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Superior Court of California,
County of Alameda

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By: Angela Linhares,
Deputy Clerk

Attorneys for Plaintiff, REYNALDO RETANA SEGOVIA, as an individual and on behalf of all similarly situated employees,

SUPERIOR COURT OF THE STATE OF CALIFORNIA

THE COUNTY OF ALAMEDA

REYNALDO RETANA SEGOVIA, as
an individual and on behalf of all
similarly situated employees,

Plaintiff,

v.

REEDS HOME DELIVERY, INC.; and
DOES 1 through 50, inclusive,

Defendants.

Case No.: **23CV029323**

CLASS ACTION

COMPLAINT FOR DAMAGES

1. Violation of Labor Code §§ 204, 206, 510, 1194, 1194.2, 1197, 1197.1, 1182.12 (Failure to Pay All Wages);
2. Violation of Labor Code §§ 226.7, 512 (Meal Period Violations);
3. Violation of Labor Code §§ 226(a), 1174 (Failure to Provide Accurate Itemized Wage Statements);
4. Violation of Labor Code §§ 201, 202, 203 (Failure to Timely Pay Wages at Separation); and
5. Violation of Bus. & Prof. Code §§ 17200 et seq. (Unfair Business Practices).
6. Violation of Labor Code §§ 2698, 2699 (Private Attorneys General Act)

DEMAND FOR JURY TRIAL

1 Plaintiff REYNALDO RETANA SEGOVIA (“Plaintiff”), as an individual and on behalf
2 of all similarly situated employees, complains and alleges on information and belief as follows:

3 **INTRODUCTION**

4 1. This is a class action brought on behalf of Plaintiff and the class he seeks to
5 represent (“Plaintiff Class” or “Class Members”). Plaintiff Class consists of all current and former
6 non-exempt employees of Defendants REEDS HOME DELIVERY, INC., and DOES 1 through
7 50, inclusive (collectively, “Defendants”), in the State of California during the Class Period. The
8 term “Class Period” is defined as four (4) years prior to the filing of this complaint through
9 judgment. Plaintiff reserves the right to amend this complaint to reflect a different “Class Period”
10 as further discovery is conducted.

11 2. Plaintiff, individually and on behalf of Plaintiff Class, seeks relief against
12 Defendants, for Defendants’ practices of violating the applicable Industrial Welfare Commission
13 (“IWC”) Wage Orders, Code of Regulations, and Labor Codes, including: (1) failure to pay all
14 wages (including minimum, regular, and overtime); (2) failure to make available timely,
15 uninterrupted, full meal periods or provide compensation in lieu thereof; (3) failure to provide
16 accurate itemized wage statements; and (4) failure to pay all wages due upon separation of
17 employment. These violations concern current and past employees of Defendants.

18 3. At all relevant times herein, Defendants have consistently maintained and enforced
19 against Plaintiff and Plaintiff Class the unlawful practices and policies set forth herein.

20 **JURISDICTION AND VENUE**

21 4. Venue is proper in this judicial district and the County of Alameda, pursuant to the
22 Code of Civil Procedure sections 395 and 395.5, because the acts that give rise to the causes of
23 action alleged herein occurred in this county.

24 5. This Court has personal jurisdiction over Defendants, because Defendants reside
25 in, are incorporated in, have its main place of business in, and/or conduct business in the State of
26 California, and a substantial portion of the acts, omissions, events, and transactions constituting
27 the causes of action alleged herein occurred within the State of California, and more specifically,
28 in the county of Alameda. (Code Civ. Proc., § 410.10.)

6. The California Superior Court has jurisdiction over this matter because the individual claims are under the seventy-five thousand dollar (\$75,000.00) individual jurisdictional threshold and the five million dollar (\$5,000,000.00) aggregate jurisdictional threshold for federal court; and upon information and belief, Plaintiff and Defendants are citizens of, residents of, and/or domiciled in the State of California. Further, there is no federal question at issue as the issues herein are based solely on California statutes and law, including the Labor Code, IWC Wage Orders, Code of Civil Procedure, Rules of Court, and the Business & Professions Code. Thus, the above-entitled court maintains appropriate jurisdiction over this matter.

THE PARTIES

Plaintiff

7. Plaintiff was employed by Defendants as a non-exempt employee from approximately July 2020 until on or around July 28, 2022, at Defendants' Hayward, California location. At all relevant times herein, Plaintiff was employed by Defendants in a paid hourly non-exempt position as warehouse worker at a rate of eighteen dollars (\$18.00) per hour. At all relevant times herein, Plaintiff was entitled to compensation for all hours worked, including minimum, regular, and overtime wages, meal period premiums from Defendants. Plaintiff was employed by Defendants within the four (4) years prior to the commencement of this action.

8. Each of the Plaintiff Class consists of identifiable, current, and/or former similarly situated persons who were employed by Defendants as non-exempt employees in California during the Class Period.

Defendants

9. Plaintiff is informed and believes, and based thereon alleges, that Defendants REEDS HOME DELIVERY, INC. is a California corporation. Reeds owns and operates a furniture business in Alameda County, and was Plaintiff's employer. On information and belief, and based thereon, Plaintiff alleges that Defendants are conducting business in good standing in California, and at all times herein mentioned has regularly conducted business throughout the State of California.

10. Plaintiff is ignorant of the true names, capacities, relationships and extent of participation in the conduct herein alleged of Defendants sued herein as DOES 1 through 50, inclusive, but on information and belief, alleges that said Defendants are legally responsible for the violations alleged herein. Plaintiff will amend this complaint to allege the true names and capacities of the DOE Defendants when that information is ascertained.

11. Plaintiff is informed and believes, and based thereon alleges, that each Defendants acted in all respects pertinent to this action as the agent of the other Defendants, carried out a joint scheme, business plan, or policy in all respects pertinent hereto, and the acts of each Defendants are legally attributable to the other Defendants. Furthermore, Defendants operate as a joint venture and/or single business enterprise, integrated enterprise, and/or are agents of one another, are alter egos, joint employers, and conspire with one another to increase profits by engaging in the conduct described in this complaint.

12. Plaintiff is informed and believes, and based thereon alleges, that each Defendants acted in all respects as the agent, servant, partner, joint venture, alter-ego, employee, proxy, managing agent, and/or principal of the co-Defendants, and in performing the actions mentioned below was acting, at least in part, within the course and scope of that authority as such agent, proxy, servant, partner, joint venture, employee, alter-ego, managing agent, and/or principal with the permission and consent of the co-Defendants. Plaintiff also alleges the acts of each Defendants are legally attributable to the other Defendants.

FACTUAL ALLEGATIONS

13. Plaintiff and Plaintiff Class are, and all times relevant herein, have been non-exempt employees within the meaning of the Labor Code, and the implementing rules of the IWC Wage Orders.

14. At all relevant times herein, Plaintiff was employed by Defendants in a paid hourly non-exempt position as an Operator at a rate of eighteen dollars (\$18.00) per hour.

15. Plaintiff is informed and believes, and based thereon alleges, that Defendants continue to employ non-exempt employees within California.

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1 16. Plaintiff is informed and believes, and based thereon alleges, that Defendants'
2 policies and practices described herein are common across each of Defendant's locations within
3 the State of California.

4 17. Plaintiff is informed and believes, and based thereon alleges, that Defendants knew
5 or should have known that Plaintiff and Class Members were entitled to receive wages for all
6 hours worked, including minimum, regular, and overtime wages, and that they were not receiving
7 all wages earned for work that was required to be performed.

8 18. In violation of the Labor Code and IWC Wage Orders, Defendants failed to pay
9 Plaintiff and Class Members' earned wages by failing to record all hours worked (including off-
10 the-clock work), paying for all hours worked, and paying the proper overtime and double time
11 rates of pay, among other things.

12 19. Plaintiff is informed and believes, and based thereon alleges, that Defendants knew
13 or should have known that Plaintiff and Class Members were entitled to receive all required meal
14 periods or payment of one (1) additional hour of pay at Plaintiff and Class Members' regular rate
15 of pay when they did not receive a timely, uninterrupted off-duty meal period. In violation of the
16 Labor Code and IWC Wage Orders, Defendants had a pattern, practice, and policy of not
17 providing compliant meal periods. Plaintiff and Class Members were regularly unable to take a
18 timely duty-free meal period or had their meal periods interrupted as a result of understaffing and
19 a busy workload. As a result of Defendants' understaffing and daily work requirements and
20 demands, Plaintiff and Class Members did not receive all meal periods or payment of one (1)
21 additional hour of pay at Plaintiff and Class Members' regular rate of pay when they did not
22 receive a timely, uninterrupted thirty (30) minute off-duty meal period.

23 20. Plaintiff is informed and believes, and based thereon alleges, that Defendants knew
24 or should have known that Plaintiff and Class Members were entitled to receive itemized wage
25 statements that accurately showed their actual hours worked, total hours worked, number of hours
26 worked at each hourly rate, gross and net wages earned, and premium wages earned per pay period
27 in accordance with California law. In violation of the Labor Code, Plaintiff and Class Members
28 were not provided with accurate itemized wage statements.

CLASS ALLEGATIONS

21. Plaintiff brings this action on behalf of himself and all other similarly situated employees, as a class action pursuant to Code of Civil Procedure section 382.

22. Plaintiff's proposed class consists of and is defined as follows: all individuals who worked for Defendants in a California location as non-exempt employees during the Class Period.

23. Plaintiff reserves the right under California Rules of Court, rule 3.765, to amend or modify the class description(s) with greater specificity or further division into subclasses or limitation to particular issues.

24. This action has been brought and may be maintained as a class action pursuant to Code of Civil Procedure section 382 because there is a well-defined community of interest in the litigation and because the proposed classes are easily ascertained by Defendants' personnel and payroll records.

Numerosity

25. The potential members of the class as defined are so numerous that joinder of all class members is impracticable. While the precise number of the Plaintiff Class is unknown, Plaintiff is informed and believes that Defendants have employed more than forty (40) non-exempt employees during the Class Period.

Commonality

26. There are common questions of law and fact arising out of Defendants' conduct as described herein, including, but not limited to:

- a. Whether Defendants failed to pay all wages, including minimum, regular, and overtime wages earned and due to Plaintiff and Plaintiff Class;
- b. Whether Defendants failed and continue to fail to provide meal periods or compensation in lieu thereof to Class Members;
- c. Whether Defendants failed to provide Plaintiff and Plaintiff Class with all wages earned and owed at the time of separation of employment;
- d. Whether Defendants failed to provide Plaintiff and Plaintiff Class with accurate itemized wage statements; and

1 e. Whether Defendants engaged in unfair/unlawful business practices.

2 **Typicality**

3 27. The claims of the Plaintiff are typical of the claims for the Plaintiff Class, all of
4 whom have incurred and/or will incur damages, as a result of Defendants' common course of
5 conduct and common policies and practices. The claims of Plaintiff are typical because
6 Defendants subjected all of its non-exempt employees to the identical violations of the IWC Wage
7 Orders, Code of Regulations, Labor Code, and Business and Professions Code, among other
8 statutes.

9 **Adequacy of Representation**

10 28. Plaintiff will fairly and adequately represent and protect the interests of the
11 Plaintiff Class. Plaintiff's interests are not in conflict with those of the Plaintiff Class. Plaintiff's
12 attorneys are competent, well-versed, and experienced in litigating employment class actions and
13 other complex litigation matters.

14 **Superiority of Class Action**

15 29. Under the facts and circumstances set forth above, a class action is superior to any
16 other method available for the fair and efficient adjudication of the rights of each class member
17 in as much as joinder of individual, relatively small claims of Class Members is not practical and
18 if each employee were required to file an individual lawsuit, the corporate Defendants would
19 necessarily gain an unconscionable advantage as they would be able to exploit and overwhelm
20 the limited resources of each individual plaintiff. Requiring each Class Member to pursue an
21 individual remedy would also discourage the assertion of lawful claims by employees fearful of
22 retaliation and permanent damage to their careers at present and/or subsequent employment.
23 Further, the substantial risk of inconsistent or varying verdicts or adjudications with respect to the
24 individual Class Members against Defendants herein further support class certification.

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FIRST CAUSE OF ACTION

FAILURE TO PAY ALL WAGES

(By Plaintiff against All Defendants)

30. Plaintiff realleges and incorporates by reference all preceding paragraphs herein, as if fully alleged.

31. Any employee receiving less than the legal minimum wage or legal overtime compensation is entitled to recover in a civil action the amount of unpaid wages, attorneys' fees and costs of suit. (Lab. Code, § 1194, subd. (a).)

32. Labor Code section 1182.12 provides for employers who employed 26 or more people from January 18, 2018 to December 31, 2018, the minimum wage rate in California was eleven dollars (\$11.00) per hour. From January 1, 2019 to December 31, 2019, the minimum wage rate in California is twelve dollars (\$12.00) per hour. From January 1, 2020 to December 31, 2020, the minimum wage rate in California is thirteen dollars (\$13.00) per hour. From January 1, 2021 to December 31, 2021, the minimum wage rate in California is fourteen dollars (\$14.00) per hour. From January 1, 2022, the minimum wage rate in California, and specifically, in Alameda County, is fifteen dollars (\$15.00) per hour. Plaintiff is informed and believes Defendants employed more than twenty-six (26) employees.

33. Notwithstanding any other provision of the Labor Code, hourly minimum wage rates are set for all industries according to statute. (Lab. Code, § 1182.12.) Employers must pay employees no less than minimum wage for each hour worked. (Lab. Code, § 1194.)

34. In any action to recover payment of wages less than the minimum wage an employee shall be entitled to recover liquidated damages in an amount equal to the wages unlawfully unpaid and interest thereon. (Lab. Code, § 1194.2.)

35. Any work in excess of eight (8) hours in any workday and any work in excess of forty (40) hours in a workweek, shall be compensated at a rate of no less than one and one-half times the regular rate of pay for an employee. (Lab. Code, § 510, subd. (a).) Any work in excess of twelve (12) hours in a workday shall be compensated at the rate of twice the regular rate of pay for an employee. (Lab. Code, § 510, subd. (a).)

1 36. All wages earned in employment are due and payable twice during each calendar
2 month on dates designated in advance by the employer. (Lab. Code, § 204.)

3 37. In case of a dispute over wages, the employer shall pay, without condition and
4 promptly under the Labor Code all wages conceded due, leaving to the employee all remedies
5 he/she is otherwise entitled to as to any balance claimed. (Lab. Code, § 206.)

6 38. At all relevant times herein, Plaintiff and Class Members were and are paid as non-
7 exempt employees.

8 39. At all material times, Defendants were and/or are Plaintiff's and Class Members'
9 employers and/or persons acting on behalf of Defendants within the meaning of Labor Code
10 section 558/558.1, who violated or caused to be violated, a section of Part 2, Chapter 1, of the
11 Labor Code or any provision regulating hours and days of work in any Order of the Industrial
12 Welfare Commission and, as such, are subject to penalties for each underpaid employee as set
13 forth in Labor Code section 558/558.1 including the payment of the underpaid wages to affected
14 employees.

15 40. Pursuant to Labor Code section 558.1, Defendants are sued collectively and
16 individually as employers of Plaintiff, and/or a person acting on behalf of Plaintiff's employer,
17 who violated, or caused to be violated, any provision regulating minimum wages or hours and
18 days of work in the applicable order of the Industrial Welfare Commission, as well as the
19 California Labor Code sections 203, 226, 226.7, 1193.6, and 1194, and as such, are liable as an
20 employer of Plaintiff for such violations pursuant to California Labor Code section 558.1.

21 41. Plaintiff and Plaintiff Class regularly worked over eight (8) hours per day and forty
22 (40) hours per week. Defendants failed to pay Plaintiff and Plaintiff Class for all hours worked
23 by failing to record actual hours worked, e.g., time spent working off-the-clock. Defendants
24 frequently modified the timesheets of Plaintiff and Plaintiff Class to reduce their number of hours
25 worked and to make it appear like they were given a timely meal break when they were not. As a
26 consequence, Defendants failed to pay Plaintiff and Plaintiff Class all minimum, regular,
27 overtime, and/or double-time wages for all hours worked, including hours in excess of over eight
28 (8) per day and forty (40) per workweek. Pursuant to Labor Code sections, *inter alia*, 204, 510,

1 1182.12, and 1194, the Plaintiff Class seeks the payment of all minimum, regular, overtime,
2 and/or double-time compensation which they earned and accrued for four (4) years prior to filing
3 this complaint, according to proof.

4 42. Additionally, Plaintiff and Plaintiff Class are entitled to liquidated damages,
5 attorneys' fees and costs pursuant to Labor Code section 1194 and Code of Civil Procedure
6 section 1021.5, and prejudgment interest.

7 **SECOND CAUSE OF ACTION**

8 **FAILURE TO PROVIDE MEAL PERIODS OR COMPENSATION IN LIEU THEREOF**

9 **(By Plaintiff against All Defendants)**

10 43. Plaintiff realleges and incorporates by reference all preceding paragraphs herein,
11 as if fully alleged.

12 44. Labor Code sections 226.7, 512, and the applicable IWC Wage Order provide that
13 no employer shall employ any person for a work period of more than five (5) hours without
14 providing a meal period uninterrupted by work duties of not less than thirty (30) minutes, or
15 employ any person for a work period of more than ten (10) hours without a second meal period
16 of not less than thirty (30) minutes.

17 45. Labor Code section 226.7 provides that if an employer fails to provide an
18 employee a meal period in accordance with this section, the employer shall pay the employee one
19 (1) hour of pay at the employee's regular rate of compensation for each workday that the meal
20 period is not provided in accordance with this section. Plaintiff alleges Defendants failed to
21 provide legally compliant meal periods. Specifically, Plaintiff and Class Members often worked
22 up to eight (8) hours before they were given their first meal period, and were never given a second
23 meal period.

24 46. At all times relevant hereto, Plaintiff and Plaintiff Class have worked shifts of
25 more than five (5) hours in a workday.

26 47. Pursuant to Labor Code section 226.7, Plaintiff and Plaintiff Class are entitled to
27 damages in the amount equal to one (1) hour of wages at their regular rate of pay for each late or
28 missing meal break, in an amount to be proven at trial.

1 48. At varying times relevant hereto, Plaintiff and Plaintiff Class have worked shifts
2 more than ten (10) hours in a workday and were regularly denied a legally compliant second meal
3 period.

4 49. Pursuant to Labor Code section 226.7 and 558.1, Plaintiff individually and on
5 behalf of the Plaintiff Class, request recovery of meal period compensation which they are owed
6 beginning four (4) years prior to filing this complaint, as well as the assessment of any statutory
7 penalties against the Defendants, and each of them, in a sum as provided by the Labor Code and/or
8 other statutes. Pursuant to Code of Civil Procedure section 1021.5, and any other provision of
9 law, Plaintiff requests the court award reasonable attorneys' fees and costs incurred by them in
10 this action.

11 **THIRD CAUSE OF ACTION**

12 **FAILURE TO ISSUE ITEMIZED WAGE STATEMENTS AND MAINTAIN RECORDS**

13 **(By Plaintiff against All Defendants)**

14 50. Plaintiff reallege and incorporate by reference all preceding paragraphs herein as
15 if fully alleged herein.

16 51. Labor Code sections 226, 1174, 1174.5, and the applicable IWC Wage Orders
17 provide that employers must keep records and provide employees with itemized wage statements
18 showing all hours worked and each applicable rate of pay in effect during the pay period with the
19 corresponding number of hours worked at each hourly rate.

20 52. Labor Code section 1174, subdivision (d), requires an employer to keep at a central
21 location in California or at the plant or establishment at which the employees are employed,
22 payroll records showing the hours worked daily, and the wages paid to, each employee. Labor
23 Code section 226, subdivision (a) requires an employer to provide employees—either as a
24 detachable part of the check, draft, or voucher paying the employee's wages, or separately when
25 wages are paid by personal check or cash—an accurate itemized wage statement in writing
26 including specified information, including, but not limited to: (1) gross wages earned; (2) total
27 hours worked by the employee; (3) the number of piece-rate units earned; (4) all deductions; (5)
28 net wages earned...and (9) all applicable hourly rates of pay and corresponding number of hours.

1 Labor Code section 226, subdivision (e) provides that if an employer knowingly and intentionally
2 fails to provide a statement itemizing, inter alia, the gross and net wages earned, the total hours
3 worked by the employee, causing the employee injury, then the employee is entitled to recover
4 the greater of all actual damages or fifty dollars (\$50.00) for the initial violation and one hundred
5 dollars (\$100.00) for each subsequent violation, up to four thousand dollars (\$4,000.00). Plaintiff
6 are informed and believe that Defendants willfully failed to make or keep accurate records for
7 Plaintiff and Class Members.

8 53. The IWC Wage Orders require that every employer shall keep accurate
9 information with respect to each employee, including time records showing when each employee
10 begins and ends each work periods, the total daily hours worked by each employee and the total
11 hours worked in each payroll period, and applicable rates of pay.

12 54. Plaintiff are informed and believe that Defendants willfully and intentionally
13 failed to make and/or keep records which accurately reflect the hours worked by Plaintiff and
14 Class Members. Specifically, Plaintiff believe that Defendants did not maintain records for
15 Plaintiff and Class Members reflecting their actual time worked and applicable rate of pay, and
16 did not issue any itemized wage statements.

17 55. An employee is deemed to suffer injury if the employer fails to provide a wage
18 statement containing all of the required information set forth in Labor Code section 226,
19 subdivision (a). (Labor Code section 226, subdivision (e)(2)). In addition, the omission of time
20 worked, proper rates of pay, records of missed meal and rest breaks and/or premium pay make it
21 difficult for employees to determine whether they were paid all wages due without complicated
22 calculations and/or reconstruction of records required to be maintained by Defendants.

23 56. For each employee suffering an injury as a result of Defendants' knowing and
24 intentional failure to provide an accurate, itemized wage statement the employee is entitled to
25 recover the greater of actual damages or fifty dollars (\$50.00) for the initial pay period in which
26 a violation occurs and one hundred dollars (\$100.00) per employee for each violation in a
27 subsequent pay period.

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1 57. Plaintiff are informed and believe that Defendants' failure to keep accurate payroll
2 records, as described above, violated Labor Code sections 1174, subdivision (d) and 226,
3 subdivision (a), and the applicable Wage Order. Plaintiff intends to seek penalties under Labor
4 Code section 2699, subdivision (f)(2). Plaintiff and Class Members are entitled to penalties of
5 \$100.00 and for the initial violation and \$200.00 for each subsequent violation for every pay
6 period during which these records and information were not kept by Defendants.

7 58. Plaintiff is informed and believes that Defendants' failure to keep and maintain
8 accurate records and information and provide to Plaintiff and Class Members itemized wage
9 statements containing all of the information mandated by the Labor Code, as described above,
10 was knowing and intentional, and Plaintiff and Class Members are entitled to statutory penalties
11 for each pay period in which a violation occurred. Plaintiff further seek recovery of attorneys'
12 fees and costs pursuant to Labor Code section 226, subdivision (e) and as otherwise permitted by
13 law.

14 **FOURTH CAUSE OF ACTION**

15 **Failure to Pay Wages of Terminated or Resigned Employees**

16 **(By Plaintiff Against All Defendants)**

17 59. Plaintiff reallege and incorporate by reference all preceding paragraphs herein as
18 if fully alleged herein.

19 60. Plaintiff are informed and believe, and thereon allege, that as part of Defendants'
20 ongoing unfair business practices, Defendants failed to pay all employees all wages earned during
21 their employment at the time of their separation in violation of Labor Code sections 200 and 201.

22 61. Labor Code section 201 provides that an employer is required to pay an employee
23 whose employment is terminated by the employer all wages earned and unpaid immediately upon
24 termination.

25 62. Labor Code section 202 requires an employer pay to an employ who quits his or
26 her employment, all wages earned and unpaid no later than 72 hours thereafter.

27 63. Labor Code section 203 provides that an employer who fails to pay all wages
28 earned and due an employee who is discharged or who quits within the timeframe set forth in

1 sections 201 and 202, the wages of the employee shall continue as a penalty from the due date
2 at the same rate of pay until paid, but not more than 30 days. In other words, the employer owes
3 the employee his or her daily rate of pay at their regular rate of pay for each day the full amount
4 of unpaid wages is not paid, for a penalty of up to 30 days' wages.

5 64. Throughout Plaintiff's and Class Members' employment, Defendants failed to pay
6 to Plaintiff and Class Members all wages earned as set forth herein. Defendants further failed to
7 pay these sums to Plaintiff and Class Members at the time their employment with Defendants
8 ended and beyond 30 days thereafter.

9 65. Plaintiff and Class Members are entitled to compensation for all forms of wages
10 earned, including, but not limited to, wages earned but not paid, compensation for unprovided
11 rest periods and unprovided meal periods, but to date have not received such compensation,
12 therefore entitling them Labor Code section 203 penalties.

13 66. Plaintiff and members of the Plaintiff Class who separated their employment with
14 Defendants within four (4) years of the filing of the original complaint until the date of entry of
15 judgment, without being paid proper compensation are entitled to thirty (30) days of pay at their
16 regular rate of pay as waiting time penalties.

17 67. Plaintiff seek to recover in a civil action all remedies to the fullest extent
18 permissible including those permitted pursuant to Labor Code section 203 and 558.1.

19 **FIFTH CAUSE OF ACTION**

20 **UNFAIR/UNLAWFUL BUSINESS PRACTICES**

21 **(Bus. & Prof. Code, §§ 17200 et seq.)**

22 **(By Plaintiff against All Defendants)**

23 68. Plaintiff realleges and incorporates by reference all preceding paragraphs herein,
24 as if fully alleged herein.

25 69. Plaintiff brings this claim individually and on behalf of Class Members.

26 70. Business and Professions Code section 17200 ("UCL") prohibits unfair
27 competition in the form of any unlawful, unfair, or fraudulent business act or practice.

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1 71. Business and Professions Code section 17204 allows “any person who has suffered
2 injury in fact and has lost money or property as a result of such unfair competition” to prosecute
3 a civil action for violation of the UCL.

4 72. Labor Code section 90.5, subdivision (a), states it is the public policy of California
5 to vigorously enforce minimum labor standards in order to ensure employees are not required to
6 work under substandard and unlawful conditions, and to protect employers who comply with the
7 law from those who attempt to gain competitive advantage at the expense of their workers by
8 failing to comply with minimum labor standards.

9 73. Beginning at an exact date unknown to Plaintiff, but at least since the date four
10 years prior to the filing of this complaint, Defendants have committed acts of unfair competition
11 as defined by the Unfair Business Practices Act, by engaging in the unlawful, unfair, and
12 fraudulent business practices and acts described in this complaint, including, but not limited to,
13 violations of Labor Code sections 201, 202, 203, 204, 206, 226, 226.3, 226.7, 510, 512, 558.1,
14 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, and 1198, as well as other statutes.

15 74. The violations of these laws and regulations, as well as of fundamental California
16 public policies protecting workers, serve as unlawful predicate acts and practices for purposes of
17 Business and Professions Code sections 17200 et seq.

18 75. As a result of these actions, Plaintiff, on information and belief, alleges that
19 Defendants are able to unfairly compete with other comparable companies in the State of
20 California in violation of Business and Professions Code sections 17000 et seq. and sections
21 17200 et seq. Due to these unlawful, unfair, and/or fraudulent business practices, Defendants have
22 gained a competitive advantage over other comparable companies doing business in the State of
23 California.

24 76. The victims of these unlawful, unfair, and/or fraudulent business practices include,
25 but are not limited to, Plaintiff, putative class members, competing manufacturers in the State of
26 California, and the general public. Plaintiff is informed and believes, and thereon alleges, that
27 Defendants performed the above-mentioned acts with the intent of gaining an unfair competitive
28 advantage and thereby injuring Plaintiff, putative class members, other competitors, and the

1 general public.

2 77. Plaintiff's success in this action will enforce important rights affecting the public
3 interest and public policy. In this regard, Plaintiff sues on behalf of the public as well as on behalf
4 of himself.

5 78. Business and Professions Code sections 17203 provides that a court may make
6 such orders or judgments as may be necessary to prevent the use or employment by any person
7 of any practice which constitutes unfair competition. Injunctive relief is necessary and appropriate
8 to prevent Defendants from repeating their unlawful, unfair, and fraudulent business acts and
9 business practices alleged above.

10 79. Business and Professions Code section 17203 provides that the Court may restore
11 to any person in interest any money or property that may have been acquired by means of such
12 unfair competition. Plaintiff and the Plaintiff Class are entitled to restitution pursuant to Business
13 and Professions Code section 17203 for wages and payments unlawfully withheld from
14 employees, including the fair value of the meal and rest periods and other losses alleged herein,
15 during the four-year period prior to the filing of this complaint. All remedies are cumulative
16 pursuant to Business and Professions Code section 17205.

17 80. Business and Professions Code section 17202 provides: "Notwithstanding section
18 3369 of the Civil Code, specific or preventative relief may be granted to enforce a penalty,
19 forfeiture, or penal law in a case of unfair competition." Plaintiff and Plaintiff Class are entitled
20 to enforce all applicable penalty provisions of the Labor Code pursuant to Business and
21 Professions Code section 17202.

22 81. Plaintiff requests injunctive relief pursuant to Business and Professions Code
23 section 17203 to enjoin Defendants from continuing the unfair/unlawful business practices
24 alleged herein.

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1 82. Plaintiff herein takes upon enforcement of these laws and lawful claims. There is
2 a financial burden involved in pursuing this action. The action is seeking to vindicate a public
3 right, and it would be against the interests of justice to penalize Plaintiff by forcing Plaintiff to
4 pay attorneys' fees from the recovery in this action. Attorneys' fees are appropriate pursuant to
5 Code of Civil Procedure section 1021.5 and others.

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7 **SIXTH CAUSE OF ACTION**

8 **Civil Penalties under Labor Code §§ 2698 and 2899 (Private Attorneys General Act)**
9 **(Plaintiff Against All Defendants)**

10 83. Plaintiff realleges and incorporates by reference all preceding paragraphs of this
11 complaint as though fully set forth herein.

12 84. Labor Code sections 2698 through 2699, known as the Private Attorney's General
13 Act of 2004 ("PAGA"), provides for a civil penalty to be assessed and collected by the Labor
14 and Workforce Development Agency, or any of its departments, divisions, commissions,
15 boards, agencies or employees for a violation of the Labor Code, may be recovered through a
16 civil action by an aggrieved employee on behalf of himself or herself, and collectively on behalf
17 of all other current or former employees.

18 85. Whenever the Labor and Workforce Development Agency, or any of its
19 departments, divisions, commissions, boards agencies or employees has discretion to assess a
20 civil penalty, a court in a civil action is authorized to exercise the same discretion, subject to
21 the same limitations and conditions to assess a civil penalty.

22 86. Plaintiff and Aggrieved Employees are "aggrieved employees" as defined by
23 Labor Code section 2699 in that they are all current or former employees of Defendants, and
24 one or more of the alleged violations was committed against them.

25 87. Pursuant to PAGA, prior to filing this complaint, on June 1, 2022, Plaintiff gave
26 written notice to the LWDA, and by certified mail to Defendants, of the specified provisions of
27 the Labor Code alleged to have been violated, including the facts and theories that support the
28 alleged violation as required by Labor Code section 2699.3. (LWDA Case No. LWDA-CM-

1 886833-22.) A true and correct copy of Plaintiff's original and amended written notices sent to
2 the LWDA, dated August 24, 2022 is attached hereto as **Exhibit A**.

3 88. Plaintiff asserts all of the claims in this complaint against Defendants,
4 individually and on behalf of all Aggrieved Employees, in her capacity as private attorney
5 general, and seeks all statutory penalties available under the Labor Code for each violation
6 herein before alleged.

7 89. Pursuant to Labor Code section 2699 Plaintiff, individually and on behalf of all
8 Aggrieved Employees, request and are entitled to recover from Defendants: unpaid wages,
9 overtime compensation, rest and meal period compensation and penalties, waiting period wages
10 and penalties according to proof, penalties for failure to keep accurate payroll records, interest,
11 attorney's fees and costs pursuant to Labor Code sections 218.5, 1194, subdivision (a), and
12 1174, as well as all statutory penalties, and attorneys' fees against Defendants, including but
13 not limited to:

14 90. Penalties under Labor Code section 2699 in the amount of one hundred dollars
15 (\$100.00) for each aggrieved employee per pay period for each initial violation, and two
16 hundred dollars (\$200.00) for each Aggrieved Employee per pay period for each subsequent
17 violation;

18 91. Penalties under Code of Regulations Title 8 section 11050 in the amount of fifty
19 dollars (\$50.00) for each aggrieved employee per pay period for the initial violation, and two
20 hundred dollars (\$200.00) for each Aggrieved Employee per pay period for each subsequent
21 violation; and

22 92. Any and all additional penalties and sums are provided by the Labor Code and/or
23 other statutes.

24 93. In addition, thereto, Plaintiff seeks and is entitled to fifty percent (50%) of all
25 penalties obtained under Labor Code section 2699 to be allocated to the general fund, and
26 twenty five percent (25%) of all penalties obtained to be allocated to the Labor and Workforce
27 Development Agency, for education of employers and employees about their rights and
28 responsibilities under the Labor Code and twenty five percent (25%) to all Aggrieved

Employees.

94. Further, Plaintiff is entitled to seek and recover reasonable attorney's fees and costs pursuant to Labor Code sections 2699, 218.5, 226, 1174, and 1194, and any other applicable statute.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for judgment as follows:

1. That the Court determine that this action may be maintained as a class action under Code of Civil Procedure section 382;

2. The Court appoint Plaintiff as Class Representative;

3. The Court appoint Mahoney Law Group, APC as class counsel;

4. For compensatory and statutory damages;

5. For restitution of all monies due to Plaintiff and Plaintiff Class from the unlawful/unfair business practices of Defendants;

6. For injunctive relief;

7. For statutory and civil penalties according to proof;

8. For reasonable attorneys' fees and costs pursuant to Labor Code section 226, subdivision (e), and section 1194; Code of Civil Procedure section 1021.5, and/or other applicable laws statutes; and

9. That the Court award such other and further relief as this Court may deem appropriate.

Dated: March 15, 2023

MAHONEY LAW GROUP, APC

By:



Kevin Mahoney, Esq.

John A. Young, Esq.

Raleigh Dixon, Esq.

Attorney for Plaintiff REYNALDO

RETANA SEGOVIA, as an individual and

on behalf of all similarly situated employees

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Dated: March 15, 2023

Ralph Dixon

Kevin Mahoney, Esq.
John A. Young, Esq.
Raleigh Dixon, Esq.
Attorney for Plaintiff REYNALDO
RETANA SEGOVIA as an individual and
on behalf of all similarly situated employees

EXHIBIT A



Raleigh Dixon, Esq.
562.590.5550 phone
562.590.8400 facsimile
rdixon@mahoney-law.net

August 24, 2022

Via Certified Electronic Mail

LABOR AND WORKFORCE DEVELOPMENT AGENCY
PAGAFilings@dir.ca.gov

VIA CERTIFIED MAIL #7019 2970 0000 2983 3284

Return Receipt Requested

John S. Reed – Managing Member
Reeds Home Delivery, Inc.
3391 Arden Road, #D
Hayward, CA 94545

VIA CERTIFIED MAIL #7019 2970 0000 2983 3291

Return Receipt Requested

Tanya Reed – Managing Member, Agent for Service of Process for Reeds Home Delivery, Inc.
3391 Arden Road, #D
Hayward, CA 94545

Re: Reynaldo Retana Segovia v. Reeds Home Delivery, Inc.

**NOTICE OF LABOR CODE VIOLATIONS PURSUANT TO
LABOR CODE SECTION 2698 ET SEQ.**

To: Labor and Workforce Development Agency; Reeds Home Delivery, Inc. (“Employer”)

From: Reynaldo Retana Segovia, on behalf of himself and all Aggrieved Employees who were subject to the Employers’ wage and hour policies set forth below.

Factual Statement

Please note that this firm, Mahoney Law Group, APC, represents Reynaldo Retana Segovia (“Mr. Segovia”), who intends to file a complaint alleging various Labor Code violations and seeking civil penalties under the Private Attorneys General Act of 2004, Labor Code sections 2698 et seq. (“PAGA”), on behalf of himself and all other Aggrieved Employees.

Theories of Labor Code Violations and Remedies

Reeds Home Delivery, Inc. (“RHD”) is a California Company conducting business in Hayward, California, and was the Employer of Mr. Segovia. RHD owns and operates a furniture company.

John S. Reed and Tanya Reed (collectively, “the Reeds”) are the current owners and/or managing members of Reeds Home Delivery, Inc. The Reeds may be held liable for the violations set forth herein under and pursuant to Labor Code section 558 as “person[s] acting on behalf of an Employers who violates, or causes to be violated ... any provision regulating hours and days of work in any order of the Industrial Welfare Commission.” For purposes of this notice, RHD and the Reeds are collectively referred to as “Employers.”

Mr. Segovia is a current employee of Reeds who began working there in 2012.

Mr. Segovia alleges that Employers violated various sections of the Labor Code, including sections 226, 226.7, 510, 512, 558, 1174, and 1194, by:

- a) Failing to pay Mr. Segovia and Aggrieved Employees for all hours worked;
- b) failing to provide Mr. Segovia and Aggrieved Employees with compliant meal periods or premium compensation in lieu thereof; and
- c) failing to provide Mr. Segovia and Aggrieved Employees with accurate itemized wage statements;

Mr. Segovia and the similarly Aggrieved Employees are identifiable current, and/or former hourly non-exempt employees who worked for Employers in California during the liability period of one year prior to the filing of a complaint alleging a PAGA cause of action.

A. Employers failed to pay Mr. Segovia and Aggrieved Employees for all hours worked

Pursuant to Labor Code section 1194, subdivision (a), “any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney’s fees, and costs of suit.”

Labor Code section 510, subdivision (a), provides that “[a]ny work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek ... shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee.”

Employers failed to compensate Mr. Segovia and Aggrieved Employees at the legally mandated wage rates for all hours worked in violation of California law. Specifically, Mr. Segovia and Aggrieved Employees routinely worked more than forty (40) hours in any given workweek; however, Defendants manipulated the timesheets showing the hours worked by Mr. Segovia and Aggrieved Employees which resulted in Mr. Segovia and Aggrieved Employees being under compensated to the benefit of Defendants. Further, Defendants failed to pay Mr. Segovia and Aggrieved Employees the proper rate for meal period premiums when they missed meal breaks.

Employers’ failure to pay Mr. Segovia and Aggrieved Employees for all hours worked, including applicable minimum wage and overtime rates, as detailed above is actionable under PAGA as a violation of Labor Code sections 510 and 1194.

///

B. Employers failed to provide Mr. Segovia and Aggrieved Employees with compliant meal periods or premium compensation in lieu thereof

Labor Code sections 226.7 and 512 provide that no Employers shall employ a person for a work period of more than five hours without providing an uninterrupted meal period of at least thirty minutes. Further, when an Employers fails to provide an employee a required meal period, the Employers must pay the employee one hour of pay at the employee's regular rate of pay for each workday that a required meal period is not provided.

Frequently, Mr. Segovia and Aggrieved Employees did not receive their meal period until after the fifth (5th) hour of work. Specifically, Mr. Segovia and Aggrieved Employees started their workday at 4:00 a.m. but at times would not be permitted to take their lunch break until 12:00 p.m., eight (8) hours into their shift. Additionally, Employers failed or refused to provide adequate premium compensation to Mr. Segovia and Aggrieved Employees for late meal periods.

Employers' conduct in failing to provide compliant meal periods or premium compensation in lieu thereof is actionable under PAGA as violations of Labor Code sections 226.7 and 512.

C. Employers failed to provide Mr. Segovia and Aggrieved Employees with accurate itemized wage statements

Labor Code section 226, subdivision (a), requires employers to furnish employees with accurate itemized wage statements reflecting the total hours worked, gross and net wages, applicable hourly rates, the corresponding number of hours worked at each hourly rate, and the name and address of the legal entity that is the employer. Labor Code section 1174 further requires employers to keep accurate payroll records that include "the hours worked daily" by employees.

By failing to pay Mr. Segovia and Aggrieved Employees for all hours worked during meal breaks and premium compensation for missed and/or late meal periods, and by manipulating the timesheets of Mr. Segovia and Aggrieved Employees, Employers provided wage statements that were incomplete and inaccurate. Specifically, Employers provided wage statements with an inaccurate total number of hours worked which resulted in inaccurate gross and net wages, and an inaccurate corresponding number of hours worked at each hourly rate.

Employers' conduct is not compliant with Labor Code sections 226 and 1174 and is therefore actionable under PAGA.

D. The Reeds are personally liable for Labor Code Violations

Plaintiff is informed and believes that John S. Reed and Tanya Reed are the current owners and/or managing members of Reeds Home Delivery, Inc. John S. Reed and Tanya Reed may be held liable for the violations set forth herein under and pursuant to Labor Code section 558 as "person[s] acting on behalf of an Employers who violates, or causes to be violated ... any provision regulating hours and days of work in any order of the Industrial Welfare Commission." Specifically, Plaintiff is informed and believes that John S. Reed and Tanya Reed are the persons

who implemented and enforced the policies described herein and as such, is liable under Labor Code section 558.

E. Reservation of Rights

The facts and claims contained herein are based on the information available at the time of this writing. Therefore, if through discovery and/or expert review, Mr. Segovia becomes aware of additional compensation owed or losses incurred by Mr. Segovia or by any other aggrieved employee of the Employers, Mr. Segovia expressly reserves the right to revise these facts and/or add any new claims by amending the claim letter or by adding applicable causes of action to the complaint which will relate back to the date of this letter.

If the Labor and Workforce Development Agency intends to investigate the allegations set forth herein, please provide notice via certified mail to:

Mahoney Law Group, APC
Raleigh Dixon, Esq.
249 E. Ocean Blvd., Ste. 814
Long Beach, CA 90802
Tel: (562) 590-5550
Email: rdixon@mahoney-law.net

Sincerely,

A handwritten signature in blue ink that reads "Raleigh Dixon". The signature is fluid and cursive, with the first name "Raleigh" and the last name "Dixon" clearly distinguishable.

Raleigh Dixon, Esq.

MAHONEY LAW GROUP, APC