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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF RIVERSIDE**

ERIC WADE, individually, and on behalf of
other members of the general public
similarly situated;

Plaintiff,

v.

STEEL UNLIMITED, INC., a California
corporation; and DOES 1 through 100,
inclusive;

Defendants.

Case No.: CVRI2103751

Assigned for All Purposes to:
Honorable Harold W. Hopp
Department 10

**FIRST AMENDED CLASS ACTION
COMPLAINT FOR DAMAGES**

- (1) Violation of California Labor Code §§ 510 and 1198 (Unpaid Overtime);
- (2) Violation of California Labor Code §§ 226.7 and 512(a) (Unpaid Meal Period Premiums);
- (3) Violation of California Labor Code § 226.7 (Unpaid Rest Period Premiums);
- (4) Violation of California Labor Code §§ 1194 and 1197 (Unpaid Minimum Wages);
- (5) Violation of California Labor Code §§ 201 and 202 (Final Wages Not Timely Paid);
- (6) Violation of California Labor Code § 226(a) (Non-Compliant Wage Statements);
- (7) Violation of California Labor Code §§ 2800 and 2802 (Unreimbursed Business Expenses);
- (8) Violation of California Labor Code §§ 2698, *et seq.* (Private Attorneys General Act of 2004); and
- (9) Violation of California Business & Professions Code §§ 17200, *et seq.*

DEMAND FOR JURY TRIAL

COMES NOW, Plaintiff ERIC WADE (“Plaintiff”), individually, and on behalf of other members of the general public similarly situated, and alleges as follows:

JURISDICTION AND VENUE

1. This class action is brought pursuant to the Code of Civil Procedure section 382. The monetary damages and restitution sought by Plaintiff exceeds the minimal jurisdiction limits of the Superior Court and will be established according to proof at trial.

2. This Court has jurisdiction over this action pursuant to the California Constitution, Article VI, Section 10, which grants the superior court “original jurisdiction in all other causes” except those given by statute to other courts. The statutes under which this action is brought do not specify any other basis for jurisdiction.

3. This Court has jurisdiction over Defendants because, upon information and belief, Defendants are citizens of California, have sufficient minimum contacts in California, or otherwise intentionally avail themselves of the California market to render the exercise of jurisdiction over them by the California courts consistent with traditional notions of fair play and substantial justice.

4. Venue is proper in this Court because, upon information and belief, Defendants maintain offices, have agents, and/or transact business in the State of California, including the County of Riverside. The majority of the acts and omissions alleged herein relating to Plaintiff took place in the State of California, County of Riverside. Defendants employed Plaintiff within the State of California, County of Riverside.

PARTIES

5. Plaintiff ERIC WADE is an individual residing in the State of California, County of San Bernardino.

6. Defendant STEEL UNLIMITED, INC., at all times herein mentioned, was and is, upon information and belief, a California corporation, and at all times herein mentioned, was and is, an employer whose employees are engaged throughout the State of California, including the County of Riverside.

1 7. At all relevant times, Defendant STEEL UNLIMITED, INC. was the “employer”
2 of Plaintiff within the meaning of all applicable California laws and statutes.

3 8. At all times herein relevant, Defendants STEEL UNLIMITED, INC. and DOES 1
4 through 100, and each of them, were the agents, partners, joint venturers, joint employers,
5 representatives, servants, employees, successors-in-interest, co-conspirators and assigns, each of
6 the other, and at all times relevant hereto were acting within the course and scope of their
7 authority as such agents, partners, joint venturers, joint employers, representatives, servants,
8 employees, successors, co-conspirators and assigns, and all acts or omissions alleged herein were
9 duly committed with the ratification, knowledge, permission, encouragement, authorization, and
10 consent of each defendant designated herein.

11 9. The true names and capacities, whether corporate, associate, individual or
12 otherwise, of Defendants DOES 1 through 100, inclusive, are unknown to Plaintiff, who sues
13 said defendants by such fictitious names. Plaintiff is informed and believes, and based on that
14 information and belief alleges, each of the Defendants designated as a DOE is legally
15 responsible for the events and happenings referred to in this Complaint, and unlawfully caused
16 the injuries and damages to Plaintiff and the other class members as alleged in this Complaint.
17 Plaintiff will seek leave of court to amend this Complaint to show the true names and capacities
18 when the same have been ascertained.

19 10. Defendants STEEL UNLIMITED, INC. and DOES 1 through 100 will hereinafter
20 collectively be referred to as “Defendants.”

21 11. Plaintiff further alleges Defendants directly or indirectly controlled or affected the
22 working conditions, wages, working hours, and conditions of the employment of Plaintiff and
23 the other class members to make each of said Defendants employers and employers liable under
24 the statutory provisions set forth herein.

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1 **CLASS ACTION ALLEGATIONS**

2 12. Plaintiff brings this action on his own behalf and on behalf of all other members
3 of the general public similarly situated, and, thus, seeks class certification under Code of Civil
4 Procedure section 382.

5 13. The proposed class is defined as follows:

6 All current and former hourly-paid or non-exempt employees of Defendants
7 within the State of California at any time during the period from August 3, 2017
8 to October 22, 2022.

9 14. Plaintiff reserves the right to establish subclasses as appropriate.

10 15. The class is ascertainable and there is a well-defined community of interest:

11 a. Numerosity: The class members are so numerous that joinder of all class
12 members is impracticable. The membership of the entire class is unknown
13 to Plaintiff at this time. However, the class is estimated to be greater than
14 one hundred (100) individuals and the identity of such membership is
15 readily ascertainable by inspection of Defendants' employment records.

16 b. Typicality: Plaintiff's claims are typical of all other class members' claims
17 as demonstrated herein. Plaintiff will fairly and adequately protect the
18 interests of the other class members with whom he has a well-defined
19 community of interest.

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1 c. Adequacy: Plaintiff will fairly and adequately protect the interests of each
2 class member, with whom he has a well-defined community of interest and
3 typicality of claims, as demonstrated herein. Plaintiff has no interest
4 antagonistic to the other class members. Plaintiff's attorneys, the proposed
5 class counsel, are versed in the rules governing class action discovery,
6 certification, and settlement. Plaintiff incurred, and during the pendency of
7 this action will continue to incur, costs and attorneys' fees, that have been,
8 are, and will be necessarily expended for the prosecution of this action for
9 the substantial benefit of each class member.

10 d. Superiority: A class action is superior to other available methods for the
11 fair and efficient adjudication of this litigation because individual joinder
12 of all class members is impractical.

13 e. Public Policy Considerations: Certification of this lawsuit as a class action
14 will advance public policy objectives. Employers of this state violate
15 employment and labor laws every day. Current employees are often afraid
16 to assert their rights out of fear of retaliation. However, class actions
17 provide the class members who are not named in the complaint anonymity
18 that allows for the vindication of their rights.

19 16. There are common questions of law and fact as to the class members that
20 predominate over questions affecting only individual members. The following common
21 questions of law or fact, among others, exist as to the members of the class:

22 a. Whether Defendants' failure to pay wages, without abatement or
23 reduction, in accordance with the Labor Code, was willful;

24 b. Whether Defendants failed to pay their hourly-paid or non-exempt
25 employees within the State of California for all hours worked, missed meal
26 periods and rest breaks in violation of California law;

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- 1 c. Whether Defendants required Plaintiff and the other class members to
2 work over eight (8) hours per day and/or over forty (40) hours per week
3 and failed to pay the legally required overtime compensation to Plaintiff
4 and the other class members;
- 5 d. Whether Defendants properly calculated the regular rate for Plaintiff and
6 the other class members to worked overtime and earned bonuses and/or
7 incentive pay;
- 8 e. Whether Defendants properly calculated sick leave pay for Plaintiff and
9 the other class members using the methods outlined in the Labor Code;
- 10 f. Whether Defendants deprived Plaintiff and the other class members of
11 meal and/or rest periods or required Plaintiff and the other class members
12 to work during meal and/or rest periods without compensation;
- 13 g. Whether Defendants failed to pay minimum wages to Plaintiff and the
14 other class members for all hours worked;
- 15 h. Whether Defendants failed to pay all wages due to Plaintiff and the other
16 class members within the required time upon discharge or resignation;
- 17 i. Whether Defendants failed to timely pay all wages due to Plaintiff and the
18 other class members during their employment;
- 19 j. Whether Defendants complied with wage reporting as required by the
20 Labor Code, including, *inter alia*, section 226;
- 21 k. Whether Defendants failed to reimburse Plaintiff and the other class
22 members for necessary business-related expenses and costs;
- 23 l. Whether Defendants' conduct was willful or reckless;
- 24 m. Whether Defendants engaged in unfair business practices in violation of
25 Business & Professions Code section 17200, *et seq.*;

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n. The appropriate amount of damages, restitution, and/or monetary penalties resulting from Defendants' violation of California law; and

o. Whether Plaintiff and the other class members are entitled to compensatory damages pursuant to the Labor Code.

GENERAL ALLEGATIONS

17. During the relevant time period set forth herein, Defendants employed Plaintiff and the other persons as hourly-paid or non-exempt employees within the State of California.

18. Defendants, jointly and severally, employed Plaintiff as an hourly-paid, non-exempt employee from approximately 2018 to 2019 in the State of California, County of San Bernardino.

19. Defendants had the authority to hire and terminate Plaintiff and the other class members; to set work rules and conditions governing Plaintiff's and the other class members' employment; and to supervise their daily employment activities.

20. Defendants exercised sufficient authority over the terms and conditions of Plaintiff and the other class members' employment for them to be joint employers of Plaintiff and the other class members.

21. Defendants directly hired and paid wages and benefits to Plaintiff and the other class members.

22. Defendants continue to employ hourly-paid or non-exempt employees within the State of California.

23. Plaintiff and the other class members worked over eight (8) hours in a day, and/or forty (40) hours in a week during their employment with Defendants.

24. Plaintiff is informed and believes, and based thereon alleges, Defendants engaged in a uniform policy and systematic scheme of wage abuse against their hourly-paid or non-exempt employees within the State of California. This scheme involved, *inter alia*, failing to pay them for all hours worked, missed meal periods, and missed rest breaks in violation of California law.

1 25. Plaintiff is informed and believes, and based thereon alleges, Defendants knew or
2 should have known Plaintiff and the other class members were entitled to receive certain wages
3 for overtime compensation and that Plaintiff and the other class members were not receiving
4 wages for overtime compensation.

5 26. Plaintiff is informed and believes, and based thereon alleges, Defendants knew or
6 should have known Plaintiff and the other class members were receiving non-discretionary
7 bonuses and incentive pay but that such non-discretionary bonuses and incentive pay were not
8 factored in Plaintiff's and the other class members' regular rate of pay for overtime purposes.

9 27. Plaintiff is informed and believes, and based thereon alleges, Defendants knew or
10 should have known Plaintiff and the other class members were not having their sick leave pay
11 calculated using the methods outlined in the Labor Code and that Plaintiff and the other class
12 members were receiving improperly calculated sick leave pay.

13 28. Plaintiff is informed and believes, and based thereon alleges, Defendants failed to
14 provide Plaintiff and the other class members the required rest and meal periods during the
15 relevant time period as required under the Industrial Welfare Commission Wage Orders and that
16 Plaintiff and the other class members are entitled to any and all applicable penalties.

17 29. Plaintiff is informed and believes, and based thereon alleges, Defendants knew or
18 should have known Plaintiff and the other class members were entitled to receive all timely and
19 complete meal periods or payment of one additional hour of pay at Plaintiff's and the other class
20 members' regular rate of pay when a meal period was missed, late, or interrupted, and that
21 Plaintiff and the other class members did not receive all timely and proper meal periods or
22 payment of one additional hour of pay at their regular rate of pay when a meal period was
23 missed, late, or interrupted.

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1 30. Plaintiff is informed and believes, and based thereon alleges, Defendants knew or
2 should have known Plaintiff and the other class members were entitled to receive timely rest
3 periods without interruption or payment of one additional hour of pay at Plaintiff and the other
4 class members' regular rate of pay when a rest period was missed, late, or interrupted, and that
5 Plaintiff and the other class members did not receive all rest periods or payment of one
6 additional hour of pay at their regular rate of pay when missed, late, or interrupted.

7 31. Plaintiff is informed and believes, and based thereon alleges, Defendants knew or
8 should have known Plaintiff and the other class members were entitled to receive at least
9 minimum wages for compensation and that Plaintiff and the other class members were not
10 receiving at least minimum wages for all hours worked.

11 32. Plaintiff is informed and believes, and based thereon alleges, Defendants knew or
12 should have known Plaintiff and the other class members were entitled to receive the wages
13 owed to them upon discharge or resignation, including overtime and minimum wages and meal
14 and rest period premiums, and that Plaintiff and the other class members did not receive such
15 wages owed to them at the time of their discharge or resignation.

16 33. Plaintiff is informed and believes, and based thereon alleges, Defendants knew or
17 should have known Plaintiff and the other class members were entitled to receive complete and
18 accurate wage statements in accordance with California law, but Plaintiff and the other class
19 members did not receive complete and accurate wage statements from Defendants. The
20 deficiencies included, *inter alia*, the failure to include the total number of hours worked by,
21 gross wages earned by, and net wages earned by Plaintiff and the other class members.

22 34. Plaintiff is informed and believes, and based thereon alleges, Defendants knew or
23 should have known Plaintiff and the other class members were entitled to reimbursement for
24 necessary business-related expenses.

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1 35. Plaintiff is informed and believes, and based thereon alleges, Defendants knew or
2 should have known Defendants had to keep complete and accurate payroll records for Plaintiff
3 and the other class members in accordance with California law, but in fact, did not keep
4 complete and accurate payroll records for Plaintiff and the other class members.

5 36. Plaintiff is informed and believes, and based thereon alleges, Defendants knew or
6 should have known they had a duty to compensate Plaintiff and the other class members pursuant
7 to California law, and that Defendants had the financial ability to pay such compensation, but
8 willfully, knowingly, and intentionally failed to do so, and falsely represented to Plaintiff and the
9 other class members they were properly denied wages to increase Defendants' profits.

10 37. During the relevant time period set forth herein, Defendants failed to pay overtime
11 wages to Plaintiff and the other class members for all hours worked. Plaintiff and the other class
12 members were required to work more than eight (8) hours per day and/or forty (40) hours per
13 week without overtime compensation.

14 38. During the relevant time period set forth herein, Defendants failed to provide the
15 uninterrupted and timely meal and rest periods to Plaintiff and the other class members.

16 39. During the relevant time period set forth herein, Defendants failed to pay Plaintiff
17 and the other class members at least minimum wages for all hours worked.

18 40. During the relevant time period set forth herein, Defendants failed to factor non-
19 discretionary bonuses and incentive pay into Plaintiff's and other class members' regular rate of
20 pay for overtime compensation.

21 41. During the relevant time period set forth herein, Defendants failed to calculate and
22 pay sick leave to Plaintiff and the other class members using the methods outlines in the Labor
23 Code.

24 42. During the relevant time period set forth herein, Defendants failed to pay Plaintiff
25 and the other class members the wages owed to them upon discharge or resignation.

26 43. During the relevant time period set forth herein, Defendants failed to provide
27 complete or accurate wage statements to Plaintiff and the other class members.
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44. During the relevant time period set forth herein, Defendants failed to keep complete or accurate payroll records for Plaintiff and the other class members.

45. During the relevant time period set forth herein, Defendants failed to properly compensate Plaintiff and the other class members pursuant to California law to increase Defendants' profits.

46. Labor Code section 218 states nothing in Article 1 of the Labor Code shall limit the right of any wage claimant to “sue directly . . . for any wages or penalty due to him [or her] under this article.”

FIRST CAUSE OF ACTION

(Violation of California Labor Code §§ 510 and 1198)

(Against STEEL UNLIMITED, INC. and DOES 1 through 100)

47. Plaintiff incorporates by reference the allegations contained in Paragraphs 1 through 46, and each and every part thereof with the same force and effect as though fully set forth herein.

48. Labor Code section 1198 and the applicable Industrial Welfare Commission (“IWC”) Wage Order provide it is unlawful to employ persons without compensating them at a rate of pay either time-and-one-half or two-times that person’s regular rate of pay, depending on the number of hours worked by the person on a daily or weekly basis.

49. Specifically, the applicable IWC Wage Order provides Defendants are and were required to pay Plaintiff and the other class members employed by Defendants, who work(ed) more than eight (8) hours in a day or more than forty (40) hours in a workweek, at the rate of time-and-one-half for all hours worked in excess of eight (8) hours in a day or more than forty (40) hours in a workweek.

50. The applicable IWC Wage Order further provides Defendants are and were required to pay Plaintiff and the other class members overtime compensation at a rate of two times their regular rate of pay for all hours worked in excess of twelve (12) hours in a day.

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51. Labor Code section 510 codifies the right to overtime compensation at one-and-one-half times the regular hourly rate for hours worked in excess of eight (8) hours in a day or forty (40) hours in a week or for the first eight (8) hours worked on the seventh day of work, and overtime compensation at twice the regular hourly rate for hours worked in excess of twelve (12) hours in a day or in excess of eight (8) hours in a day on the seventh day of work.

52. During the relevant time period set forth herein, Plaintiff and the other class members worked over eight (8) hours in a day, and/or in excess of forty (40) hours in a week.

53. During the relevant time period set forth herein, Defendants intentionally and willfully failed to pay overtime wages owed to Plaintiff and the other class members.

54. As a pattern and practice, during the relevant time period set forth herein, Defendants intentionally and willfully failed to factor non-discretionary bonuses and incentive pay into Plaintiff's and other class members' regular rate of pay for overtime compensation.

55. Defendants' failure to pay Plaintiff and the other class members the unpaid balance of overtime compensation, as required by California laws, violates the provisions of Labor Code sections 510 and 1198, and is unlawful.

56. Pursuant to Labor Code section 1194, Plaintiff and the other class members are entitled to recover unpaid overtime compensation, interest, costs, and attorneys' fees.

SECOND CAUSE OF ACTION

(Violation of California Labor Code §§ 226.7 and 512(a))

(Against STEEL UNLIMITED, INC. and DOES 1 through 100)

57. Plaintiff incorporates by reference the allegations contained in paragraphs 1 through 56, and each and every part thereof with the same force and effect as though fully set forth herein.

58. During the relevant time period set forth herein, the IWC Order and Labor Code sections 226.7 and 512(a) were applicable to Plaintiff's and the other class members' employment by Defendants.

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1 59. During the relevant time period set forth herein, Labor Code section 226.7
2 provides no employer shall require an employee to work during any meal or rest period
3 mandated by an applicable order of the IWC.

4 60. During the relevant time period set forth herein, the applicable IWC Wage Order
5 and Labor Code section 512(a) provide an employer may not require, cause, or permit an
6 employee to work for a work period of more than five (5) hours per day without providing the
7 employee with a meal period of not less than thirty (30) minutes, except if the total work period
8 per day of the employee is no more than six (6) hours, the meal period may be waived by mutual
9 consent of both the employer and employee.

10 61. During the relevant time period set forth herein, the applicable IWC Wage Order
11 and Labor Code section 512(a) further provide an employer may not require, cause, or permit an
12 employee to work for a work period of more than ten (10) hours per day without providing the
13 employee with a second uninterrupted meal period of not less than thirty (30) minutes, except if
14 the total hours worked is no more than twelve (12) hours, the second meal period may be waived
15 by mutual consent of the employer and the employee only if the first meal period was not
16 waived.

17 62. During the relevant time period set forth herein, Plaintiff and the other class
18 members who were scheduled to work for a period of time no longer than six (6) hours, and who
19 did not waive their legally-mandated meal periods by mutual consent, were required to work for
20 periods longer than five (5) hours without an uninterrupted meal period of not less than thirty
21 (30) minutes and/or without a rest period.

22 63. During the relevant time period set forth herein, Plaintiff and the other class
23 members who were scheduled to work for a period of time no longer than twelve (12) hours, and
24 who did not waive their legally-mandated meal periods by mutual consent, were required to
25 work for periods longer than ten (10) hours without an uninterrupted meal period of not less than
26 thirty (30) minutes and/or without a rest period.

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64. During the relevant time period set forth herein, Plaintiff and the other class members who were scheduled to work for a period of time in excess of six (6) hours were required to work for periods longer than five (5) hours without an uninterrupted meal period of not less than thirty (30) minutes and/or without a rest period.

65. During the relevant time period set forth herein, Plaintiff and the other class members who were scheduled to work for a period of time in excess of twelve (12) hours were required to work for periods longer than ten (10) hours without an uninterrupted meal period of not less than thirty (30) minutes and/or without a rest period.

66. During the relevant time period set forth herein, Defendants intentionally and willfully required Plaintiff and the other class members to work during meal periods and failed to compensate Plaintiff and the other class members the full meal period premium for work performed during meal periods.

67. During the relevant time period set forth herein, Defendants failed to pay Plaintiff and the other class members the full meal period premium due pursuant to Labor Code section 226.7.

68. Defendants' conduct violates applicable IWC Wage Order and Labor Code sections 226.7 and 512(a).

69. Pursuant to the applicable IWC Wage Order and Labor Code section 226.7(b), Plaintiff and the other class members are entitled to recover from Defendants one additional hour of pay at the employee's regular rate of compensation for each workday the meal or rest period is not provided.

THIRD CAUSE OF ACTION

(Violation of California Labor Code § 226.7)

(Against STEEL UNLIMITED, INC. and DOES 1 through 100)

70. Plaintiff incorporates by reference the allegations contained in paragraphs 1 through 69, and each and every part thereof with the same force and effect as though fully set forth herein.

1 71. During the relevant time period set forth herein, the applicable IWC Wage Order
2 and Labor Code section 226.7 were applicable to Plaintiff's and the other class members'
3 employment by Defendants.

4 72. During the relevant time period set forth herein, Labor Code section 226.7
5 provides no employer shall require an employee to work during any rest period mandated by an
6 applicable order of the IWC.

7 73. During the relevant time period set forth herein, the applicable IWC Wage Order
8 provides that "[e]very employer shall authorize and permit all employees to take rest periods,
9 which insofar as practicable shall be in the middle of each work period" and that the "rest period
10 time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time
11 per four (4) hours or major fraction thereof" unless the total daily work time is less than three
12 and one-half (3 ½) hours.

13 74. During the relevant time period set forth herein, Defendants required Plaintiff and
14 the other class members to work four (4) or more hours without authorizing or permitting a ten
15 (10) minute rest period per each four (4) hour period worked.

16 75. During the relevant time period set forth herein, Defendants willfully required
17 Plaintiff and the other class members to work during rest periods and failed to pay Plaintiff and
18 the other class members the full rest period premium for work performed during rest periods.

19 76. During the relevant time period set forth herein, Defendants failed to pay Plaintiff
20 and the other class members the full rest period premium due pursuant to Labor Code section
21 226.7.

22 77. Defendants' conduct violates applicable IWC Wage Orders and Labor Code
23 section 226.7.

24 78. Pursuant to the applicable IWC Wage Orders and Labor Code section 226.7(b),
25 Plaintiff and the other class members are entitled to recover from Defendants one additional hour
26 of pay at the employees' regular hourly rate of compensation for each workday the rest period
27 was not provided.
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1 **FOURTH CAUSE OF ACTION**

2 **(Violation of California Labor Code §§ 1194 and 1197)**

3 **(Against STEEL UNLIMITED, INC. and DOES 1 through 100)**

4 79. Plaintiff incorporates by reference the allegations contained in paragraphs 1
5 through 78 and each and every part thereof with the same force and effect as though fully set
6 forth herein.

7 80. During the relevant time period set forth herein, Labor Code sections 1194 and
8 1197 provide the minimum wage to be paid to employees, and the payment of a lesser wage than
9 the minimum so fixed, is unlawful.

10 81. During the relevant time period set forth herein, Defendants failed to pay
11 minimum wages to Plaintiff and the other class members as required, pursuant to Labor Code
12 sections 1194 and 1197.

13 82. Defendants' failure to pay Plaintiff and the other class members the minimum
14 wage as required violates Labor Code sections 1194 and 1197. Pursuant to those sections,
15 Plaintiff and the other class members are entitled to recover the unpaid balance of their minimum
16 wage compensation as well as interest, costs, and attorney's fees, and liquidated damages in an
17 amount equal to the wages unlawfully unpaid and interest thereon.

18 83. Pursuant to Labor Code section 1194.2, Plaintiff and the other class members are
19 entitled to recover liquidated damages in an amount equal to the wages unlawfully unpaid and
20 interest thereon.

21 **FIFTH CAUSE OF ACTION**

22 **(Violation of California Labor Code §§ 201 and 202)**

23 **(Against STEEL UNLIMITED, INC. and DOES 1 through 100)**

24 84. Plaintiff incorporates by reference the allegations contained in paragraphs 1
25 through 83, and each and every part thereof with the same force and effect as though fully set
26 forth herein.

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85. During the relevant time period set forth herein, Labor Code sections 201 and 202 provide if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and if an employee quits his or her employment, his or her wages are due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours' notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

86. During the relevant time period set forth herein, Defendants intentionally and willfully failed to pay Plaintiff and the other class members who are no longer employed by Defendants their wages, earned and unpaid, within seventy-two (72) hours of their leaving Defendants' employ.

87. Defendants' failure to pay Plaintiff and the other class members who are no longer employed by Defendants their wages, earned and unpaid, within seventy-two (72) hours of their leaving Defendants' employ, is in violation of Labor Code sections 201 and 202.

88. Labor Code section 203 provides if an employer willfully fails to pay wages owed, in accordance with sections 201 and 202, then the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until an action is commenced. But the wages shall not continue for more than thirty (30) days.

89. Plaintiff and the other class members are entitled to recover from Defendants the statutory penalty wages for each day they were not paid, up to the thirty (30) day maximum as provided by Labor Code section 203.

SIXTH CAUSE OF ACTION

(Violation of California Labor Code § 226(a))

(Against STEEL UNLIMITED, INC. and DOES 1 through 100)

90. Plaintiff incorporates by reference the allegations contained in paragraphs 1 through 89, and each and every part thereof with the same force and effect as though fully set forth herein.

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1 91. During the relevant time period set forth herein, Labor Code section 226(a)
2 provides every employer shall furnish each of his or her employees an accurate itemized
3 statement in writing showing (a) gross wages earned, (b) total hours worked by the employee, (c)
4 the number of piece-rate units earned and any applicable piece rate if the employee is paid on a
5 piece-rate basis, (d) all deductions, provided all deductions made on written orders of the
6 employee may be aggregated and shown as one item, (e) net wages earned, (f) the inclusive dates
7 of the period for which the employee is paid, (g) the name of the employee and his or her social
8 security number, (h) the name and address of the legal entity that is the employer, and (i) all
9 applicable hourly rates in effect during the pay period and the corresponding number of hours
10 worked at each hourly rate by the employee. The deductions made from payments of wages shall
11 be recorded in ink or other indelible form, properly dated, showing the month, day, and year, and
12 a copy of the statement or a record of the deductions shall be kept on file by the employer for at
13 least three years at the place of employment or at a central location within the State of
14 California.

15 92. Defendants have intentionally and willfully failed to provide Plaintiff and the
16 other class members with complete and accurate wage statements. The deficiencies include but
17 are not limited to: the failure to include the total number of hours worked by, gross wages earned
18 by, and net wages earned by Plaintiff and the other class members.

19 93. As a result of Defendants' violation of Labor Code section 226(a), Plaintiff and
20 the other class members have suffered injury and damage to their statutorily protected rights.

21 94. Plaintiff and the other class members have been injured by Defendants'
22 intentional and willful violation of Labor Code section 226(a) because they were denied both
23 their legal right to receive, and their protected interest in receiving, accurate and itemized wage
24 statements pursuant to Labor Code section 226(a).

25 95. Plaintiff and the other class members are entitled to recover from Defendants the
26 greater of their actual damages caused by Defendants' failure to comply with Labor Code section
27 226(a), or an aggregate penalty not exceeding four thousand dollars per employee.
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1 96. Plaintiff and the other class members are also entitled to injunctive relief to ensure
2 compliance with this section, pursuant to Labor Code section 226(g).

3 **SEVENTH CAUSE OF ACTION**

4 **(Violation of California Labor Code §§ 2800 and 2802)**

5 **(Against STEEL UNLIMITED, INC. and DOES 1 through 100)**

6 97. Plaintiff incorporates by reference the allegations contained in paragraphs 1
7 through 96, and each and every part thereof with the same force and effect as though fully set
8 forth herein.

9 98. Pursuant to Labor Code sections 2800 and 2802, an employer must reimburse its
10 employee for all necessary expenditures incurred by the employee in direct consequence of the
11 discharge of his or her job duties or in direct consequence of his or her obedience to the directions
12 of the employer.

13 99. Defendants have intentionally and willfully failed to reimburse Plaintiff and the
14 other class members for all necessary business-related expenses and costs. Plaintiff and the other
15 class members are entitled to recover from Defendants their business-related expenses and costs
16 incurred during the course and scope of their employment, plus interest accrued from the date on
17 which the employee incurred the necessary expenditures at the same rate as judgments in civil
18 actions in the State of California.

19 **EIGHTH CAUSE OF ACTION**

20 **(Violation of Labor Code Section 2698, et seq. ("PAGA"))**

21 **(Against STEEL UNLIMITED, INC. and DOES 1 through 100)**

22 100. Plaintiff incorporates by reference the allegations contained in paragraphs 1 through
23 99, and each and every part thereof with the same force and effect as though fully set forth herein.

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1 101. PAGA establishes any provision of the Labor Code which provides for a civil
2 penalty to be assessed and collected by the California Labor and Workforce Development Agency
3 (“LWDA”), or any of its departments, divisions, commissions, boards, agencies, or employees for
4 a violation of the Labor Code may be recovered through a civil action brought by an aggrieved
5 employee on behalf of himself or herself, and other current or former employees.

6 102. On August 23, 2022, Plaintiff timely provided written notice to the LWDA and
7 Defendants of the specific provisions of the Labor Code he contends were violated and the theories
8 supporting his contentions. Plaintiff believes on or about October 27, 2022, the 65-day notice
9 period will expire, and the LWDA will not take any action to investigate or prosecute this matter.
10 Therefore, Plaintiff will have exhausted the statutory time period to bring this action. Attached
11 hereto as **Exhibit 1** and incorporated by reference is a copy of the August 23, 2022 written notice
12 to the LWDA.

13 103. Plaintiff and the other non-exempt employees are “aggrieved employees” as defined
14 by Labor Code section 2699(c) in that they are all current and former hourly-paid or non-exempt
15 employees of Defendants within the State of California at any time during the period from August
16 23, 2021 to October 22, 2022, and one or more of the alleged violations was committed against
17 them.

18 **Failure to Pay Minimum and Overtime Wages**

19 104. At all times relevant herein, Defendants were required to compensate their
20 nonexempt employees minimum wages for all hours worked and overtime wages for all hours
21 worked in excess of eight (8) hours in a day or forty (40) hours in a workweek, pursuant to the
22 mandate of Labor Code sections 510, 1194, 1197, 1197.1, 1198, and 1199.

23 105. As a pattern and practice, Defendants failed to compensate Plaintiff and other
24 aggrieved current and former employees for all hours worked, resulting in a failure to pay all
25 minimum wages and overtime wages, where applicable.

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1 **Failure to Provide Meal Periods and Rest Breaks**

2 106. In accordance with the mandates of Labor Code sections 226.7 and 512, Defendants
3 were required to authorize and permit their non-exempt employees to take a 10- minute rest break
4 for every four (4) hours worked or major fraction thereof and were further required to provide their
5 non-exempt employees with a 30-minute meal period for every five (5) hours worked.

6 107. As a pattern and practice, Defendants failed to provide Plaintiff and other aggrieved
7 current and former employees with legally-mandated meal periods and rest breaks and failed to
8 pay proper compensation for this failure.

9 **Failure to Timely Pay Wages During Employment**

10 108. At all times relevant herein, Defendants were required to pay their employees
11 within a specified time period pursuant to the mandate of Labor Code section 204.

12 109. As a pattern and practice, Defendants failed to pay Plaintiff and other aggrieved
13 current and former employees all wages due and owing them within the required time period.

14 **Failure to Timely Pay Wages Upon Termination**

15 110. At all times relevant herein, Defendants were required to pay their employees all
16 wages owed in a timely fashion at the end of employment pursuant to Labor Code sections 201 to
17 204.

18 111. As a result of Defendants' Labor Code violations alleged above, Defendants failed
19 to pay Plaintiff and the other aggrieved former employees their final wages pursuant to Labor
20 Code sections 201 to 204 and accordingly owe waiting time penalties pursuant to Labor Code
21 section 203.

22 **Failure to Provide Complete and Accurate Wage Statements**

23 112. At all times relevant herein, Defendants were required to keep accurate records of
24 their employees pursuant to the mandate of Labor Code sections 226, 226.3, and 1174(d).

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1 113. As a result of Defendants' various Labor Code violations, Defendants failed to keep
2 accurate records regarding Plaintiff and other aggrieved current and former employees. For
3 example, Defendants failed in their affirmative obligation to keep accurate records regarding
4 Plaintiff's and other aggrieved current and former employees' gross wages earned, total hours
5 worked, all deductions, net wages earned, and all applicable hourly rates and the number of hours
6 worked at each hourly rate. Defendants also failed to provide Plaintiff and other aggrieved current
7 and former employees complete and accurate wage statements in violation of Labor Code section
8 226(a). The deficiencies include, but are not limited to, the failure to include the total number of
9 hours worked by, gross wages earned by, and net wages earned by Plaintiff and other aggrieved
10 employees.

11 **Failure to Reimburse Business Expenses**

12 114. At all times relevant herein, Defendants were required to reimburse their employees
13 for any and all necessary expenditures or losses incurred by the employees in direct consequences
14 of the discharge or his or her duties pursuant to the mandate of Labor Code sections 2800 and
15 2802.

16 115. As a pattern and practice, Defendants failed to pay Plaintiff and other aggrieved
17 current and former employees all business expenses incurred and owing them within the required
18 time period.

19 **Failure to Properly Calculate and Pay Sick Leave**

20 116. At all times relevant herein, Defendants were required to calculate and pay sick
21 leave pay pursuant to the methods outlined in Labor Code section 246(l).

22 117. As a pattern and practice, Defendants failed to calculate and pay sick leave to
23 Plaintiff and other aggrieved current and former employees using the methods outlined in Labor
24 Code section 246(l).

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Penalties

118. Pursuant to Labor Code section 2699, Plaintiff, individually, and on behalf of other current and former aggrieved employees, requests and is entitled to recover from Defendants, and each of them, civil penalties, interest, attorneys' fees and costs pursuant, as well as all statutory penalties against Defendants, and each of them, including but not limited to:

- a. Penalties under Labor Code section 2699 in the amount of a hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation, and two hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent violation;
- b. Penalties under Code of Regulations Title 8 section 11040 in the amount of fifty dollars (\$50) for each aggrieved employee per pay period for the initial violation, and one hundred dollars (\$100) for each aggrieved employee per pay period for each subsequent violation;
- c. Penalties under Labor Code section 210 in addition to, and entirely independent and apart from, any other penalty provided in the Labor Code of a hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation, and two hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent violation;
- d. Penalties under Labor Code section 1197.1 in the amount of a hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation, and two hundred fifty dollars (\$250) for each aggrieved employee per pay period for each subsequent violation;
- e. Any and all additional penalties as provided by the Labor Code and/or other statutes; and
- f. Attorneys' fees and costs pursuant to Labor Code sections 210, 1194, and 2699, and any other applicable statute.

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1 **NINTH CAUSE OF ACTION**

2 **(Violation of California Business & Professions Code §§ 17200, *et seq.*)**

3 **(Against STEEL UNLIMITED, INC. and DOES 1 through 100)**

4 119. Plaintiff incorporates by reference the allegations contained in paragraphs 1
5 through 118, and each and every part thereof with the same force and effect as though fully set
6 forth herein.

7 120. Defendants' conduct, as alleged herein, has been, and continues to be unfair,
8 unlawful and harmful to Plaintiff, other class members, to the general public, and Defendants'
9 competitors. Accordingly, Plaintiff seeks to enforce important rights affecting the public interest
10 within the meaning of Code of Civil Procedure section 1021.5.

11 121. Defendants' activities as alleged herein are violations of California law, and
12 constitute unlawful business acts and practices in violation of Business & Professions Code
13 section 17200, *et seq.*

14 122. A violation of Business & Professions Code section 17200, *et seq.* may be
15 predicated on the violation of any state or federal law. In this instant case, Defendants' policy
16 and practice of requiring Plaintiff and the other class members work overtime hours without
17 paying them proper compensation violates Labor Code sections 510 and 1198. Additionally,
18 Defendants' policy and practice of requiring Plaintiff and the other class members to work
19 through their meal and rest periods without paying them proper compensation violates Labor
20 Code sections 226.7 and 512(a). Moreover, Defendants' policy and practice of failing to timely
21 pay wages to Plaintiff and the other class members violates Labor Code sections 201 and 202.
22 Defendants also violated Labor Code sections 226(a), 1194, 1197, 2800 and 2802.

23 123. As a result of the herein described violations of California law, Defendants
24 unlawfully gained an unfair advantage over other businesses.

25 124. Plaintiff and the other class members have been personally injured by Defendants'
26 unlawful business acts and practices as alleged herein, including, but not necessarily limited to,
27 the loss of money and/or property.
28

125. Pursuant to Business & Professions Code section 17200, *et seq.*, Plaintiff and the other class members are entitled to restitution of the wages withheld and retained by Defendants during a period that commences four years prior to the filing of this Complaint; an award of attorneys' fees pursuant to Code of Civil procedure section 1021.5 and other applicable laws; and an award of costs.

DEMAND FOR JURY TRIAL

Plaintiff, individually, and on behalf of other members of the general public similarly situated, requests a trial by jury.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff, individually and on behalf of all other members of the general public similarly situated, prays for relief and judgment against Defendants, jointly and severally, as follows:

Class Certification

1. That this action be certified as a class action;
2. That Plaintiff be appointed as representative of the Class;
3. That counsel for Plaintiff be appointed as Class Counsel; and
4. That Defendants provide to Class Counsel immediately the names and most current contact information (address, email, and telephone numbers) of all class members.

As to the First Cause of Action

5. That the Court declare, adjudge, and decree Defendants violated Labor Code sections 510 and 1198 and applicable IWC Wage Orders by willfully failing to pay all overtime wages due to Plaintiff and the other class members;
6. For general unpaid wages at overtime wage rates and such general and special damages as may be appropriate;
7. For pre-judgment interest on any unpaid overtime compensation commencing from the date such amounts were due;

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8. For reasonable attorneys' fees and costs of suit incurred herein pursuant to Labor Code section 1194; and

9. For such other and further relief as the court may deem just and proper.

As to the Second Cause of Action

10. That the Court declare, adjudge, and decree Defendants violated Labor Code sections 226.7 and 512 and applicable IWC Wage Orders by willfully failing to provide all meal periods (including second meal periods) to Plaintiff and the other class members;

11. That the Court make an award to Plaintiff and the other class members of one (1) hour of pay at each employee's regular rate of compensation for each workday a meal period was not provided;

12. For all actual, consequential, and incidental losses and damages, according to proof;

13. For premium wages pursuant to Labor Code section 226.7(b);

14. For pre-judgment interest on any unpaid wages from the date such amounts were due;

15. For reasonable attorneys' fees and costs of suit incurred herein; and

16. For such other and further relief as the court may deem just and proper.

As to the Third Cause of Action

17. That the Court declare, adjudge, and decree Defendants violated Labor Code section 226.7 and applicable IWC Wage Orders by willfully failing to provide all rest periods to Plaintiff and the other class members;

18. That the Court make an award to Plaintiff and the other class members of one (1) hour of pay at each employee's regular rate of compensation for each workday a rest period was not provided;

19. For all actual, consequential, and incidental losses and damages, according to proof;

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20. For premium wages pursuant to Labor Code section 226.7(b);
21. For pre-judgment interest on any unpaid wages from the date such amounts were due; and
22. For such other and further relief as the court may deem just and proper.

As to the Fourth Cause of Action

23. That the Court declare, adjudge, and decree Defendants violated Labor Code sections 1194 and 1197 by willfully failing to pay minimum wages to Plaintiff and the other class members;

24. For general unpaid wages and such general and special damages as may be appropriate;

25. For pre-judgment interest on any unpaid compensation from the date such amounts were due;

26. For reasonable attorneys' fees and costs of suit incurred herein pursuant to Labor Code section 1194(a);

27. For liquidated damages pursuant to Labor Code section 1194.2; and

28. For such other and further relief as the court may deem just and proper.

As to the Fifth Cause of Action

29. That the Court declare, adjudge, and decree Defendants violated Labor Code sections 201, 202, and 203 by willfully failing to pay all compensation owed at termination of the employment of Plaintiff and the other class members no longer employed by Defendants;

30. For all actual, consequential, and incidental losses and damages, according to proof;

31. For statutory wage penalties pursuant to Labor Code section 203 for the other class members who have left Defendants' employ;

32. For pre-judgment interest on any unpaid compensation from the date such amounts were due; and

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33. For such other and further relief as the court may deem just and proper.

As to the Sixth Cause of Action

34. That the Court declare, adjudge, and decree Defendants violated the record keeping provisions of Labor Code section 226(a) and applicable IWC Wage Orders as to Plaintiff and the other class members, and willfully failed to provide accurate itemized wage statements thereto;

35. For actual, consequential, and incidental losses and damages, according to proof;

36. For statutory penalties pursuant to Labor Code section 226(e);

37. For injunctive relief to ensure compliance with this section, pursuant to Labor Code section 226(g); and

38. For such other and further relief as the court may deem just and proper.

As to the Seventh Cause of Action

39. That the Court declare, adjudge, and decree Defendants violated Labor Code sections 2800 and 2802 by willfully failing to reimburse Plaintiff and the other class members for all necessary business-related expenses as required by Labor Code sections 2800 and 2802;

40. For actual, consequential, and incidental losses and damages, according to proof;

41. For the imposition of civil penalties and/or statutory penalties;

42. For punitive damages and/or exemplary damages according to proof at trial;

43. For reasonable attorneys' fees and costs of suit incurred herein; and

44. For such other and further relief as the court may deem just and proper.

As to the Eighth Cause of Action

45. For civil penalties pursuant to statute as set forth in Labor Code sections 2698, *et seq.*, for Defendants' violations of Labor Code sections 201, 202, 203, 204, 210, 218.5, 226(a), 226.2, 226.3, 226.7, 246(l), 510, 512(a), 558, 1174, 1194, 1197, 1197.1, 1198, 1199, 2800, and 2802;

46. For costs and attorneys' fees pursuant to Labor Code sections 210, 1194, and 2699, and any other applicable statute; and

47. For such other and further relief as the Court may deem just and proper.

As to the Ninth Cause of Action

48. That the Court declare, adjudge, and decree Defendants violated Business and Professions Code sections 17200, *et seq.*, by failing to provide Plaintiff and the other class members all overtime compensation, failing to provide all meal and rest periods to Plaintiff and the other class members, failing to pay at least minimum wages to Plaintiff and the other class members, and failing to timely pay Plaintiff and the other class members' wages.

49. For restitution of unpaid wages to Plaintiff and the other class members and all pre-judgment interest from the day such amounts were due and payable;

50. For the appointment of a receiver to receive, manage and distribute any and all funds disgorged from Defendants and determined to have been wrongfully acquired by Defendants as a result of violation of Business and Professions Code sections 17200, *et seq.*;

51. For reasonable attorneys' fees and costs of suit incurred herein pursuant to Code of Civil Procedure section 1021.5;

52. For injunctive relief to ensure compliance with this section, pursuant to Business and Professions Code sections 17200, *et seq.*; and

53. For such other and further relief as the court may deem just and proper.

Dated: September 2, 2022

JUSTICE LAW CORPORATION

By: _____


Douglas Han
Shunt Tatavos-Gharajeh
Phillip Song
Haig Hogdanian
Attorneys for Plaintiff

EXHIBIT 1

August 23, 2022

BY U.S. EMAIL/ELECTRONIC SUBMISSION

PAGAfilings@dir.ca.gov

State of California

Labor & Workforce Development Agency

800 Capitol Mall, MIC-55

Sacramento, California 95814

Re: STEEL UNLIMITED, INC.

Dear Representative:

We have been retained to represent Eric Wade against Steel Unlimited, Inc. (including any and all affiliates, subsidiaries, and parents, and their shareholders, officers, directors, and employees), individual, owner, officer and managing agent, DOES 1-10 as an "Employer" or person acting on behalf of an "Employer" pursuant to California Labor Code section 558.1, and DOES 11-20¹ for violations of California wage-and-hour laws.

Mr. Wade is pursuing his California Labor Code section 2698, *et seq.*, the Private Attorneys General Act of 2004 ("PAGA") claim on a representative basis. Therefore, Mr. Wade may seek penalties and wages for violations of the Labor Code on behalf of the State of California and aggrieved employees, which are recoverable under PAGA. This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3.

Steel Unlimited, Inc. ("SUI") is a California corporation headquartered at 3200 Myers St., Riverside, CA 92503.

SUI employed Mr. Wade as an hourly-paid, non-exempt welder and driver in the State of California. SUI directly controlled the wages, hours and working conditions of Mr. Wade's employment.

The "aggrieved employees" that Mr. Wade may seek penalties on behalf of are all current and former hourly-paid or non-exempt employees of SUI within the State of California.

¹ Mr. Wade does not know the true names or capacities, whether individual, partner or corporate, of DOES 1 through 20, inclusive, and for that reason, said DOES are designated under such fictitious names. Mr. Wade will amend this notice when the true names and capacities are known. Mr. Wade is informed and believes that each DOE was responsible in some way for the matters alleged herein and proximately caused Mr. Wade and other current and former aggrieved employees to be subject to the illegal employment practices, wrongs and injuries complained of herein.

SUI failed to properly pay its hourly-paid or non-exempt employees for all hours worked, failed to properly provide or compensate minimum and overtime wages and for meal and rest breaks, failed to issue compliant wage statements, and failed to reimburse for all necessary business-related costs and expenses, thus resulting in other Labor Code violations as stated below.

Pursuant to *Huff v. Securitas Security Services*, 23 Cal. App. 5th 745, 751 (2018), an employee who brings a representative action and was affected by at least one of the violations alleged in the complaint has standing to pursue penalties on behalf of the state not only for that violation, but for violations affecting other employees as well. Accordingly, Mr. Wade has standing to pursue penalties on behalf of the state for violations affecting all the aggrieved employees at SUI, regardless of their classification, job title, locations, or whether they were hired directly or through a labor contractor or staffing agency.

SUI has violated and/or continues to violate, among other provisions of the California Labor Code and applicable wage law, California Labor Code sections 201, 202, 203, 204, 218.5, 221, 226(a), 226.3, 226.7, 246, 510, 512(a), 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802.

California Labor Code sections 510, 1194, and 1198 require employers to pay at least minimum wage for all hours worked, pay time-and-a-half, or double time overtime wages, and make it unlawful to work employees for hours longer than eight hours in one day and/or over forty hours in one week without paying the premium overtime rates. During the relevant time period, Mr. Wade and other aggrieved employees regularly worked in excess of 8 hours in a day and 40 hours in a week. SUI failed to compensate Mr. Wade and other aggrieved employees for all hours worked and performing work off-the-clock, including pre- and post-shift, while traveling, and during meal breaks. Additionally, SUI failed to factor non-discretionary bonuses and incentives in the aggrieved employees' regular rate of pay for purposes of overtime compensation. Additionally, SUI had a policy of rounding down hours worked by employees, which led to time shaving and resulted in Mr. Wade and others not receiving wages for all hours worked. Mr. Wade and other aggrieved employees were entitled to receive certain wages for overtime compensation, but they were not paid for all overtime hours worked.

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California Labor Code sections 226.7 and 512 require employers to pay an employee one additional hour of pay at the employee's regular rate for each workday that a meal or rest break is not provided. During the relevant time period, SUI failed to inform Mr. Wade and other aggrieved employees of their rights to meal or rest breaks under California law and failed to affirmatively provide them with meal breaks and authorize and permit them to take rest breaks. SUI also routinely required other aggrieved employees to work through, interrupt, cut short, and/or delay their meal and rest breaks to comply with SUI policies and expectations. Despite these facts, SUI failed to compensate Mr. Wade and other aggrieved employees all the premium wages they were owed.

California Labor Code section 201 requires that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately. California Labor Code section 202 requires that if an employee not having a written contract for a definite period quits his or her employment, his or her wages shall become due and payable not later than 72 hours thereafter, unless the employee has given 72 hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting. California Labor Code section 203 provides that if an employer willfully fails to pay, without abatement or reduction, in accordance with Labor Code sections 201, 201.3, 201.5, 201.6, 201.8, 201.9, 202, and 205.5, any wages of an employee who is discharged or who quits, the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until an action therefor is commenced; but the wages shall not continue for more than 30 days. During the relevant time period, SUI failed to pay Mr. Wade and other aggrieved employees all wages due to them within any time period specified by California Labor Code sections 201 and 203, including for uncompensated off-the-clock work, unpaid overtime premiums and premium wages for failing to provide legally mandated meal and rest breaks, and therefore is liable under California Labor Code section 203.

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. During the relevant time period, SUI failed to pay Mr. Wade and other aggrieved employees all wages due to them within any time period specified by California Labor Code section 204.

California Labor Code section 226 requires employers to make, keep and provide complete and accurate itemized wage statements to their employees. During the relevant time period, SUI did not provide Mr. Wade and other aggrieved employees with complete and accurate itemized wage statements. The wage statements they received from SUI were in violation of California Labor Code section 226(a). The violations include, but are not limited to, the failure to include (1) gross wages earned by Mr. Wade and other aggrieved employees, (2) total hours worked by Mr. Wade and other aggrieved employees, (3) the number of piece-rate units earned and any applicable piece rate by Mr. Wade and other aggrieved employees (4) all deductions for Mr. Wade and other aggrieved employees, (5) net wages earned by Mr. Wade and other aggrieved employees, (6) the inclusive dates of the period for which Mr. Wade and other aggrieved employees are paid, (7) the name of the aggrieved 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 Mr. Wade and other aggrieved employees.

California Labor Code section 558 allows recovery of penalties. (a) Any employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provision regulating hours and days of work in any order of the Industrial Welfare Commission shall be subject to a civil penalty as follows: (1) For any initial violation, fifty dollars (\$50) for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount sufficient to recover underpaid wages. (2) For each subsequent violation, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount sufficient to recover underpaid wages. (3) Wages recovered pursuant to this section shall be paid to the affected employee. Mr. Wade and other aggrieved employees have been denied their wages and premium wages and, therefore, are entitled to penalties.

California Labor Code sections 1174(d) requires an employer to keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept with rules established for this purpose by the commission, but in any case, shall be kept on file for not less than two years. During the relevant time period, SUI failed to keep accurate and complete payroll records showing the hours worked daily and the wages paid, to Mr. Wade and other aggrieved employees.

California Labor Code sections 1194, 1197 and 1197.1 provide the minimum wage to be paid to employees, and the payment of a lesser wage than the minimum so fixed is unlawful. During the relevant time period, SUI did not provide Mr. Wade and other aggrieved employees with the minimum wages to which they were entitled despite constructive and actual knowledge of off-the-clock work, including pre- and post-shift, while traveling, and during training sessions and meal breaks. Additionally, SUI had a policy of rounding down hours worked by employees, which led to time shaving and resulted in Mr. Wade and others not receiving wages for all hours worked.

California Labor Code sections 2800 and 2802 require an employer to reimburse its employee for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. During their employment, Mr. Wade and other aggrieved employees incurred necessary business-related expenses and costs that were not fully reimbursed by SUI, including for using their personal cellular phones and vehicles to perform their job duties.

California Labor Code section 246 allows an employer to calculate paid sick leave for its employees either (1) in the same manner as the regular rate of pay for the workweek in which the employees uses paid sick time, whether or not the employee actually works overtime in that workweek or (2) by dividing the employee's total wages, not including overtime premium pay, by the employee's total hours worked in the full pay periods of the prior 90 days of employment. During their employment, Mr. Wade and other aggrieved employees were not paid sick leave using the methods outlined in Labor Code section 246.

We believe that Mr. Wade and other current and former California-based hourly-paid or non-exempt employees of SUI are entitled to penalties and wages as allowed under California Labor Code section 2698, *et seq.* for violations of Labor Code sections 201, 202, 203, 204, 218.5, 221, 226(a), 226.3, 226.7, 246, 510, 512(a), 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802.

California Labor Code section 2699.3 requires that a claimant send a certified letter to the employer in questions and the California Labor & Workforce Development Agency setting forth the claims, and the basis for the claims, thereby giving the California Labor & Workforce Development Agency an opportunity to investigate the claims and/or take any action it deems appropriate.

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LWDA
August 23, 2022
Page 6 of 6

The purpose of this letter is to satisfy the requirement created by California Labor code section 2699 prior to seeking penalties allowed by law for the aforementioned statutory violations. We look forward to determining whether California Labor & Workforce Development Agency intends to take any action in reference to these claims. We kindly request that you respond to this notice according to the time frame contemplated by the California Labor Code.

Mr. Wade will seek these penalties and wages on his own behalf and on behalf of other similarly situated California-based hourly-paid or non-exempt employees of SU1 within one year of the date of this letter, as allowed by law.

If you have any questions or require additional information, please do not hesitate to contact us. Thank you for your attention to this matter and the noble cause you advance each and every day.

Very truly yours,

JUSTICE LAW CORPORATION

A handwritten signature in black ink, appearing to read 'D. Han', with a long horizontal flourish extending to the right.

Douglas Han, Esq.

CC: (Email Only)

John Haubrich, Jr., Esq.
john.haubrich@lewisbrisbois.com
Christopher W. Harmon, Esq.
christopher.harmon@lewisbrisbois.com
LEWIS BRISBOIS BISGAARD & SMITH LLP
Counsel of Record for Steel Unlimited, Inc.

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PROOF OF SERVICE
1013A(3) CCP

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is 751 N. Fair Oaks Ave., Ste. 101 Pasadena, California 91103.

On September 2, 2022, I served the foregoing document described as

FIRST AMENDED CLASS ACTION COMPLAINT FOR DAMAGES

on interested parties in this action by placing a true and correct copy thereof enclosed in a sealed envelope addressed as follows:

Christopher W. Harmon (Christopher.Harmon@lewisbrisbois.com)
John A. Haubrich (John.Haubrich@lewisbrisbois.com)
LEWIS BRISBOIS BISGAARD & SMITH, LLP
650 Town Center Drive, Suite 1400
Costa Mesa, California 92626

Attorney(s) for Defendant Steel Unlimited, Inc.

[X] U.S. MAIL

As follows: I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing. Under that practice, it would be deposited with the U.S. Postal Service on that day with postage thereon fully prepaid at Pasadena, California in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if the postal cancellation date or postage meter date is more than one day after the date of deposit for mailing an affidavit.

[X] STATE

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on September 2, 2022, at Pasadena, California.



Sophia Hanneyan

1 **PROOF OF SERVICE**
2 **1013A(3) CCP**

3 **STATE OF CALIFORNIA, COUNTY OF LOS ANGELES**

4 I am employed in the County of Los Angeles, State of California. I am over the age of 18
5 and not a party to the within action. My business address is 751 N. Fair Oaks Avenue, Suite 101,
6 Pasadena, CA 91103 and my electronic service address is shanneyan@justicelawcorp.com

7 On September 12, 2022, I served the foregoing document described as

8 **FIRST AMENDED CLASS ACTION COMPLAINT FOR DAMAGES**

9 for the following case: **Wade vs. Steel Unlimited, Inc.**
10 **LWDA/Court Case No.: LWDA Case No.: CM-903573-22**
11 **Court Case No.: CVRI2103751**
12 **Riverside County Superior Court**

13 on interested parties in this action by electronically submitting as follows:

14 State of California
15 Labor & Workforce Development Agency
16 800 Capitol Mall, MIC-55
17 Sacramento, California 95814

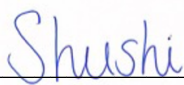
18 **[X] BY ELECTRONIC SUBMISSION**

19 Pursuant to California Senate Bill No. 836, I caused the documents described above to be
20 electronically submitted by and through the procedure stated on the website of the State
21 of California Labor and Workforce Development Agency.

22 **[X] STATE**

23 I declare under penalty of perjury under the laws of the State of California that the above
24 is true and correct.

25 Executed on September 12, 2022, at Pasadena, California.

26
27
28

Sophia Hanneyan