

April 29, 2025

**VIA ON-LINE SUBMISSION ONLY TO:**  
**(copy by certified mail to all Defendants)**

Private Attorneys General Act  
Attn. PAGA Administrator  
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15401 Anacapa Road  
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Certified Mail Tracking Number: 9414 8112 0620 8877 9620 49

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**Re: Labor Code § 2698, *et seq.* Penalties – PAGA Notice Letter to the LWDA  
*Marcos Reyes v. JIB Holdings I, LLC et al.***

Gentlepersons:

This office represents Plaintiff Marcos Reyes (“Plaintiff”) and other similarly situated aggrieved non-exempt, hourly employees aggrieved employees (collectively “Aggrieved Employees”) for violations of California Labor Code §§ 201, 202, 203, 204, 218.5, 218.6, 226, 226.4, 226.7, 227.3, 245, *et seq.*, 246, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2 1197, 1199, 2802, 2698, and 2699, *et seq.*; provisions of the Industrial Welfare Commission (IWC) Wage Order(s); and California Business & Professions Code § 17200 *et seq.*

The purpose of this letter is to comply with the Private Attorneys General Act of 2004, pursuant to California Labor Code § 2698 *et seq.* (“the Act”). Plaintiff would like to bring a representative action, pursuant to the Act, on behalf of herself and all other similarly situated Aggrieved Employees, and the State of California, against Defendants, JIB Holdings I, LLC; JIB Holdings 1, LLC; and DOES 1 through 50 inclusive (all defendants being referred to herein collectively as “Defendants”).

Additionally, this correspondence will serve to satisfy the notice requirements under the Act, along with a copy of Plaintiff’s Class Action Complaint, which is attached to this Notice letter. The Complaint is being concurrently filed in Los Angeles Superior Court and will be assigned a local case number. The Complaint allegations and claims are incorporated into this Notice Letter.



We also set forth herein the facts and theories and the California Labor Code violations which Defendants engaged in with respect to Plaintiff and all of their Aggrieved Employees in California. The attached Class Action Complaint provides the details of Plaintiff's class-wide claims and claims under the Act, and the applicable California law governing them. It, along with this Notice Letter, addresses in detail numerous violations that subject Defendants to civil and statutory penalties under the Act.

### **Relevant Facts**

Plaintiff was employed by Defendants as a non-exempt, hourly employee based out of Defendants' location in California. Aggrieved Employees include all non-exempt hourly employees of Defendants within the state of California from one year prior to the date of this letter and continuing through the present. Plaintiff and Aggrieved Employees are collectively referred to herein as "Aggrieved Employees." Aggrieved Employees consistently worked at Defendants' behest and under their control and subject to their policies and practices without being paid all wages due. Plaintiff is also informed and believes that there are other Aggrieved Employees employed by Defendants as non-exempt employees within the state of California within the statutory time period who suffer or suffered from the same wage and hour violations outlined below.

Defendants had a common policy and/or practice of failing to pay Aggrieved Employees minimum wages for all hours worked. Aggrieved Employees were either not paid by Defendants for all hours worked or were not paid at the appropriate minimum, regular and overtime rates. Plaintiff also contends that Defendants failed to pay Aggrieved Employees all wages due and owing, including by requiring off the clock work, failing to provide meal and rest breaks, failing to furnish accurate wage statements, failing to timely pay wages including final wages, failing to maintain accurate records, and failing to reimburse for necessary business expenses all in violation of various provisions of the California Labor Code and applicable Wage Orders.

During the course of Aggrieved Employees' employment with Defendants, they were not paid all wages they were owed, including for all work performed resulting in off the clock work. Defendants required Aggrieved Employees to wait in line for the timekeeping system on the POS in the front in order to clock in.

By implementing policies, programs, practices, procedures and protocols which resulted in off the clock work, Defendants' willful actions resulted in the systematic underpayment of wages and overtime pay to Aggrieved Employees. For example, the off the clock work addressed above caused Aggrieved Employees to begin receiving overtime pay later than they should have.

As a result of the above described requirements to work off the clock, and the other wage violations they endured at Defendants' hands, Aggrieved Employees were not properly paid all wages earned and all wages owed to them by Defendants, including when working more than eight (8) hours in any given day and/or more than forty (40) hours in any given week. Moreover, the uncompensated time, discussed above, was worked by Aggrieved Employees in excess of 8 hours a day and/or 40 hours a week, further entitling Aggrieved Employees overtime wages which they were consistently



denied, all in violation of Labor Code and applicable Wage Orders.

Additionally, Defendants failed to provide all the legally required unpaid, off-duty meal periods and all the legally required paid, off-duty rest periods to Aggrieved Employees, as required by the applicable Wage Order and Labor Code. Aggrieved Employees were required to perform work as ordered by Defendants for more than five (5) hours during a shift but were often required to do so without receiving a lawful and timely meal break. In addition to untimely meal periods, Defendants also required Aggrieved Employees to respond to work demands. Defendants placed their needs over Aggrieved Employees' lawful meal and rest breaks and this resulted in Aggrieved Employees often having to work through their scheduled meal and/or rest breaks, or otherwise taking shortened ones, because the demands of the job would not avail them the opportunity to take a lawfully uninterrupted and off duty meal and/or rest break.

On the occasions when Aggrieved Employees worked over 10 hours in a shift, Defendants also failed to provide them with a second, uninterrupted, timely and duty-free meal period. As a result, Defendants' failure to provide Aggrieved Employees with all legally required off-duty, unpaid meal periods and all the legally required off-duty, paid rest periods is and will be evidenced by Defendants' business records, or lack thereof. Defendants also failed to pay Aggrieved Employees "premium pay," i.e. one hour of wages at each Aggrieved Employee's effective hourly rate of pay, including their earned commission, for each meal period or rest break that Defendants failed to provide or deficiently provided.

Therefore, Defendants have regularly required Aggrieved Employees to work shifts in excess of five (5) hours without providing them with uninterrupted meal periods of not less than thirty (30) minutes, and shifts in excess of (10) hours without providing them with second meal periods of not less than thirty minutes; nor did Defendants pay Aggrieved Employees "premium pay," i.e. one hour of wages at each Aggrieved Employee's effective hourly rate of pay for each meal period that Defendants failed to provide or deficiently provided. Further, what meal periods Plaintiff and Aggrieved Employees were taken were on-duty due to Defendants' policy and practice requiring Aggrieved Employees to remain on-call and keep work phones on during meal periods, all in violation of Labor Code and applicable Wage Orders.

Additionally, Defendants did not pay Aggrieved Employees the correct overtime rate for the recorded overtime hours that they generated. In addition to an hourly wage, Defendants paid Aggrieved Employees shift differentials, nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses. However, upon information and belief, Defendants failed to incorporate all remunerations, including shift differentials, nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses, into the calculation of the regular rate of pay for purposes of calculating the overtime wage rate. Therefore, during times when Aggrieved Employees worked overtime and received shift differentials, nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses, Defendants failed to pay all overtime wages by paying a lower overtime rate than required.



Additionally, Defendants also paid shift differentials, nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses to Aggrieved Employees but Defendants failed to include these forms of remuneration in the regular rate of pay from which sick pay and vacation pay was calculated and paid.

Additionally, Defendants failed to provide all the legally required paid, off-duty rest periods to Aggrieved Employees, as required by the applicable Wage Order and Labor Code were also not authorized and permitted to take lawful rest periods, were systematically required by Defendants to work through or during breaks and were not provided with one (1) hour's wages in lieu thereof. Aggrieved Employees were restricted in their ability to take their full ten (10) minutes net rest time or were otherwise not provided with duty-free rest periods. Therefore, Defendants have consistently failed to provide Aggrieved Employees with paid rest breaks of not less than ten minutes for every work period of four or more consecutive hours; or major fraction thereof, nor did Defendant pay Aggrieved Employees premium pay for each day on which requisite rest breaks were not provided or were deficiently provided.

Defendants consistently failed to issue accurate itemized wage statements as required by Labor Code § 226(a). Defendants failed to provide Employees with accurate itemized wage statements in writing, as required by the Labor Code. Defendants failed in their affirmative obligation to keep accurate records of the correct overtime wages based on proper regular rate calculations that included nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses earned, and the total amount of compensation of Plaintiff and Aggrieved Employees. Additionally, the wage statements given to Plaintiffs and Aggrieved Employees, by Defendants, failed to include the above requirements enumerated above. Specifically, Plaintiff and Aggrieved Employees' wage statements failed to accurately set forth all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each such rate in violation of Labor Code § 226 (a)(9). The wage statements provided to Plaintiff and Aggrieved Employees were confusing and required Plaintiff and Aggrieved Employees to refer to outside sources to verify whether their pay was correct, potentially resulting in a miscalculation by the Plaintiff and Aggrieved Employees. Furthermore, the wage statements given to Plaintiff and Aggrieved Employees failed to accurately specify the name and address of the employer as required under the law as the wage statements provided to Plaintiff and Aggrieved Employees name an entity that is not registered with the California Secretary of State's Office despite the fact all businesses that wish to conduct business in California need to register with the California Secretary of State's Office. Moreover, the wage statements given to Plaintiff and Aggrieved Employees failed to accurately account for unpaid wages, overtime, premium pay for deficiently provided meal periods and rest breaks.

Additionally, Defendants failed to pay Aggrieved Employees all wages owed, as detailed above, at the time of their termination or within seventy-two (72) hours of their resignation, as required under Labor Code § 203. Specifically, Aggrieved Employees were not paid all regular and overtime wages at the time of termination, because Defendants failed to pay for all hours worked, required off the clock work. Additionally, Defendants failed to pay premium wages owed for unprovided meal and rest periods, as further detailed in this Complaint. Defendants' failure to pay said wages within the required time was willful within the meaning of Labor Code § 203.



Defendants also failed to pay Plaintiff and the other Aggrieved Employees all vested vacation time at the time of their separation from Defendants' employment, in violation of Labor Code § 227.3. Defendants failed to pay Plaintiff for all earned and unused vacation time at his final rate of pay at the time of Plaintiff's separation from his employment. On information and belief similarly situated Aggrieved Employees are also owed vested vacation time.

Defendants also failed to reimburse Aggrieved Employees for necessary business expenses. Defendants have regularly required Plaintiff to incur business expenses in the course of performing their required job duties for Defendants including for cell phone usage. Upon information and belief, Aggrieved Employees incurred similar costs. These expenses incurred by Plaintiff and Aggrieved Employees were necessary and required of them in performing their assigned job duties, but Defendants failed to reimburse Plaintiff and Aggrieved Employees for all such necessary expenditures, thus entitling them to reimbursement according to proof as required under Labor Code § 2802 and the applicable provisions of the IWC Wage Orders.

**PAGA Claim Details, Legal Bases for Violations and Penalties:**

As addressed above and in further detail in the attached Class Action Complaint, Plaintiff and the Aggrieved Employees complain of the following violations committed by Defendants:

**Failure to Pay Minimum Wages**

Defendants violated the law by failing to pay Aggrieved Employees minimum wages for all hours worked. California Labor Code § 1197, entitled "Pay of Less Than Minimum Wage" states, "[t]he minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a less wage than the minimum so fixed is unlawful." The applicable minimum wages fixed by the commission for work during the relevant period is found in the Wage Orders.

In California, employees must be paid at least the then applicable state minimum wage for all hours worked, including under Labor Code § 1197, IWC Wage Order MW-2014, and paragraphs 2(K), 2(S), and 4(A)-4(C) of the applicable IWC Wage Orders. Paragraph 2(H) of the applicable IWC Wage Orders defines "Hours Worked" as "the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so." Additionally, pursuant to Labor Code § 204, other applicable laws and regulations, and public policy, an employer must timely pay its employees for all hours worked. Defendants failed to do so.

California Labor Code § 1197, entitled "Pay of Less Than Minimum Wage" states: "The minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a less wage than the minimum so fixed is unlawful." The minimum wage provisions of California Labor Code are enforceable by private civil action pursuant to Labor Code § 1194(a) which states: "Notwithstanding any agreement to work for a lesser wage, 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."



As described in California Labor Code §§ 1185 and 1194.2, any action for wages incorporates the applicable Wage Order of the California Industrial Welfare Commission. Also, California Labor Code §§ 1194, 1197, 1197.1 and those Industrial Welfare Commission Wage Orders entitle non-exempt employees to an amount equal to or greater than the minimum wage for all hours worked. All hours must be paid at the statutory or agreed rate, or at the minimum rate in the absence of a contractually agreed upon one. The underpayment of wages to Aggrieved Employees is and has been a direct consequence of Defendants' unlawful compensation policies and practices, which applied uniformly to the Aggrieved Employees working at locations and work sites throughout California.

During the course of Aggrieved Employees' employment with Defendants, they were not paid all wages they were owed, including for all work performed resulting in off the clock work. Defendants required Aggrieved Employees to wait in line for the timekeeping system on the POS in the front in order to clock in. Aggrieved Employees were also required to work during meal breaks.

In light of the forgoing, the Aggrieved Employees seek to recover wages and penalties. Aggrieved Employees are entitled to recover the unpaid minimum wages (including double minimum wages), liquidated damages in an amount equal to the minimum wages unlawfully unpaid, interest thereon and reasonable attorney's fees and costs of suit pursuant to California Labor Code § 1194(a). Plaintiff and the other Aggrieved Employees further request recovery of all unpaid wages, according to proof, interest, statutory costs, as well as the assessment of any statutory and civil penalties against Defendants, in a sum as provided by the California Labor Code and/or other applicable statutes, including pursuant to Labor Code § 558, and Wage Order provisions. To the extent minimum wage compensation is determined to be owed to the Aggrieved Employees who have terminated their employment, Defendants' conduct also violates Labor Code §§ 201 and/or 202, and therefore these individuals are also be entitled to waiting time penalties under California Labor Code § 203, which penalties are sought herein on behalf of these Aggrieved Employees. Defendants' failure to timely pay all wages owed also violated Labor Code § 204 and resulted in violations of Labor Code § 226 because they resulted in the issuance of inaccurate wage statements. Defendants' conduct as alleged herein was willful, intentional and not in good faith. Further, Plaintiff and other Aggrieved Employees are entitled to seek and recover statutory costs.

Under the PAGA, and following exhaustion of the notice period, Plaintiff is seeking all civil and statutory penalties available and applicable under Labor Code §§ 510, 558, 1194.2, 1197.1, 1199, 2699(f)(2), and 2699.5, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

#### **Failure to Pay Wages and Overtime in Violation of Labor Code § 510**

Defendants violated the law by failing to pay Aggrieved Employees earned wages and overtime and double time. Specifically, Defendants had a consistent policy of not paying Employees wages for all hours worked, including hours at their required regular, overtime, and double-time rates, or of miscalculating them by not including all forms of remuneration in the regular rate of



compensation. Defendants, and each of them, have intentionally and improperly changed, adjusted and/or modified certain employees' hours, including Plaintiff's, or required Aggrieved Employees to do so, or otherwise caused them to work off the clock to avoid paying Aggrieved Employees all earned and owed straight time and overtime wages and other benefits.

Defendants have violated Labor Code § 1194 and Labor Code § 510 (and paragraphs 2(K), 2(S), 3(A) and 4(A)-4(B) of the relevant orders of the Industrial Welfare Commission) by failing to pay Employees: (a) time and one-half their regular hourly rates for hours worked in excess of eight hours in a workday or in excess of forty hours in any workweek or for the first eight hours worked on the seventh day of work in any one workweek; or (b) twice their regular rate of pay for hours worked in excess of twelve hours in any one day or for hours worked in excess of eight hours on any seventh day of work in a workweek. Defendants had a consistent policy of not paying Employees wages for all hours worked, including by requiring off the clock work as addressed above and by under-reporting actual hours worked. With work shifts generally requiring eight hours or more of work on a given day, this unpaid off the clock work resulted in Aggrieved Employees working past eight hours on a shift or more than forty hours in a week, which required that they be paid at the correct overtime rate of 1.5 times their regular rate.

When considered in combination with the other wage violations addressed above, Aggrieved Employees were not properly compensated, nor were they paid overtime and double time rates for hours worked in excess of eight hours or twelve hours in a given day, and/or forty hours in a given week. Defendants did not make available to Employees a reasonable protocol for correcting time records when Employees worked overtime hours or to fix incorrect time entries or those that Defendants unlawfully under-recorded to the Employee's detriment. Defendants have also violated these provisions by requiring Plaintiff and other similarly situated Aggrieved Employees to work through meal periods when they were required to be clocked out or to otherwise work off the clock to complete their daily job duties.

In light of the forgoing, Aggrieved Employees seek to recover wages and penalties pursuant to the California Labor Code, including Labor Code §§ 204, 510, 558, 1174, 1194, 1198, 1199, and the relevant paragraphs of the IWC Wage Orders, including paragraphs 2(K), 2(S), 3(A), 4, and 20. Defendants are liable to Employees for the full amount of all their unpaid wages and overtime compensation, with interest, plus their reasonable attorneys' fees and costs, as well as the assessment of any statutory penalties against Defendants, and each of them, and any additional sums as provided by the Labor Code and/or other statutes and Wage Order provisions.

Under the PAGA, and following exhaustion of the notice period, Plaintiff is seeking all civil and statutory penalties available and applicable under Labor Code §§ 510, 558, 1194.2, 1197.1, 1199, 2699(f)(2), and 2699.5, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

#### **Failure to Pay Reporting Time Pay**

The IWC Wage Orders require that reporting time pay be provided to any employee who is required to report for work and does report, but is not put to work or is furnished less than half said employee's usual or scheduled day's work.



Plaintiff are informed and believe and thereon alleges that all or substantially all of Defendants' hourly paid employees are subject to Defendants' policies and practices requiring them to call in or otherwise show up to work but not being paid half said Employees' usual or scheduled day's work.

In light of the forgoing, Aggrieved Employees seek to recover penalties pursuant to the California Labor Code, including Labor Code §§ 218.6 and 1194(a), and 558(a) (and the relevant orders of the Industrial Welfare Commission). Defendants are liable to Aggrieved Employees for the full amount of all their reporting time pay compensation, with interest, plus their reasonable attorneys' fees and costs, as well as the assessment of any statutory penalties against Defendants, and each of them, and any additional sums as provided by the Labor Code and/or other statutes and Wage Order provisions.

#### **Meal-Period Liability Under Labor Code §§ 226.7 and 512 and Penalties**

Defendants have regularly required Aggrieved Employees to work shifts in excess of five hours without providing them with uninterrupted meal periods of not less than thirty minutes as required under Labor Code §§ 226.7, 512, and paragraph 11 of the applicable Wage Orders. Specifically, Aggrieved Employees were forced to incur shortened meal periods, were provided with breaks late and well after the fifth hour of work, could not be relieved to take breaks, or were required to remain on-duty at all times and were unable to take off-duty breaks or were otherwise not provided with the opportunity to take required breaks.

On the occasions when Aggrieved Employees were provided with a meal period, it was often untimely or interrupted by having to respond to work demands or remain under Defendant's control, in violation of the Labor Code and applicable Wage Orders. On shifts over ten hours, second meal periods were not provided. Defendants also failed to pay Aggrieved Employees "premium pay," i.e. one hour of wages at each Aggrieved Employee's effective regular rate of pay, for each meal period that Defendants failed to provide or deficiently provided, including by miscalculating any premium payments they did make. Therefore, pursuant to Labor Code § 226.7 and paragraphs 11 and 20 of the applicable IWC Wage Order, Aggrieved Employees are entitled to damages in an amount equal to one hour of wages at their correctly calculated regular rate of compensation for each meal period not provided or deficiently provided, as well as the assessment of any statutory penalties against the Defendants, and each of them, in a sum as provided by the Labor Code, including Labor Code § 558 and other applicable statutes and Wage Order provisions. Defendants also miscalculated the rate at which they paid any meal period or rest period premiums when Defendant did attempt to pay them, resulting in further violations of section 226.7.

Under the PAGA, and following exhaustion of the notice period, Plaintiff is seeking all civil and statutory penalties and wages as available and applicable under Labor Code §§ 226.7, 512, 558, including sections 558(a)(1)-(3), 1199, 2699(f)(2) and 2699.5, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

#### **Rest-Break Liability Under Labor Code § 226.7 and Penalties**



Defendants have consistently failed to provide Aggrieved Employees with paid rest breaks of not less than ten minutes for every work period of four or more consecutive hours, as required under Labor Code § 226.7. Specifically, Defendants provided rest periods untimely or for shortened durations, and Defendants' policies and procedures required Aggrieved Employees to remain under Defendants' control during breaks to respond to job requirements.

Defendants also failed to pay Aggrieved Employees premium pay for each day on which requisite rest breaks were not provided or were deficiently provided, or miscalculated any premiums paid. Therefore, pursuant to Labor Code § 226.7 and paragraphs 12 and 20 of the applicable IWC Wage Order, Aggrieved Employees are entitled to damages in an amount equal to one hour of wages at their correctly calculated regular rate of compensation for each rest period not provided or deficiently provided, as well as the assessment of any statutory penalties against the Defendants, and each of them, in a sum as provided by the Labor Code, including Labor Code § 558 and other applicable statutes and Wage Order provisions.

Under the PAGA, and following exhaustion of the notice period, Plaintiff is seeking all civil and statutory penalties and wages as available and applicable under Labor Code §§ 226.7, 512, 558, including sections 558(a)(1)-(3), 1199, 2699(f)(2), and 2699.5, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

#### **Failure to Pay Vacation Wages**

Pursuant to California Labor Code § 227.3, whenever a contract of employment or employment policy provides for paid vacation and an employee is terminated without having taken off his vested vacation time, all vested vacation shall be paid to her as wages at her final rate in accordance with said contract of employment or policy respecting eligibility or time served. Defendants paid shift differentials, nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses to Aggrieved Employees but Defendants failed to include these forms of remuneration in the regular rate of pay from which vacation wages were calculated and paid. Plaintiff and Aggrieved Employees seek to recover penalties pursuant to Labor Code § 227.3. Plaintiff accordingly seeks this relief available for Defendants' violations of section Labor Code § 227.3 in connection with Aggrieved Employees and seeking the civil and statutory penalties available and applicable under Labor Code § 227.3, 1194.2, 1197.1, 1198, 1199, 2699.3(b), and 2699(f)(2), and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

#### **Failure to Comply with Labor Code §§ 245 *et seq.* and 246**

California Labor Code § 245 *et seq.* requires that Defendants provide paid sick time to Aggrieved Employees, including at the amount, terms, and rate of compensation set forth in said law. At times relevant, Defendants have failed compute the amount due for paid sick time in conformance with the pay calculation under California Labor Code § 246(l). Defendants paid shift differentials, nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses to Aggrieved Employees but Defendants failed to include these forms of remuneration in the regular rate of pay from which sick pay was calculated and paid. Rather than calculating the amount of paid sick time due when sick time is used according to the requirements set forth in California Labor Code § 246(1), Defendants paid sick leave to Aggrieved Employees at a lower rate, in violation of the law.



As a result of Defendants' conduct, Defendants have violated California Labor Code §§ 245 *et seq.* and 246. Plaintiff and Aggrieved Employees seek to recover penalties pursuant to Labor Code § 245 *et seq.* and 246. Plaintiff accordingly seeks this relief available for Defendants' violations of section Labor Code §§ 245 *et seq.* and 246 in connection with Aggrieved Employees and seeking the civil and statutory penalties available and applicable under Labor Code §§ 245 *et seq.* and 246, 1194.2, 1197.1, 1198, 1199, 2699.3(b), and 2699(f)(2), and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

**Failure to Issue Accurate and Itemized Wage Statements in Violation of Labor Code § 226**

California Labor Code § 226(a) requires an employer to furnish each employee with an accurate, itemized wage statements in writing. These statements must be appended to the detachable part of the check, draft, voucher, or whatever else serves to pay the employee's wages; or, if wages are paid by cash or personal check, these statements may be given to the employee separately from the payment of wages; in either case the employer must give the employee these statements twice a month or each time wages are paid. As a direct and proximate cause of Defendants' violation of Labor Code § 226(a), Aggrieved Employees suffered injuries, including among other things confusion over whether they received all wages owed them, the difficulty and expense involved in reconstructing pay records, and forcing them to make mathematical computations to analyze whether the wages paid in fact compensated them correctly for all hours worked.

Defendants failed to issue accurate itemized wage statements as required by Labor Code § 226(a). Defendants failed to provide Employees with accurate itemized wage statements in writing, as required by the Labor Code. Defendants failed in their affirmative obligation to keep accurate records of the correct overtime wages based on proper regular rate calculations that included nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses earned, and the total amount of compensation of Plaintiff and Aggrieved Employees. Additionally, the wage statements given to Plaintiffs and Aggrieved Employees, by Defendants, failed to include the above requirements enumerated above. Specifically, Plaintiff and Aggrieved Employees' wage statements failed to accurately set forth all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each such rate in violation of Labor Code § 226 (a)(9). The wage statements provided to Plaintiff and Aggrieved Employees were confusing and required Plaintiff and Aggrieved Employees to refer to outside sources to verify whether their pay was correct, potentially resulting in a miscalculation by the Plaintiff and Aggrieved Employees. Furthermore, the wage statements given to Plaintiff and Aggrieved Employees failed to accurately specify the name and address of the employer as required under the law as the wage statements provided to Plaintiff and Aggrieved Employees name an entity that is not registered with the California Secretary of State's Office despite the fact all businesses that wish to conduct business in California need to register with the California Secretary of State's Office. Moreover, the wage statements given to Plaintiff and Aggrieved Employees failed to accurately account for unpaid wages, overtime, premium pay for deficiently provided meal periods and rest breaks.

In light of these violations, and pursuant to Labor Code §§ 226(a) and 226(e) and paragraphs 4(b), 7, and 20 of the applicable IWC Wage Orders, Aggrieved Employees are entitled to recover the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation



occurs and one hundred dollars (\$100) for each violation in a subsequent pay period, not exceeding an aggregate penalty of four thousand dollars (\$4,000). They are also entitled to an award of costs and reasonable attorneys' fees.

Under the PAGA, and following exhaustion of the notice period, Plaintiff asserts PAGA claims for failure to provide Aggrieved Employees with accurate, itemized wage statements and failure to maintain employment records for Plaintiff and Aggrieved Employees under Labor Code §§ 226, 1174, and 1198.5, and Sections 7(A), 7(B), and 7(C) of the applicable IWC Wage Order(s) seeking all civil and statutory penalties and wages available and applicable under Labor Code §§ 226(e), 226.3, 558, 1174.5, 1199, and 2699(f)(2), and paragraph 20 of the applicable IWC Wage Order, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1). More specifically, by providing inaccurate wage statements and failing to maintain records as required under Labor Code § 226(a), Defendants committed ongoing violations giving rise to civil penalties under Labor Code § 226.3, which in addition to other penalties provided by law, subjects Defendants to "a penalty in the amount of two hundred fifty dollars (\$250) per employee per violation in an initial citation and one thousand dollars (\$1,000) per employee for each violation in a subsequent citation, ..."

#### **Failure to Issue Semimonthly Payments in Violation of Labor Code § 204**

In failing to pay Aggrieved Employees wages, overtime, premium pay, etc., and failing to provide them with checks and wage statements, Defendants failed to timely pay Aggrieved Employees wages on a semimonthly basis as required under Labor Code § 204. Defendants failed to maintain records showing accurate hours worked daily and the wages paid to Aggrieved Employees, as well as the meal and rest periods taken by Aggrieved Employees, as required by Labor Code § 1174 and the applicable IWC wage orders.

Defendants also required Aggrieved Employees to work hours off the clock for which they were not compensated, including during interrupted or otherwise on-duty meal and rest periods. Defendants also failed to pay all overtime premium wages owed for work conducted on a work shift and a workday, or miscalculated these premiums by not including all forms of remuneration in the regular rate, as addressed above. Therefore, when Aggrieved Employees received wage statements and pay checks, they did not compensate all hours worked on a timely basis, resulting in Defendants' systematic failure to pay all wages owed to Aggrieved Employees twice monthly in accordance with the requirements of Labor Code § 204. Additionally, by not providing wage statements as required under section 204, Defendants systematically violated Labor Code § 204 and § 226.

Given the above described off the clock work and deductions from hours worked perpetrated by Defendants' management, Plaintiff was not paid at the correct overtime rate for all hours she worked after eight hours into a shift or over forty in a work week and that she was not paid all double time owed either. Defendants' uniformly applied payroll policies and practices thus resulted in further systematic and ongoing violations of the requirements of Labor Code § 204.

In light of the foregoing, Plaintiff and Aggrieved Employees seek to recover wages and penalties, interest, fees and costs pursuant to Labor Code §§ 201.3, 210, 218.5, 558, and 1194. In failing to



pay Aggrieved Employees minimum wages and overtime, and off the clock work, by not providing proper meal and rest periods, failing to provide accurate itemized wage statements, and failing to pay Employees wages upon termination or timely upon resignation, all discussed above, Defendants failed to timely pay Aggrieved Employees wages on a semimonthly basis as required under Labor Code § 204. Defendants also failed to maintain records showing accurate hours worked daily and the wages paid to Aggrieved Employees, as required by Labor Code § 1174 and paragraph 7 of the applicable IWC Wage Orders, entitling Aggrieved Employees to recover penalties pursuant to paragraph 20 of the applicable IWC Wage Orders.

Under the PAGA, and following exhaustion of the notice period, Plaintiff asserts PAGA claims for failure to timely pay all wages owed, including at least semi-monthly and upon separation or termination, under Labor Code §§ 203, 204, 2926, 2927, and 2699.5 seeking all civil penalties available and applicable under Labor Code §§ 204, 210, 558, 1197, 1198, 1199 and 2699(f)(2), and paragraph 20 of the applicable IWC Wage Orders, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

#### **Waiting Time Penalties Pursuant to Labor Code § 203**

Some Aggrieved Employees no longer work for Defendants; they either resigned or were terminated from Defendants' employ. Based on the forgoing, Defendants have had a consistent policy of failing to pay all wages and tips earned by and owed to Aggrieved Employees at the time of their termination of within seventy-two hours of their resignation, as required by California under Labor Code § 203. In light of the forgoing, Plaintiff and Aggrieved Employees seek to recover wages and penalties pursuant to Labor Code § 558 and further specifically seek penalties and wages under Labor Code § 203, which provides that an employee's wages shall continue until paid for up to thirty (30) days from the date they were due.

Under the PAGA, and following exhaustion of the notice period, Plaintiff asserts PAGA claims for failure to timely pay all wages owed, including at least semi-monthly and upon separation or termination, under Labor Code §§ 201, 201, 203, 204, 1197.5, 2926, and 2927 seeking all civil penalties available and applicable under Labor Code §§ 201, 202, 203, 210, 558, 1197, 1198, 1199, 2699(f)(2), 2699.5, and paragraph 20 of the applicable IWC Wage Orders, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

#### **Failure to Reimburse for Necessary Business Expenditures in Violation of Labor Code § 2802**

Defendants required Plaintiff and the Aggrieved Employees to pay for necessary work-related expenses they incurred. Specifically, Defendants required Plaintiff and the Aggrieved Employees to use their cellular phones. However, Defendants failed to reimburse Plaintiff, and upon information and belief the other Aggrieved Employees.

Defendants systematically and uniformly failed to reimburse those lawful and necessary work-related expenses or losses incurred in direct discharge of their job duties during employment with Defendants and at the direction of the Defendants pursuant to Labor Code § 2802(a) and the applicable IWC Wage Orders, paragraph 9. Defendants are liable for PAGA penalties resulting



from their failure to reimburse necessary business expenses incurred by the Aggrieved Employees. Accordingly, Aggrieved Employees are entitled to recover, and hereby seek through this Representative Action, all civil and statutory penalties authorized for violations of California Labor Code §§ 1198 and 2802, and Section 9(B) of the applicable IWC Wage Orders, and Plaintiff seeks all civil and statutory penalties available and applicable under Labor Code §§ 2802 and 2699(f)(2), and also attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

**Unfair Competition Under Business and Professions Code § 17200, et seq.**

Consequently, Defendants' conduct has been and continues to be unfair, unlawful, and harmful to Plaintiff and Aggrieved Employees and the general public in violation of Business & Professions Code § 17200 *et seq.*

**Plaintiff's PAGA Claim under Labor Code § 2698 et seq. and Recovery Bases:**

After complying with the notice procedures of Labor Code § 2699.3 and the running of the notice period after the filing of the attached Class Action Complaint, Plaintiff will file an amended Complaint asserting, as a representative action on behalf of the California Attorney General and the other similarly Aggrieved Employees, a PAGA claim for violations of the above addressed underlying claims and seeking penalties as specified by the applicable corresponding provisions.

Plaintiff and the Aggrieved Employees seek penalties under Labor Code §§ 2698 and 2699 for Defendants' violation of Labor Code provisions included under Labor Code § 2699.5, including the penalty provisions, without limitation, based, *inter alia*, on the following California Labor Code sections: §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 246, 248, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2698, 2699, *et seq.* and 2802, including as follows:

(a) Wage Claims: For failure to provide Plaintiff and the Aggrieved Employees all earned regular pay and minimum wages for regular hours worked and for failure to pay overtime premium wages for overtime hours worked under Labor Code §§ 510, 1194(a), 1197, and 1198, and paragraphs 2(K), 3(A), 4(A), 4(B) and 20 of the applicable IWC Wage Order(s) seeking all civil and statutory penalties available and applicable under Labor Code §§ 510, 558, 1194.2, 1197.1, 1198, 1199, 2699(f)(2), and 2699.5, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1);

(b) Reporting Time Pay: For failure to provide reporting time pay and seeking all civil penalties available and applicable under the Labor Code §§ 218.6, 1194(a), 558(a), and 2699(f) and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1);

(c) Meal and Rest Period Claims: For failure to provide Plaintiff and the Aggrieved Employees off-duty, timely, and unpaid meal periods and failure to authorize and permit them to take off-duty, timely, and paid rest periods, or pay one hour of regular pay in lieu thereof, under Labor Code §§ 512, 1198, and 226.7, and Sections 11, 12(A), and 12(B) of the applicable IWC Wage Order(s) seeking all civil and statutory penalties available and applicable, including under paragraph 20 of the applicable IWC Wage Orders, and wages under Labor Code §§ 226.7, 512,



558, including sections 558(a)(1)-(3), 1199 and 2699(f)(2), and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1);

(d) Failure to Provide Paid Sick Days: For Defendants' failure to provide Employees with all their required and earned sick days in violation of Labor Code §§ 245 *et seq.* and 246 the civil and statutory penalties available and applicable under Labor Code §§ 245 *et seq.* and 246, 1194.2, 1197.1, 1198, 1199, 2699.3(b), and 2699(f)(2), and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1);

(e) Failure to Pay Vacation Wages: For Defendants' failure to provide Employees with all their vacation days in violation of Labor Code § 227.3 and seeking the civil and statutory penalties available and applicable under Labor Code § 227.3, 1194.2, 1197.1, 1198, 1199, 2699.3(b), and 2699(f)(2), and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1);

(f) Inaccurate Wage Statements and Failure to Maintain Records: For failure to provide Plaintiff and the Aggrieved Employees with wage statements or with accurate, itemized wage statements and failure to maintain employment records for Plaintiff and Aggrieved Employees under Labor Code §§ 226, 1174, and 1198.5, and Sections 7(A), 7(B), and 7(C) of the applicable IWC Wage Order(s) seeking all civil and statutory penalties and wages available and applicable under Labor Code §§ 226(e), 226.3, 558, 1174.5, 1199, and 2699(f)(2), and paragraph 20 of the applicable IWC Wage Order, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1). More specifically, by providing inaccurate wage statements and failing to maintain records as required under Labor Code § 226(a), Defendants committed ongoing violations giving rise to civil penalties under Labor Code § 226.3, which in addition to other penalties provided by law, subjects Defendants to "a penalty in the amount of two hundred fifty dollars (\$250) per employee per violation in an initial citation and one thousand dollars (\$1,000) per employee for each violation in a subsequent citation, ...";

(g) Failure to Timely Pay Wages: For failure to timely pay all wages owed, including at least semi-monthly and upon separation or termination, under Labor Code §§ 201, 201, 203, 204, 1197.5, 2926, and 2927 seeking all civil penalties available and applicable under Labor Code §§ 201, 202, 203, 210, 558, 1197, 1198, 1199 and 2699(f)(2), and paragraph 20 of the applicable IWC Wage Orders, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1);

(h) Failure to Reimburse Business Expenses: For Defendants' failure to reimburse the necessary work related expenses incurred under Labor Code §§ 1197, 1197.1, 1198, and 2802, and Sections 2(K), 4, 9, and 20 of the applicable IWC Wage Order(s), seeking civil penalties available and applicable under Labor Code §§ 1197, 1197.1, 1198, 2802, 2699.5, and 2699(f)(2) and paragraph 9 and 20 of the IWC Wage Orders, and also attorneys' fees and costs pursuant to Labor Code § 2699(g)(1);

(i) All Alleged Violations of the IWC Wage Orders: For any above addressed violation of the applicable provisions of the IWC Wage Orders constituting violations of Labor



Code § 1198 and Labor Code § 2699.5, and seeking penalties available and applicable under Labor Code § 2699(f)(2) and paragraph 20 of the applicable IWC Wage Orders, and for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

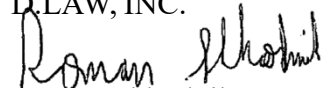
We have been constrained to initially move forward with the filing of this Complaint, alleging the causes of action discussed herein, without the PAGA claim. Thus, any action by the LWDA would not resolve the entirety of the case, and the interest of judicial economy will be served by allowing the case to proceed as a cohesive whole.

This letter and the attached Complaint therefore provide the requisite notice under the Act to the LWDA and Defendants by setting forth the specific provisions of the Labor Code and related provisions Plaintiff alleges have been violated, including the facts and relevant theories alleged against JIB Holdings I, LLC; JIB Holdings 1, LLC; and any other named Defendants and joint employers. To prevent the violations described in the Complaint and herein from occurring, and to remedy past violations, Plaintiff respectfully requests that the LWDA conduct an investigation into Defendants' employment practices in accordance with the Act.

Wherefore we request that you advise us, by certified mail within sixty days of the postmark on this letter, whether you intend to proceed with these claims or whether Plaintiff and the Aggrieved Employees should include them in an amended Labor Code § 2698 *et seq.* claim under the Act in an amended Complaint.

Regards,

D.LAW, INC.



Roman Shkodnik

Cc: JIB Holdings I, LLC; JIB Holdings 1, LLC by Certified Mail

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Attorneys for Plaintiff MARCOS REYES  
on behalf of himself and others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF LOS ANGELES

MARCOS REYES, on behalf of himself and  
others similarly situated,

Plaintiff,

vs.

JIB HOLDINGS I, LLC, a California limited  
liability company; JIB HOLDINGS 1, LLC, an  
entity of unknown form; and DOES 1 through  
50, inclusive,

Defendants.

Case No.

CLASS ACTION

Assigned for All Purposes To:

Hon.

Dept.:

**CLASS ACTION COMPLAINT FOR:**

1. Failure to Pay Minimum Wages;
2. Failure to Pay Wages and Overtime  
Under Labor Code § 510;
3. Recovery of Reporting Time Pay
4. Meal-Period Liability Under Labor Code §  
226.7;
5. Rest-Break Liability Under Labor Code §  
226.7;
6. Failure to Pay Vacation Wages
7. Failure to Comply with Labor Code § 245 *et*  
*seq.* and 246
8. Reimbursement of Necessary Expenditures  
Under Labor Code § 2802;
9. Violation of Labor Code § 226(a);
10. Penalties Pursuant to Labor Code § 203; and
11. Violation of Business & Professions Code §  
17200 *et seq.*

**DEMAND FOR JURY TRIAL**

1 Plaintiff MARCOS REYES, (“Plaintiff”) on behalf of himself and all others similarly  
2 situated (collectively, “Employees”; individually, “Employee”) complains of Defendants, and each  
3 of them, as follows:

#### 4 INTRODUCTION

5 1. Plaintiff brings this action on behalf of himself and all current and former  
6 Employees within the State of California who, at any time four (4) years prior to the filing of this  
7 lawsuit, are or were employed as non-exempt, hourly employees by Defendants JIB HOLDINGS  
8 I, LLC, a California limited liability company; JIB HOLDINGS 1, LLC, an entity of unknown  
9 form; and DOES 1 through 50 (all defendants being collectively referred to herein as  
10 “Defendants”). Plaintiff alleges that Defendants, and each of them, violated various provisions of  
11 the California Labor Code, relevant orders of the Industrial Welfare Commission (IWC) and  
12 California Business & Professions Code, and seeks redress, therefore.

13 2. Plaintiff was a resident of California and during the time period relevant to this  
14 Complaint and was employed by Defendants as a non-exempt hourly employee within the State of  
15 California at Defendants’ facilities in California. Plaintiff and the other Class members worked for  
16 Defendants in California and Los Angeles County, and in other nonexempt positions, throughout  
17 California, and consistently worked at Defendants’ behest without being paid all wages due. More  
18 specifically, Plaintiff and the other similarly situated Class members were employed by  
19 Defendants and worked at Defendants’ facilities where the conduct giving rise to the allegations in  
20 this Class Action Complaint occurred. Upon information and belief, Plaintiff was employed by  
21 Defendants and (1) shared similar job duties and responsibilities, (2) was subjected to the same  
22 policies and practices, and (3) endured similar violations at the hands of Defendants as the other  
23 Employee Class members who served in similar and related positions.

24 3. Defendants required Plaintiff and the Employees in the Class to perform work  
25 while remaining under Defendants’ control before and after being on the clock for their daily work  
26 shift. Defendants failed to provide Plaintiff and Employees with lawful meal and rest periods, as  
27 employees were not provided with the opportunity to take timely, uninterrupted, and duty-free  
28 meal and rest periods as required by the Labor Code. Defendants also failed to pay all wages due

1 and owing for on-call time. Defendants thus failed to pay Plaintiff and the Class members for all  
2 hours worked, and provided them with inaccurate wage statements that prevented Plaintiff and the  
3 Class from learning of these unlawful pay practices.

#### 4 **THE PARTIES**

##### 5 **A. The Plaintiff**

6 4. Plaintiff, MARCOS REYES, has resided in California and during the time period  
7 relevant to this Complaint and was employed by Defendants as a non-exempt hourly employee  
8 within the State of California.

##### 9 **B. The Defendants**

10 5. Defendant JIB HOLDINGS I, LLC ("JIB I") is a California limited liability  
11 company with its principle executive offices in Victorville, California, and has been listed as the  
12 employer on the wage statements issued during the relevant time period. JIB lists a California  
13 address in Victorville, California with the California Secretary of State, and employs Plaintiff and  
14 the Class members in Los Angeles County, including at Defendants' offices and facilities in  
15 Acton, California, and throughout California and conducts business throughout California.

16 6. Defendant JIB HOLDINGS 1, LLC ("JIB 1") is a business entity of unknown form  
17 doing business in California in the County of Los Angeles. JIB 1 has been listed as the employer  
18 on the wage statements issued during the relevant time period. JIB HOLDINGS 1, LLC does not  
19 list a California address with the California Secretary of State, but upon information and belief,  
20 employs Plaintiff and the Class members in Los Angeles County, including at Defendants' offices  
21 and facilities in Acton, California and throughout California and conduct business throughout  
22 California.

23 7. The true names and capacities, whether individual, corporate, associate, or  
24 whatever else, of the Defendants sued herein as Does 1 through 50, inclusive, are currently  
25 unknown to Plaintiff, who therefore sue these Defendants by such fictitious names under Code of  
26 Civil Procedure § 474. Plaintiff is informed and believes and thereon alleges that Defendants  
27 designated herein as Does 1 through 50, inclusive, and each of them, are legally responsible in  
28 some manner for the unlawful acts referred to herein. Plaintiff will seek leave of court to amend

1 this Complaint to reflect the true names and capacities of the Defendants designated herein as  
2 Does 1 through 50 when their identities become known.

3 8. Plaintiff is informed and believes and thereon alleges that each Defendant acted in  
4 all respects pertinent to this action as the agent of the other Defendants, that Defendants carried  
5 out a joint scheme, business plan, or policy in all respects pertinent hereto, and that the acts of  
6 each Defendant are legally attributable to the other Defendants. Furthermore, Defendants acted in  
7 all respects as the employers or joint employers of Employees. Defendants, and each of them,  
8 exercised control over the wages, hours or working conditions of Employees, or suffered or  
9 permitted Employees to work, or engaged, thereby creating a common law employment  
10 relationship, with Employees. Therefore, Defendants, and each of them, employed or jointly  
11 employed Employees.

#### 12 **JURISDICTION AND VENUE**

13 9. This Court has jurisdiction over this Action pursuant to California Code of Civil  
14 Procedure § 410.10 and California Business & Professions Code § 17203. This Action is brought  
15 as a Class Action on behalf of similarly situated Employees of Defendants pursuant to California  
16 Code of Civil Procedure § 382. Venue as to Defendants is also proper in this judicial district  
17 pursuant to California Code of Civil Procedure § 395 *et seq.* Upon information and belief, the  
18 obligations and liabilities giving rise to this lawsuit occurred at least in part in Los Angeles  
19 County and Defendants maintain and operate company offices and facilities in Los Angeles  
20 County and employ Plaintiff and other Class members in California Los Angeles County and  
21 throughout California.

#### 22 **FACTUAL BACKGROUND**

23 10. The Employees who comprise the Class and Collective, including Plaintiff, is a  
24 nonexempt employee pursuant to the applicable Wage Order of the IWC. Defendants hire  
25 Employees who work in nonexempt positions at the direction of Defendants in the State of  
26 California. Plaintiff and the Class members were either not paid by Defendants for all hours  
27 worked or were not paid at the appropriate minimum, regular and overtime rates. Specifically,  
28 Employees had to wait in line for the timekeeping system on the POS in the front. Plaintiff also

1 contends that Defendants failed to pay Plaintiff and the Class members all wages due and owing,  
2 including by failing to provide sufficient compensation for on-call time, failed to provide meal and  
3 rest breaks, and failed to furnish accurate wage statements, all in violation of various provisions of  
4 the California Labor Code and applicable Wage Orders. Additionally, Defendants paid Plaintiffs  
5 and Employees shift differentials, nondiscretionary commissions, incentive pay, and/or  
6 nondiscretionary bonuses. However, upon information and belief, Defendants failed to incorporate  
7 all remunerations, including shift differentials, nondiscretionary commissions, incentive pay,  
8 and/or nondiscretionary bonuses, into the calculation of the regular rate of pay for purposes of  
9 calculating the overtime wage rate. Therefore, during times when Plaintiffs and Employees  
10 worked overtime and received shift differentials, nondiscretionary commissions, incentive pay,  
11 and/or nondiscretionary bonuses, Defendants failed to pay all overtime wages by paying a lower  
12 overtime rate than required.

13 11. During the course of Plaintiff and the Class members' employment with  
14 Defendants, they were not paid all wages they were owed, including for all work performed and  
15 for all overtime hours worked and were forced to work during their meal and rest breaks to keep  
16 labor budgets low.

17 12. As a matter of Company policy, Plaintiff and the Class members were required to  
18 work during their meal breaks which were not compensated by Defendants in violation of the  
19 California Labor Code. Plaintiff and the Class members were also not paid regular wages and  
20 overtime for the time they were required to comply with other requirements imposed upon them,  
21 which they had to complete while working through their meal breaks and without compensation.  
22 As a result Plaintiff and the Class members worked shifts over eight (8) hours in a day and over  
23 forty (40) hours in a work week, but they were not paid at the appropriate overtime rate for all  
24 such hours, including by being required to perform work duties and tasks without pay and while  
25 off-the-clock which caused overtime to begin accruing before it did in Defendants' timekeeping  
26 and payroll systems. As a result, Plaintiff and the Class members worked substantial overtime  
27 hours during their employment with Defendants for which they were not compensated, in  
28 violation of the California Labor Code, applicable IWC Wage Orders.

1           13. As a result of the above described daily work demands and pressures to work  
2 through breaks, and the other wage violations they endured at Defendants' hands, Plaintiff and the  
3 Class members were not properly paid for all wages earned and for all wages owed to them by  
4 Defendants, including when working more than eight (8) hours in any given day and/or more than  
5 forty (40) hours in any given week. As a result of Defendants' unlawful policies and practices,  
6 Plaintiff and Class members incurred overtime hours worked for which they were not adequately  
7 and completely compensated. To the extent applicable, Defendants also failed to pay Plaintiff and  
8 the Class members at an overtime rate of 1.5 times the regular rate for the first eight hours of the  
9 seventh consecutive work day in a week and overtime payments at the rate of 2 times the regular  
10 rate for hours worked over eight (8) on the seventh consecutive work day, as required under the  
11 Labor Code, applicable IWC Wage Orders.

12           14. Therefore, from at least four (4) years prior to the filing of this lawsuit and  
13 continuing to the present, Defendants had a consistent policy or practice of failing to pay  
14 Employees for all hours worked, and failing to pay minimum wage for all time worked as required  
15 by California Law.

16           15. Additionally from at least four (4) years prior to the filing of this lawsuit and  
17 continuing to the present, Defendants had a consistent policy or practice of failing to pay  
18 Employees overtime compensation at premium overtime rates for all hours worked in excess of  
19 eight (8) hours a day and/or forty (40) hours a week, and double-time rates for all hours worked in  
20 excess of twelve (12) hours a day, in violation of Labor Code § 510 and the corresponding  
21 sections of IWC Wage Orders.

22           16. Additionally from at least four (4) years prior to the filing of this lawsuit and  
23 continuing to the present, Defendants have regularly required Employees to work shifts in excess  
24 of five (5) hours without providing them with uninterrupted meal periods of not less than thirty  
25 (30) minutes and shifts in excess of ten (10) hours without providing them with second meal  
26 periods of not less than thirty minutes; nor did Defendants pay Employees "premium pay," i.e. one  
27 hour of wages at each Employee's effective regular rate of pay, for each meal period that  
28 Defendants failed to provide or deficiently provided.

1           17.     From at least four (4) years prior to the filing of this lawsuit and continuing to the  
2 present, Defendants paid Plaintiff and Employees shift differentials, nondiscretionary  
3 commissions, incentive pay, and/or nondiscretionary bonuses. However, upon information and  
4 belief, Defendants failed to incorporate all remunerations, including shift differentials,  
5 nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses, into the  
6 calculation of the regular rate of pay for purposes of calculating sick pay. Therefore, during times  
7 when Plaintiff and Employees worked overtime and received shift differentials, nondiscretionary  
8 commissions, incentive pay, and/or nondiscretionary bonuses, Defendants failed to pay all sick  
9 pay by paying a lower overtime rate than required.

10           18.     From at least four (4) years prior to the filing of this lawsuit and continuing to the  
11 present, Defendants paid Plaintiff and Employees shift differentials, nondiscretionary  
12 commissions, incentive pay, and/or nondiscretionary bonuses. However, upon information and  
13 belief, Defendants failed to incorporate all remunerations, including shift differentials,  
14 nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses, into the  
15 calculation of the regular rate of pay for purposes of calculating vacation pay. Therefore, during  
16 times when Plaintiff and Employees worked overtime and received shift differentials,  
17 nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses, Defendants failed  
18 to pay all vacation pay by paying a lower overtime rate than required.

19           19.     Defendants also failed to pay Plaintiff and the other Class members all vested  
20 vacation time at the time of their separation from Defendants' employment, in violation of Labor  
21 Code § 227.3. Defendants failed to pay Plaintiff for all earned and unused vacation time at his  
22 final rate of pay at the time of Plaintiff's separation from his employment. On information and  
23 belief similarly situated Class members are also owed vested vacation time.

24           20.     From at least four (4) years prior to the filing of this lawsuit and continuing to the  
25 present, Defendants have consistently failed to provide Employees with paid rest breaks of not less  
26 than ten (10) minutes for every work period of four (4) or more consecutive hours; nor did  
27 Defendant pay Employees premium pay for each day on which requisite rest breaks were not  
28 provided or were deficiently provided at one hour of wages at each Employee's effective regular

1 rate of pay, for each rest period that Defendants failed to provide or deficiently provided.

2       21.     Additionally, from at least four (4) years prior to the filing of this lawsuit, and  
3 continuing to the present, Defendants have consistently failed to provide Employees with timely,  
4 accurate, and itemized wage statements as required by California wage-and-hour laws. Defendants  
5 consistently failed to issue accurate itemized wage statements as required by Labor Code § 226(a).  
6 Defendants failed to provide Employees with accurate itemized wage statements in writing, as  
7 required by the Labor Code. Defendants failed in their affirmative obligation to keep accurate  
8 records of the correct overtime wages based on proper regular rate calculations that included  
9 nondiscretionary commissions, incentive pay, and/or nondiscretionary bonuses earned, and the  
10 total amount of compensation of Plaintiffs and Class members. Additionally, the wage statements  
11 given to Plaintiffs and Class members, by Defendants, failed to include the above requirements  
12 enumerated above. Specifically, Plaintiffs and Class members' wage statements failed to  
13 accurately set forth all applicable hourly rates in effect during the pay period and the  
14 corresponding number of hours worked at each such rate in violation of Labor Code § 226 (a)(9).  
15 The wage statements provided to Plaintiffs and Class members were confusing and required  
16 Plaintiffs and Class members to refer to outside sources to verify whether their pay was correct,  
17 potentially resulting in a miscalculation by the Plaintiffs and Class members. Furthermore, the  
18 wage statements given to Plaintiffs and Class members failed to accurately specify the name and  
19 address of the employer as required under the law as the wage statements provided to Plaintiffs  
20 and Class members name an entity that is not registered with the California Secretary of State's  
21 Office despite the fact all businesses that wish to conduct business in California need to register  
22 with the California Secretary of State's Office. Moreover, the wage statements given to Plaintiffs  
23 and Class members failed to accurately account for unpaid wages, overtime, premium pay for  
24 deficiently provided meal periods and rest breaks as discussed above.

25       22.     Additionally, from at least four (4) years prior to the filing of this lawsuit, and  
26 continuing to the present, Defendants have consistently failed to provide Employees with timely,  
27 accurate, and itemized wage statements, in writing, as required by California wage-and-hour laws.

28       23.     From at least four (4) years prior to the filing of this lawsuit and continuing to the

1 present, Defendants have failed to reimburse Employees for expenses necessarily incurred in the  
2 performance of their job duties for Defendants including, but not limited to, the cell phone usage  
3 which were necessary to perform their duties under Defendants' employ in violation of Labor  
4 Code § 2802.

5 24. Additionally, from at least three (3) years prior to the filing of this lawsuit, and  
6 continuing to the present, Defendants have consistently failed to keep accurate time and wage  
7 records as required by California wage-and-hour laws.

8 25. Additionally, from at least four (4) years prior to filing this lawsuit and continuing  
9 to the present, Defendants have had a consistent policy of failing to pay all wages fur and owed to  
10 Employees at the time of their termination of within seventy-two (72) hours of their resignation, as  
11 required by California wage-and-hour laws.

12 26. In light of the foregoing, Employees bring this action pursuant to, inter alia, Labor  
13 Code §§ 201, 202, 203, 204, 218.5, 218.6, 226, 226.4, 226.7, 227.3, 245, *et seq*, 246, 510, 512,  
14 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2 1197, 1199, and 2802.

15 27. Furthermore, pursuant to Business and Professions Code §§ 17200-17208,  
16 Employees seek injunctive relief, restitution, and disgorgement of all benefits Defendants have  
17 enjoyed from their violations of Labor Code.

### 18 CLASS ALLEGATIONS

19 28. Plaintiff bring this class action on behalf of himself, and all others similarly  
20 situated pursuant to Code of Civil Procedure § 382. Plaintiff seeks to represent a class defined as  
21 follows: all individuals employed by Defendants, at any time within four (4) years of the filing of  
22 this lawsuit and have been employed by Defendants within the State of California.

23 29. Further, Plaintiff seeks to represent the following Subclasses composed of and  
24 defined as follows:

25 a. Subclass 1. Minimum Wages Subclass. All Class members who were not  
26 compensated for all hours worked for Defendants at the applicable minimum wage.

27 b. Subclass 2. Wages and Overtime Subclass. All Class members who were not  
28 compensated for all hours worked for Defendants at the required rates of pay, including for all

1 hours worked in excess of eight in a day and/or forty in a week.

2 c. Subclass 3. Recovery of Reporting Time Pay. All Class members who were subject  
3 to Defendants' policy and/or practice of not compensating reporting time pay.

4 d. Subclass 4. Meal Period Subclass. All Class members who were subject to  
5 Defendants' policy and/or practice of failing to provide unpaid 30-minute uninterrupted and duty-  
6 free meal periods or one hour of pay at the Employee's regular rate of pay in lieu thereof.

7 e. Subclass 5. Rest Break Subclass. All Class members who were subject to  
8 Defendants' policy and/or practice of failing to authorize and permit Employees to take  
9 uninterrupted, duty-free, 10-minute rest periods for every four hours worked, or major fraction  
10 thereof, and failing to pay one hour of pay at the Employee's regular rate of pay in lieu thereof.

11 f. Subclass 6. Vacation Wages Subclass. All Class Members who were not paid for  
12 accrued vacation time upon separation.

13 g. Subclass 7. Sick Pay Subclass. All Class members who were subject to Defendants'  
14 policy and/or practice of failing to provide unpaid 30-minute uninterrupted and duty free meal  
15 periods or one hour of pay at the Employee's regular rate of pay in lieu thereof.

16 h. Subclass 8. Failure to Reimburse for Necessary Business Expenditures. All Class  
17 members who were subject to Defendants failing to reimburse for expenses necessarily incurred in  
18 the performance of Employees job duties for Defendants which were necessary to perform their  
19 duties under Defendants' employ.

20 i. Subclass 9. Payroll Records Subclass. All Class members who were subject to  
21 Defendants' policy and/or practice of failing to keep accurate time and wage records as required  
22 by California wage-and-hour laws.

23 j. Subclass 10. Wage Statement Subclass. All Class members who, within the  
24 applicable limitations period, were not provided with accurate itemized wage statements.

25 k. Subclass 11. Termination Pay Subclass. All Class members who, within the  
26 applicable limitations period, either voluntarily or involuntarily separated from their employment  
27 and were subject to Defendants' policy and/or practice of failing to timely pay wages upon  
28 termination.

1           1.       Subclass 12. UCL Subclass. All Class members who are owed restitution as a  
2 result of Defendants' business acts and practices, to the extent such acts and practices are found to  
3 be unlawful, deceptive, and/or unfair.

4           30.     Plaintiff reserves the right under California Rule of Court 3.765 to amend or  
5 modify the class description with greater particularity or further division into subclasses or  
6 limitation to particular issues.

7           31.     This action has been brought and may properly be maintained as a class action  
8 under the provisions of Code of Civil Procedure § 382 because there is a well-defined community  
9 of interest in litigation and proposed class is easily ascertainable.

10           **A.       Numerosity**

11           32.     The potential members of the class as defined are so numerous that joinder of all  
12 the member of the class is impracticable. While the precise number of class member has not been  
13 determined at this time, Plaintiff is informed and believe that Defendants employ or, during the  
14 time period relevant to this lawsuit, employed more than 100 individuals were employed by  
15 Defendant's within the State of California.

16           33.     Accounting for employee turnover during the relevant time period increases this  
17 number substantially. Plaintiff alleges that Defendants' employment records will provide  
18 information as to the number and location of all class members.

19           **B.       Commonality**

20           34.     There are questions of law and fact common to the class that predominate over any  
21 questions affecting only individual class members. These common questions of law and fact  
22 include:

- 23           a.       Whether Defendants failed to pay Employees minimum wages;
- 24           b.       Whether Defendants failed to pay Employees wages for all hours worked;
- 25           c.       Whether Defendants failed to pay Employees overtime as required under Labor  
26               Code § 510;
- 27           d.       Whether Defendants failed to pay Employees reporting time pay;
- 28           e.       Whether Defendant violated Labor Code § 227.3 by failing to pay Class Members

- 1 for accrued time upon separation;
- 2 f. Whether Defendants failed to pay Employees sick pay as required under Labor
- 3 Code § 245 *et seq.* and 246
- 4 g. Whether Defendants violated Labor Code §§ 226.7 and 512, and the applicable
- 5 IWC Wage Orders, by failing to provide Employees with requisite meal periods or
- 6 premium pay in lieu thereof;
- 7 h. Whether Defendants violated Labor Code §§ 226.7, and the applicable IWC Wage
- 8 Orders, by failing to provide Employees with requisite rest breaks or premium pay
- 9 in lieu thereof;
- 10 i. Whether Defendants violated Labor Code § 226(a);
- 11 j. Whether Defendants failed to reimburse Employees for necessary business
- 12 expenses;
- 13 k. Whether Defendants violated Labor Code §§ 201, 202, and 203 by failing to pay
- 14 wages and compensation due and owing at the time of termination of employment;
- 15 l. Whether Defendants violated Business and Professions Code § 17200 *et seq.*; and
- 16 m. Whether Employees are entitled to equitable relief pursuant to Business and
- 17 Professions Code § 17200 *et seq.*

18 **C. Typicality**

19 35. The claims of the named plaintiffs are typical of those of the other Employees.

20 Employees all sustained injuries and damages arising out of and caused by Defendant's common

21 course of conducts in violation of statutes, as well as regulations that have the force and effect of

22 law, as alleged herein.

23 **D. Adequacy of Representation**

24 36. Plaintiff will fairly and adequately represent and protect the interest of Employees.

25 Counsel who represents Employees are experienced and competent in litigating employment class

26 actions.

27 **E. Superiority of Class Action**

28 37. A class action is superior to other available means for the fair and efficient

1 adjudication of this controversy. Individual joinder of all Employees is not practicable, and  
2 questions of law and fact common to all Employees predominate over any questions affecting only  
3 individual Employees. Each Employee has been damaged and is entitled to recovery by reason of  
4 Defendants' illegal policies or practices of failing to compensate Employees properly.

5 38. Class action treatment will allow those persons similarly situated to litigate their  
6 claims in the manner that is most efficient and economical for the parties and the judicial system.  
7 Plaintiff is unaware of any difficulties in managing this case that should preclude class action.

8 **FIRST CAUSE OF ACTION**

9 **FAILURE TO PAY MINIMUM WAGES**

10 **(Against All Defendants)**

11 39. Plaintiff re-alleges and incorporate all preceding paragraphs, as though set forth in  
12 full herein.

13 40. Defendants failed to pay Employees minimum wages for all hours worked.

14 41. Defendants had a common policy and practice of misstating Employees time  
15 records and failing to pay Employees for all hours worked. Employees would work hours and not  
16 receive wages, including as alleged above in connection with working during meal periods, and  
17 time off the clock Employees without compensation. Specifically, Employees had to wait in line  
18 for the timekeeping system on the POS in the front. Furthermore, the uncompensated time  
19 included the time Employees worked off-the-clock during meal periods as a result of Defendants'  
20 high demand from clients. Further, Defendants had a policy requiring Employees to remain on-  
21 call. Additionally, Defendants had a consistent policy of failing to pay Employees for hours  
22 worked during alleged meal and rest periods for which Employees were consistently denied, as  
23 also addressed herein. During the relevant time period, Defendants did not pay Plaintiff and  
24 Employees at the applicable minimum wage for all hours worked. Defendants' uniform pattern of  
25 unlawful wage and hour practices manifested, without limitation, applicable to the Class as a  
26 whole, as a result of implementing a uniform policy and practice that denied accurate  
27 compensation to Plaintiff and the other members of the Class as to minimum wage pay.

28 42. California Labor Code § 1197, entitled "Pay of Less Than Minimum Wage" states:

1 The minimum wage for employees fixed by the commission is the  
2 minimum wage to be paid to employees, and the payment of a less  
3 wage than the minimum so fixed is unlawful.

4 43. The applicable minimum wages fixed by the commission for work during the  
5 relevant period is found in the Wage Orders. Pursuant to the Wage Orders, Employees are  
6 therefore entitled to double the minimum wage during the relevant period.

7 44. The minimum wage provisions of California Labor Code are enforceable by private  
8 civil action pursuant to California Labor Code § 1194(a) which states:

9 Notwithstanding any agreement to work for a lesser wage, any  
10 employee receiving less than the legal minimum wage or the legal  
11 overtime compensation applicable to the employee is entitled to  
12 recover in a civil action the unpaid balance of the full amount of  
13 this minimum wage or overtime compensation, including interest  
14 thereon, reasonable attorney's fees and costs of suit.

15 45. As described in California Labor Code §§ 1185 and 1194.2, any action for wages  
16 incorporates the applicable Wage Order of the California Industrial Welfare Commission.

17 46. California Labor Code § 1194.2 also provides for the following remedies:

18 In any action under Section 1194 . . . to recover wages because of  
19 the payment of a wage less than the minimum wages fixed by an  
20 order of the commission, an employee shall be entitled to recover  
21 liquidated damages in an amount equal to the wages unlawfully  
22 unpaid and interest thereon.

23 47. Defendants have the ability to pay minimum wages for all time worked and have  
24 willfully refused to pay such wages with the intent to secure for Defendants a discount upon this  
25 indebtedness with the intent to annoy, harass, oppress, hinder, delay, or defraud Employees.

26 48. Wherefore, Employees are entitled to recover the unpaid minimum wages  
27 (including double minimum wages), liquidated damages in an amount equal to the minimum  
28 wages unlawfully unpaid, interest thereon and reasonable attorney's fees and costs of suit pursuant

1 to California Labor Code § 1194(a).

2 **SECOND CAUSE OF ACTION**

3 **FAILURE TO PAY WAGES AND OVERTIME UNDER LABOR CODE § 510**

4 **(Against All Defendants)**

5 49. Plaintiff re-alleges and incorporate all preceding paragraphs, as though set forth in  
6 full herein.

7 50. By their conduct, as set forth herein, Defendants violated California Labor Code §  
8 510 (and the relevant orders of the Industrial Welfare Commission) by failing to pay Employees:  
9 (a) time and one-half their regular hourly rates for hours worked in excess of eight (8) hours in a  
10 workday or in excess of forty (40) hours in any workweek or for the first eight (8) hours worked  
11 on the seventh day of work in any one workweek; or (b) twice their regular rate of pay for hours  
12 worked in excess of twelve (12) hours in any one (1) day or for hours worked in excess of eight  
13 (8) hours on any seventh day of work in a workweek.

14 51. Defendants had a common policy and practice of requiring Plaintiff and Employees  
15 to perform work, off the clock for which they were not paid wages. Specifically, Employees had to  
16 wait in line for the timekeeping system on the POS in the front. Furthermore, the uncompensated  
17 time included the time Employees worked off-the-clock during meal periods as a result of  
18 Defendants' high demand from clients. All the forgoing work was performed by Employees and  
19 under the direction and control of Defendants, for which no wages were paid.

20 52. The forgoing uncompensated work caused Plaintiff and Employees to work in  
21 excess of eight (8), ten (10), and twelve (12) hours a day, and/or forty (40) hours a week, entitling  
22 them to overtime and double-time wages which were systemically denied.

23 53. Defendants' failure to pay compensation in a timely fashion also constituted a  
24 violation of California Labor Code § 204, which requires that all wages shall be paid  
25 semimonthly. From four (4) years prior to the filing of this lawsuit to the present, in direct  
26 violation of that provision of the California Labor Code, Defendants have failed to pay all wages  
27 and overtime compensation earned by Employees. Each such failure to make a timely payment of  
28 compensation to Employees constitutes a separate violation of California Labor Code § 204.

54. Employees have been damaged by these violations of California Labor Code §§ 204 and 510 (and the relevant orders of the Industrial Welfare Commission).

55. Consequently, pursuant to California Labor Code §§ 204, 510, and 1194 (and the relevant orders of the Industrial Welfare Commission), Defendants are liable to Employees for the full amount of all their unpaid wages and overtime compensation, with interest, plus their reasonable attorneys' fees and costs.

**THIRD CAUSE OF ACTION**  
**RECOVERY OF REPORTING TIME PAY**  
**(Against All Defendants)**

56. Plaintiff re-alleges and incorporate all preceding paragraphs, as though set forth in full herein.

57. The IWC Wage Orders, require that reporting time pay be provided to any employee who is required to report for work and does report, but is not put to work or is furnished less than half said employee's usual or scheduled day's work.

58. Plaintiff is informed and believes and thereon alleges that all or substantially all of Defendants' hourly paid employees are subject to Defendants' policies and practices requiring them to call in or otherwise show up to work but not being paid half said Employees' usual or scheduled day's work.

59. Therefore, Employees are owed the unpaid balance of said wages pursuant to the Wage order according to proof at trial, Interest pursuant to Labor Code §§ 218.6 and 1194(a), Civil Code §§ 3287 and § 3289, and reasonable attorneys' fees and costs and/or penalties pursuant to Labor Code § 558(a).

**FOURTH CAUSE OF ACTION**  
**MEAL-PERIOD LIABILITY UNDER LABOR CODE § 226.7**  
**(Against All Defendants)**

60. Plaintiff re-alleges and incorporate all preceding paragraphs, as though set forth in full herein.

61. Employees regularly worked shifts greater than five (5) hours and greater than ten

1 (10) hours. Pursuant to Labor Code § 512 an employer may not employ someone for a shift of  
2 more than five (5) hours without providing him or her with a meal period of not less than thirty  
3 (30) minutes or for a shift of more than ten (10) hours without providing him or her with a second  
4 meal period of not less than thirty (30) minutes.

5 62. Defendants had a common practice and policy of denying Plaintiff and Employees  
6 the opportunity to take 30-minute uninterrupted meal periods, in accordance with California Law.  
7 Specifically, Plaintiff and Employees were denied meal periods altogether. Moreover, as discussed  
8 above, Defendants had a common policy and practice of requiring plaintiff and Employees to  
9 complete work-related assignments during meal periods.

10 63. Moreover, Defendants failed to compensate Employees for each meal period not  
11 provided or inadequately provided, as required under Labor Code § 226.7.

12 64. Therefore, pursuant to Labor Code § 226.7, Employees are entitled to damages in  
13 an amount equal to one (1) hour of wages at their effective hourly rates of pay for each meal  
14 period not provided or deficiently provided, a sum to be proven at trial.

15 **FIFTH CAUSE OF ACTION**

16 **REST-BREAK LIABILITY UNDER LABOR CODE § 226.7**

17 **(Against All Defendants)**

18 65. Plaintiff re-alleges and incorporate all preceding paragraphs, as though set forth in  
19 full herein.

20 66. Employees consistently worked consecutive four (4) hour shifts. Pursuant to the  
21 Labor Code and the applicable IWC Wage Order, Employees were entitled to paid rest breaks of  
22 not less than ten (10) minutes for each consecutive four (4) hour shift.

23 67. Defendants have had a common policy and practice of consistently failing to  
24 provide Plaintiff and Employees with the opportunity to take paid rest breaks of not less than ten  
25 (10) minutes for each consecutive four (4) hour shift. Plaintiff and Employees were required to  
26 work through their rest breaks, which were systemically denied due to demanding deadlines.

27 68. Moreover, Defendants did not compensate Employees with an additional hour of  
28 pay at each Employee's effective hourly rate for each day that Defendants failed to provide them

1 with adequate rest breaks, as required under Labor Code § 226.7.

2 69. Therefore, pursuant to Labor Code § 226.7, Employees are entitled to damages in  
3 an amount equal to one (1) hour of wages at their effective hourly rates of pay for each day  
4 worked without the required rest breaks, a sum to be proven at trial.

5 **SIXTH CAUSE OF ACTION**  
6 **FAILURE TO PAY VACATION WAGES**  
7 **(Against All Defendants)**

8 70. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in  
9 full herein.

10 71. Pursuant to California Labor Code § 227.3, whenever a contract of employment or  
11 employment policy provides for paid vacation and an employee is terminated without having  
12 taken off his vested vacation time, all vested vacation shall be paid to him as wages at his final rate  
13 in accordance with said contract of employment or policy respecting eligibility or time served.

14 72. Defendants paid shift differentials, nondiscretionary commissions, incentive pay,  
15 and/or nondiscretionary bonuses to Employees but Defendants failed to include these forms of  
16 remuneration in the regular rate of pay upon which vacation wages were calculated and paid.  
17 Therefore, pursuant to, Plaintiff and Employees seek to recover penalties pursuant to Labor Code  
18 § 227.3.

19 **SEVENTH CAUSE OF ACTION**  
20 **FAILURE TO COMPLY WITH LABOR CODE § 245 *ET SEQ.* AND 246**  
21 **(Against All Defendants)**

22 73. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in  
23 full herein.

24 74. California Labor Code § 245 *et seq.* requires that Defendants provide paid sick time  
25 to Employees, including at the amount, terms, and rate of compensation set forth in said law. At  
26 times relevant, Defendants have failed compute the amount due for paid sick time in conformance  
27 with the pay calculation under California Labor Code § 246(l).

28 75. Defendants paid shift differentials, nondiscretionary commissions, incentive pay,

1 and/or nondiscretionary bonuses to Employees but Defendants failed to include these forms of  
2 remuneration in the regular rate of pay upon which sick pay was calculated and paid. Rather than  
3 calculating the amount of paid sick time due when sick time is used according to the requirements  
4 set forth in California Labor Code § 246(1), Defendants paid sick leave to Employees at a lower  
5 rate, in violation of the law.

6 76. Therefore, Plaintiff and Employees seek to recover penalties pursuant to Labor  
7 Code § 245 *et seq.* and §§ 245 *et seq.* and 246.

8 **EIGHTH CAUSE OF ACTION**  
9 **FAILURE TO REIMBURSE FOR NECESSARY BUSINESS EXPENDITURES**  
10 **IN VIOLATION OF LABOR CODE § 2802**

11 **(Against All Defendants)**

12 77. Plaintiff re-alleges and incorporate all preceding paragraphs, as though set forth in  
13 full herein.

14 78. Under Labor Code § 2802(a) an employer must indemnify its employees for all  
15 necessary expenditures or losses incurred by the employee in direct consequence of the discharge  
16 of his or her duties, or of his or her obedience to the directions of the employer.

17 79. Employees incurred necessary expenditures in the performance of their job duties  
18 for Defendants, namely the cost of cell phone usage, which were necessary to perform their duties  
19 under Defendants' employ. From four (4) years prior to the original filing of this lawsuit and  
20 continuing to the present, Defendants consistently failed to reimburse Employees for these  
21 necessarily incurred business expenses.

22 80. As a result of the unlawful acts of Defendants, Employees have been deprived of  
23 reimbursement in amounts to be determined at trial; they are entitled to recovery of such amounts,  
24 plus interest and penalties thereon, attorneys' fees, and costs.

25 **NINTH CAUSE OF ACTION**  
26 **VIOLATION OF LABOR CODE § 226(a)**

27 **(Against All Defendants)**

28 81. Plaintiff re-alleges and incorporate all preceding paragraphs, as though set forth in

1 full herein.

2           82. California Labor Code § 226(a) requires an employer to furnish each of his or her  
3 employees with an accurate, itemized statement in writing showing the gross and net earnings,  
4 total hours worked, and the corresponding number of hours worked at each hourly rate; these  
5 statements must be appended to the detachable part of the check, draft, voucher, or whatever else  
6 serves to pay the employee's wages; or, if wages are paid by cash or personal check, these  
7 statements may be given to the employee separately from the payment of wages; in either case the  
8 employer must give the employee these statements twice a month or each time wages are paid.

9           83. Defendants failed to provide Employees with accurate itemized wage statements in  
10 writing, as required by the Labor Code. Defendants consistently failed to issue accurate itemized  
11 wage statements as required by Labor Code § 226(a). Defendants failed to provide Employees  
12 with accurate itemized wage statements in writing, as required by the Labor Code. Defendants  
13 failed in their affirmative obligation to keep accurate records of the correct overtime wages based  
14 on proper regular rate calculations that included nondiscretionary commissions, incentive pay,  
15 and/or nondiscretionary bonuses earned, and the total amount of compensation of Plaintiffs and  
16 Class members. Additionally, the wage statements given to Plaintiffs and Class members, by  
17 Defendants, failed to include the above requirements enumerated above. Specifically, Plaintiffs  
18 and Class members' wage statements failed to accurately set forth all applicable hourly rates in  
19 effect during the pay period and the corresponding number of hours worked at each such rate in  
20 violation of Labor Code § 226 (a)(9). The wage statements provided to Plaintiffs and Class  
21 members were confusing and required Plaintiffs and Class members to refer to outside sources to  
22 verify whether their pay was correct, potentially resulting in a miscalculation by the Plaintiffs and  
23 Class members. Furthermore, the wage statements given to Plaintiffs and Class members failed to  
24 accurately specify the name and address of the employer as required under the law as the wage  
25 statements provided to Plaintiffs and Class members name an entity that is not registered with the  
26 California Secretary of State's Office despite the fact all businesses that wish to conduct business  
27 in California need to register with the California Secretary of State's Office. Moreover, the wage  
28 statements given to Plaintiffs and Class members failed to accurately account for unpaid wages,

overtime, premium pay for deficiently provided meal periods and rest breaks as discussed above.

84. As a direct and proximate cause of Defendants' violation of Labor Code § 226(a), Employees suffered injuries, including among other things confusion over whether they received all wages owed them, the difficulty and expense involved in reconstructing pay records, and forcing them to make mathematical computations to analyze whether the wages paid in fact compensated them correctly for all hours worked.

85. Pursuant to Labor Code §§ 226(a) and 226(e), Employees are entitled to recover the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one hundred dollars (\$100) for each violation in a subsequent pay period, not exceeding an aggregate penalty of four thousand dollars (\$4,000). They are also entitled to an award of costs and reasonable attorneys' fees.

86. With respect to violations of Labor Code § 226, Labor Code § 226.3 imposes a civil penalty of two hundred and fifty dollars (\$250) for initial violations for each employee for each pay period, and one thousand dollars (\$1000) for each subsequent violation for each employee for each pay period.

87. Plaintiff is seeking penalties against Defendants under Labor Code § 226.3, and any other applicable statute allowing recovery of penalties as alleged herein in an amount to be shown according to proof.

**TENTH CAUSE OF ACTION**  
**VIOLATION OF LABOR CODE § 203**  
**(Against All Defendants)**

88. Plaintiff re-alleges and incorporate all preceding paragraphs, as though set forth in full herein.

89. Numerous Employees are no longer employed by Defendants; they either quit Defendants' employ or were fired therefrom.

90. Defendants failed to pay these Employees all wages due and certain at the time of termination or within seventy-two (72) hours of resignation.

91. The wages withheld from these Employees by Defendants remained due and owing

1 for more than thirty (30) days from the date of separation of employment.

2 92. Defendants' failure to pay wages, as alleged above, was willful in that Defendants  
3 knew wages to be due but failed to pay them; this violation entitles these Employees to penalties  
4 under Labor Code § 203, which provides that an employee's wages shall continue until paid for up  
5 to thirty (30) days from the date they were due.

6 **ELEVENTH CAUSE OF ACTION**

7 **VIOLATION OF BUSINESS & PROFESSIONS CODE § 17200 *ET SEQ.***

8 **(Against All Defendants)**

9 93. Plaintiff re-alleges and incorporate all preceding paragraphs, as though set forth in  
10 full herein.

11 94. Plaintiff, on behalf of himself, Employees, and the general public, brings this claim  
12 pursuant to Business & Professions Code § 17200 *et seq.* The conduct of Defendants as alleged in  
13 this Complaint has been and continues to be unfair, unlawful, and harmful to Employees and the  
14 general public. Plaintiff seeks to enforce important rights affecting the public interest within the  
15 meaning of Code of Civil Procedure § 1021.5.

16 95. Plaintiff is a "person" within the meaning of Business & Professions Code  
17 § 17204, has suffered injury, and therefore has standing to bring this cause of action for injunctive  
18 relief, restitution, and other appropriate equitable relief.

19 96. Business & Professions Code § 17200 *et seq.* prohibits unlawful and unfair  
20 business practices.

21 97. Wage-and-hour laws express fundamental public policies. Paying employees their  
22 wages and overtime, providing them with meal and rest periods, etc., are fundamental public  
23 policies of California. Labor Code § 90.5(a) articulates the public policies of this State vigorously  
24 to enforce minimum labor standards, to ensure that employees are not required or permitted to  
25 work under substandard and unlawful conditions, and to protect law-abiding employers and their  
26 employees from competitors who lower costs to themselves by failing to comply with minimum  
27 labor standards.

28 98. Defendants have violated statutes and public policies. Through the conduct alleged

1 in this Complaint Defendants have acted contrary to these public policies, have violated specific  
2 provisions of the Labor Code, and have engaged in other unlawful and unfair business practices in  
3 violation of Business & Professions Code § 17200 *et seq.*; which conduct has deprived Plaintiff,  
4 and all persons similarly situated, and all interested persons, of the rights, benefits, and privileges  
5 guaranteed to all employees under the law.

6 99. Defendants' conduct, as alleged hereinabove, constitutes unfair competition in  
7 violation of the Business & Professions Code § 17200 *et seq.*

8 100. Defendants, by engaging in the conduct herein alleged, by failing to pay wages and  
9 overtime, failing to provide meal and rest periods, etc., either knew or in the exercise of reasonable  
10 care should have known that their conduct was unlawful; therefore their conduct violates the  
11 Business & Professions Code § 17200 *et seq.*

12 101. As a proximate result of the above-mentioned acts of Defendants, Employees have  
13 been damaged, in a sum to be proven at trial.

14 102. Unless restrained by this Court Defendants will continue to engage in such  
15 unlawful conduct as alleged above. Pursuant to the Business & Professions Code this Court should  
16 make such orders or judgments, including the appointment of a receiver, as may be necessary to  
17 prevent the use by Defendants or their agents or employees of any unlawful or deceptive practice  
18 prohibited by the Business & Professions Code, including but not limited to the disgorgement of  
19 such profits as may be necessary to restore Employees to the money Defendants have unlawfully  
20 failed to pay.

### 21 **RELIEF REQUESTED**

22 WHEREFORE, Plaintiff prays for the following relief:

- 23 1. For an order certifying this action as a class action;
- 24 2. For compensatory damages in the amount of the unpaid minimum wages for work  
25 performed by Employees and unpaid overtime compensation from at least four (4) years prior to  
26 the filing of this action, as may be proven;
- 27 3. For liquidated damages in the amount equal to the unpaid minimum wage and  
28 interest thereon, from at least four (4) years prior to the filing of this action, according to proof;

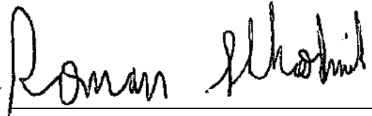
4. For compensatory damages in the amount of the hourly wage made by Employees for each missed or deficient meal period where no premium pay was paid therefor from four (4) years prior to the filing of this action, as may be proven;
5. For recovery of the unpaid balance of the full amount of the reporting time pay due pursuant to the applicable Wage Order as may be proven;
6. For compensatory damages in the amount of all unpaid wages, including overtime and double-time pay, as may be proven;
7. For compensatory damages in the amount of the hourly wage made by Employees for each day requisite rest breaks were not provided or were deficiently provided where no premium pay was paid therefor from at least four (4) years prior to the filing of this action, as may be proven;
8. For penalties pursuant to Labor Code § 226(e) for Employees, as may be proven;
9. For penalties pursuant to Labor Code § 203 for all Employees who quit or were fired in an amount equal to their daily wage times thirty (30) days, as may be proven;
10. For penalties pursuant to Labor Code § 227.3 for all Class Members who were not paid for all accrued vacation time at separation;
11. For penalties pursuant to Labor Code §§ 245 and 246, as may be proven
12. For restitution for unfair competition pursuant to Business & Professions Code § 17200 *et seq.*, including disgorgement or profits, as may be proven;
13. For compensatory damages in the amount of all previously unreimbursed business expenditures necessarily incurred by Employees in the discharge of their job duties for Defendants from four (4) years prior to the original filing of this action, as may be proven;
14. For an order enjoining Defendants and their agents, servants, and employees, and all persons acting under, in concert with, or for them, from acting in derogation of any rights or duties adumbrated in this Complaint;
15. For all general, special, and incidental damages as may be proven;
16. For an award of pre-judgment and post-judgment interest;
17. For an award providing for the payment of the costs of this suit;

1           18.     For an award of attorneys' fees; and

2           19.     For such other and further relief as this Court may deem proper and just.

3  
4     DATED: April 29, 2025

D.LAW, INC.

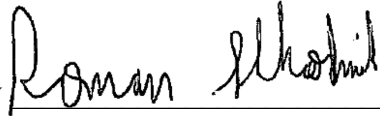
5  
6           By   
7           Emil Davtyan  
8           Roman Shkodnik  
9           Amanda Fazio  
10          Attorneys for Plaintiff  
11          MARCOS REYES  
12          and the putative class

**DEMAND FOR JURY TRIAL**

Plaintiff hereby demands trial of his claims by jury to the extent authorized by law.

DATED: April 29, 2025

D.LAW, INC.

By   
\_\_\_\_\_  
Emil Davtyan  
Roman Shkodnik  
Amanda Fazio  
Attorneys for Plaintiff  
MARCOS REYES  
and the putative class