of California
16 Labor Code:

17 11. **Failure to pay wages for all hours worked at the legal minimum wage:**
18 Defendants employed many of their employees, including Plaintiff, as hourly non-exempt
19 employees. In California, an employer is required to pay hourly employees for all "hours worked,"
20 which includes all time that an employee is under control of the employer and all time the employee
21 is suffered and permitted to work. This includes the time an employee spends, either directly or
22 indirectly, performing services which inure to the benefit of the employer.

23 12. Labor Code sections 1194 and 1197 require an employer to compensate employees
24 for all "hours worked" at least at a minimum wage rate of pay as established by the IWC and the
25 Wage Orders.

26 13. In this case, Plaintiff and other current and former aggrieved California-based hourly
27 non-exempt employees worked more minutes per shift than Defendants credited them with having
28 worked. Specifically, Defendants failed to pay Plaintiff and other current and former aggrieved

1 California-based hourly non-exempt employees all wages at the applicable minimum wage for all
2 hours worked due to Defendants' policies, practices, and/or procedures including, but not limited
3 to:

4 (a) Plaintiff and other current and former aggrieved California-based hourly non-exempt
5 employees who worked remotely were not paid for the time they spent booting up their workstations,
6 accessing Defendants' VPN system, and logging into Defendants' VPN system, use of Okta Verify
7 application for two step authentication, prior to clocking in for the start of their shift.

- 8 i. Turn on or wake the computer being used to conduct employment
9 duties.
- 10 ii. Wait for the computer to complete initial booting.
- 11 iii. Login to any necessary user account and/or navigate to the desktop
12 screen.
- 13 iv. Launch an application called VPN Connect.
- 14 v. Wait for the VPN Connect application to load.
- 15 vi. Navigate to the VPN profile page.
- 16 vii. Click on an on-screen button to send a login verification link from the
17 computer being used to conduct employment duties to another
18 application called Okta Verify on the mobile smartphone being used
19 to conduct employment duties.
- 20 viii. Launch the Okta Verify application on the mobile smartphone being
21 used to conduct employment duties.
- 22 ix. Verify the login details and information received from the computer
23 being used to conduct employment duties through the Okta Verify
24 application.
- 25 x. Verify the employee's identity by providing a face scan through the
26 Okta Verify application on the mobile smartphone being used to
27 conduct employment duties.
- 28 xi. Wait for the verification process to be completed and transmitted from

1 the mobile smartphone to the computer being used to conduct
2 employment duties.

3 xii. Return to the computer being used to conduct employment duties and
4 launch another application called the Remote Desktop Connection
5 application.

6 xiii. Click an on-screen button to connect the computer being used to
7 conduct employment duties to the Road Runner Sports computer at
8 the employer's place of business.

9 xiv. Launch a web browser on the computer being used to conduct
10 employment duties.

11 xv. Navigate to the website www.kronosworkforce.com.

12 xvi. Enter the employee's login credentials, including the employee's
13 username and password.

14 xvii. Navigate to and select the on-screen "Time In" button to clock in for
15 the start of the shift.

16
17 14. Therefore, Defendants suffered, permitted, and required Plaintiff and other current
18 and former aggrieved California-based hourly non-exempt employees to be subject to Defendants'
19 control without paying wages for that time. This resulted in Plaintiff and other current and former
20 aggrieved California-based hourly non-exempt employees working time for which they were not
21 compensated any wages, in violation of Labor Code sections 1194 and 1197 and the applicable
22 Wage Order.

23 15. **Failure to pay wages for overtime hours worked at the overtime rate of pay:**
24 Defendants employed many of their employees, including Plaintiff, as hourly non-exempt
25 employees. In California, an employer is required to pay hourly employees for all "hours worked,"
26 which includes all time that an employee is under control of the employer and all time the employee
27 is suffered and permitted to work. This includes the time an employee spends, either directly or
28 indirectly, performing services that inure to the benefit of the employer.

16. Labor Code sections 510 and 1194 require an employer to compensate employees a

1 higher rate of pay for hours worked in excess of eight (8) hours in a workday, in excess of forty (40)
2 hours in a workweek, and on any seventh consecutive day of work in a workweek:

3
4 Any work in excess of eight (8) hours in one workday, any work in excess of forty (40) hours
5 in any one (1) workweek, and the first eight (8) hours worked on the seventh day of work in
6 any one (1) workweek, shall be compensated at the rate of no less than one-and-one-half
7 (1.5) times the regular rate of pay for an employee. Any work in excess of twelve (12) hours
8 in one (1) day shall be compensated at the rate of no less than twice the regular rate of pay
9 for an employee. In addition, any work in excess of eight (8) hours on any seventh day of a
10 workweek shall be compensated at the rate of no less than twice the regular rate of pay of an
11 employee. Labor Code § 510.

12 17. In this case, Defendants failed to pay Plaintiff and other current and former aggrieved
13 California-based hourly non-exempt employees overtime wages for all overtime hours worked due
14 to Defendants' policies, practices, and/or procedures including, but not limited to,

15 (a) Plaintiff and other current and former aggrieved California-based hourly non-exempt
16 employees who worked remotely were not paid for the time they spent booting up their workstations,
17 accessing Defendants' VPN system, and logging into Defendants' VPN system, use of Okta Verify
18 application for two step authentication, prior to clocking in for the start of their shift.

- 19 i. Turn on or wake the computer being used to conduct employment
20 duties.
- 21 ii. Wait for the computer to complete initial booting.
- 22 iii. Login to any necessary user account and/or navigate to the desktop
23 screen.
- 24 iv. Launch an application called VPN Connect.
- 25 v. Wait for the VPN Connect application to load.
- 26 vi. Navigate to the VPN profile page.
- 27 vii. Click on an on-screen button to send a login verification link from the
28 computer being used to conduct employment duties to another
application called Okta Verify on the mobile smartphone being used
to conduct employment duties.
- viii. Launch the Okta Verify application on the mobile smartphone being
used to conduct employment duties.

- ix. Verify the login details and information received from the computer being used to conduct employment duties through the Okta Verify application.
- x. Verify the employee's identity by providing a face scan through the Okta Verify application on the mobile smartphone being used to conduct employment duties.
- xi. Wait for the verification process to be completed and transmitted from the mobile smartphone to the computer being used to conduct employment duties.
- xii. Return to the computer being used to conduct employment duties and launch another application called the Remote Desktop Connection application.
- xiii. Click an on-screen button to connect the computer being used to conduct employment duties to the Road Runner Sports computer at the employer's place of business.
- xiv. Launch a web browser on the computer being used to conduct employment duties.
- xv. Navigate to the website www.kronosworkforce.com.
- xvi. Enter the employee's login credentials, including the employee's username and password.
- xvii. Navigate to and select the on-screen "Time In" button to clock in for the start of the shift.

18. The foregoing policies, practices, and/or procedures resulted in time during each workday that Plaintiff and other current and former aggrieved California-based hourly non-exempt employees were under the control of Defendants but were not compensated. To the extent that the foregoing uncompensated time occurred when Plaintiff and other current and former aggrieved California-based hourly non-exempt employees worked more than eight (8) hours in a workday, more than forty (40) hours in a workweek, and/or seven (7) days in a workweek, Defendants failed

1 to pay them at their overtime rate of pay for overtime hours worked, in violation of Labor Code
2 sections 510, 1194 and 1198, and the applicable Wage Order.

3 **19. Failure to Indemnify for Losses and Expenditures Incurred as Part of**
4 **Employment:** California law requires that every employer must indemnify its employees for all
5 necessary expenditures or losses incurred by the employee in discharge of his or her duties or at the
6 obedience of the directions of the employer. Moreover, an employer is prohibited from passing the
7 ordinary business expenses and losses of the employer onto the employee. (Lab. Code, § 2802.)

8 20. Defendants violated Labor Code Section 2802 by failing to indemnify Plaintiff and
9 other current and former aggrieved California-based non-exempt hourly employees' necessary
10 expenditures they incurred in the discharge of their duties. Specifically, Defendants employed a
11 policy, practice, and procedure included, but were not limited to,

12 (a) requiring Plaintiff and other current and former aggrieved California-based hourly
13 non-exempt employees who work remotely to use or purchase their own tools and/or resources in
14 order to work for Defendants, including but not limited to their home internet, and/or personal cell
15 phone (including both telephone use and cellular data use) for work-related purposes - without
16 always reimbursing Plaintiff and other current and former aggrieved California-based hourly non-
17 exempt employees for such use.

18 21. Moreover, Defendants employed policies and procedures which ensured Plaintiff
19 and aggrieved employees would not receive indemnification for their employment related
20 expenses. This practice resulted in Plaintiff and aggrieved employees not receiving such
21 indemnification in compliance with California law.

22 22. Therefore, Defendants are liable to Plaintiff and aggrieved employees for their
23 employment related expenses, including but not limited to costs related to use of their personal cell
24 phones and costs associated with their uniforms pursuant to Labor Code section 2802.

25 **23. Failure to timely pay earned wages during employment:** In California, wages
26 must be paid at least twice during each calendar month on days designated in advance by the
27 employer as regular paydays, subject to some exceptions. Labor Code § 204(a). Wages earned
28 between the 1st and 15th days, inclusive, of any calendar month must be paid between the 16th and
the 26th day of that month and wages earned between the 16th and the last day, inclusive, of any

1 calendar month must be paid between the 1st and 10th day of the following month. *Id.* Other payroll
2 periods such as those that are weekly, biweekly, or semimonthly, must be paid within seven (7)
3 calendar days following the close of the payroll period in which wages were earned. Labor Code §
4 204(d).

5 24. As a derivative of Plaintiff's claims above, Plaintiff alleges that Defendants failed to
6 timely pay Plaintiff and other current and former aggrieved California-based hourly non-exempt
7 employees their earned wages (including minimum wages and/or overtime wages), in violation of
8 Labor Code section 204. Defendants' aforementioned policies, practices, and/or procedures resulted
9 in their failure to pay Plaintiff and other current and former aggrieved California-based hourly non-
10 exempt employees their earned wages within the applicable time frames outlined in Labor Code
11 section 204.

12 25. **Secret payment of lower wages than designated by statute:** Labor Code section
13 223 provides that, where any statute or contract requires an employer to maintain the designated
14 wage scale, it shall be unlawful to secretly pay a lower wage while purporting to pay the wage
15 designated by statute or contract. By engaging in the unlawful conduct alleged herein, including by
16 failing to: pay overtime wages at the applicable legal overtime rate, meal break premiums and lawful
17 sick pay at the employees' regular rate of pay, as established by Labor Code sections 226.7, 246,
18 510, 1194 and sections 11 and 12 of the applicable IWC Wage Orders, as incorporated by Labor
19 Code section 1198, Defendants secretly paid a lower wage than designated by statute while
20 purporting to pay the wages designated by statute, in violation of Labor Code section 223.

21 26. **Failure to provide complete and accurate wage statements:** Labor Code section
22 226, subdivision (a). Labor Code section 226(a) provides, *inter alia*, that, upon paying an employee
23 his or her wages, the employer must "furnish each of his or her employees ... an itemized statement
24 in writing showing (1) gross wages earned, (2) total hours worked by the employee, except for any
25 employee whose compensation is solely based on a salary and who is exempt from payment of
26 overtime under subdivision (a) of Section 515 or any applicable order of the Industrial Welfare
27 Commission, (3) the number of piece-rate units earned and any applicable piece rate if the employee
28 is paid on a piece-rate basis, (4) all deductions, provided, that all deductions made on written orders

1 of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive
2 dates of the pay period for which the employee is paid, (7) the name of the employee and his or her
3 social security number, (8) the name and address of the legal entity that is the employer, and (9) all
4 applicable hourly rates in effect during the pay period and the corresponding number of hours
5 worked at each hourly rate by the employee.”

6 27. As a derivative of Plaintiff’s allegations above, Defendants’ failure to pay Plaintiff
7 and other current and former aggrieved California-based hourly non-exempt employees all wages
8 earned (including minimum wages and/or overtime wages) rendered Plaintiff’s and other current
9 and former aggrieved California-based hourly non-exempt employees’ wage statements inaccurate,
10 in violation of Labor Code section 226(a)(1, 2, 5 & 9).

11 28. **Failure to pay employees all wages due at time of termination/resignation:** An
12 employer is required to pay all unpaid wages timely after an employee’s employment ends. The
13 wages are due immediately upon termination (Labor Code section 201) or within seventy-two (72)
14 hours of resignation (Labor Code section 202).

15 29. As a derivative of Plaintiff’s allegations above, because Defendants failed to pay
16 Plaintiff and other current and former aggrieved California-based hourly non-exempt employees all
17 of their earned wages (including minimum wages and/or overtime wages), Defendants failed to pay
18 those employees timely after each employee’s termination and/or resignation, in violation of Labor
19 Code sections 201, 202, and 203.

20 30. Labor Code sections 2699, subdivisions (a) and (g), authorize an aggrieved
21 employee, on behalf of himself or herself and other current or former employees, to bring a civil
22 action to recover civil penalties against all Defendants pursuant to the procedures specified in Labor
23 Code section 2699.3.

24 31. Plaintiff has complied with the procedures for bringing suit specified in Labor Code
25 section 2699.3. On June 13, 2024, Plaintiff filed a PAGA Claim Notice with the LWDA and
26 provided notice to Defendants by certified mail which provided notice of the specific provisions of
27 the Labor Code alleged to have been violated, including the facts and theories to support the
28 violations alleged.

1 32. Pursuant to Labor Code section 2699.3, the LWDA must give written notice by
2 certified mail to the parties that it intends to investigate the alleged violations of the Labor Code
3 within 60 days of the date of the complainant's written notice. The LWDA failed to provide the
4 parties notice within 65 days of the date of Plaintiff's PAGA Claim Notice that the LWDA intends
5 to investigate Plaintiff's claims.

6 33. Pursuant to Labor Code sections 2699(a) and (f), Plaintiff is entitled to recover civil
7 penalties for Defendants' violations of Labor Code sections 201, 202, 203, 204, 223, 226(a), 510,
8 and 1194, During Plaintiff's employment and continuing through the present, preceding Plaintiff
9 sending the initial PAGA Claim Notice to the LWDA to the present, in the following amounts:

10 a. For violations of Labor Code sections 201, 202, 203, 226(a), 2and 2802; one
11 hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation, and two
12 hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent violation
13 [penalty amounts established by Labor Code section 2699(f)(2)].

14 b. For violations of Labor Code section 226(a), alternatively, two hundred fifty
15 dollars (\$250) for each employee for each pay period for the initial violation, and one thousand
16 dollars (\$1,000) for each subsequent violation, for each underpaid employee for each pay period
17 [penalty amounts established by Labor Code section 226.3].

18 c. For violations of Labor Code section 510, fifty dollars (\$50) for each
19 employee for each pay period for the initial violation, and one hundred dollars (\$100) for each
20 subsequent violation, for each underpaid employee for each pay period [penalty amounts established
21 by Labor Code section 558].

22 d. For violations of Labor Code section 204, one hundred dollars (\$100) for
23 each failure to pay each employee in any initial violation, and two hundred dollars (\$200) for each
24 subsequent violation, or any willful or intentional violation, for each failure to pay each employee,
25 plus 25 percent of the amount unlawfully withheld [penalty amounts established by Labor Code
26 section 210].

27 e. For violations of Labor Code section 223, one hundred dollars (\$100) for
28 each failure to pay each employee in any initial violation, and two hundred dollars (\$200) for each

subsequent violation, or any willful or intentional violation, for each failure to pay each employee, plus 25 percent of the amount unlawfully withheld [penalty amounts established by Labor Code section 225.5].

34. Pursuant to Labor Code section 2699(g), Plaintiff is entitled to an award of reasonable attorneys' fees and costs in connection with his/her claims for civil penalties.

PRAYER FOR RELIEF

WHEREFORE, PLAINTIFF, ON BEHALF OF HERSELF AND ON OTHER AGGRIEVED EMPLOYEES, PRAYS AS FOLLOWS:

ON THE FIRST CAUSE OF ACTION:

1. That Defendants be found to have violated the provisions of the Labor Code and the IWC Wages Orders as to the Plaintiff and aggrieved employees;

2. For any and all legally applicable penalties during the relevant statute of limitations subject to any permissible tolling, including but not limited to those recoverable under the California Labor Code, including but not limited to sections 210, 225.5, 226.3, 558, 2699(f);

3. For attorneys' fees and costs of suit, including but not limited to those recoverable under California Labor Code section 2699(g); and

4. For such and other further relief, in law and/or equity, as the Court deems just or appropriate.

Dated: August 20, 2024

Respectfully submitted,
LAVI & EBRAHIMIAN, LLP

By: _____


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