

Brian J. Mankin, Esq. [CSB No. 216228]

brian@lmlfirm.com

Peter J. Carlson, Esq. [CSB No. 295611]

peter@lmlfirm.com

Luke Wagner, Esq. [CSB No. 350346]

luke@lmlfirm.com

LAUBY, MANKIN & LAUBY LLP

5198 Arlington Avenue, PMB 513

Riverside, CA 92504

Tel: (951) 320-1444 | Fax: (951) 320-1445

Attorneys for Plaintiffs, on behalf of the State of California as the Real Party in Interest

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF RIVERSIDE

ELIZABETH FERNANDEZ AND GLADYS
GARCIA, on behalf of the State of California
as the Real Party in Interest;

Plaintiffs,

vs.

VALLEY CARE HOME HEALTH INC., a
Nevada Corporation; and DOES 1 through 20,
inclusive;

Defendants.

Case No.: **CVRI 2503644**

**REPRESENTATIVE ENFORCEMENT
ACTION COMPLAINT [Private
Attorneys General Act of 2004 ("PAGA"),
Lab. Code § 2698, *et seq.*]**

- (1) Failure to Pay Minimum Wages;
- (2) Failure to Pay for Rest and Recovery
and Nonproductive Time Under Labor
Code § 226.2;
- (3) Failure to Pay Overtime Wages;
- (4) Failure to Provide Meal Periods;
- (5) Failure to Provide Rest Breaks;
- (6) Failure to Reimburse Bus. Expenses;
- (7) Failure to Pay Vested Vacation;
- (8) Failure to Timely Pay Final Wages; and
- (9) Failure to Provide Accurate Itemized
Wage Statements

1 Plaintiffs Elizabeth Fernandez and Gladys Garcia (“Plaintiffs”) bring this Private
2 Attorneys General Act (“PAGA”) Representative Action Complaint (“Complaint”), on behalf of
3 the State of California as the real party in interest,¹ against Defendants as follows.

4 **I. INTRODUCTION AND GENERAL ALLEGATIONS**

5 1. Plaintiffs bring this action against their former employer(s), Valley Care Home
6 Health Inc., and DOES 1 through 20, inclusive, (collectively, “Defendants”) on behalf of the
7 State of California, seeking civil penalties under PAGA for Labor Code violations committed
8 against all current and former nonexempt employees employed by Defendants in California
9 within the last one year and 65 days prior to the filing of this action (hereinafter, the “Aggrieved
10 Employees”). Such violations include, but are not limited to, Defendants’ failure to pay all
11 wages owed, including minimum, regular, and overtime wages, failure to provide meal periods,
12 failure to provide rest breaks, failure to reimburse business expenses, failure to timely pay wages
13 each period, and failure to provide accurate itemized wage statements.

14 2. Fernandez was employed by Defendants from approximately March 2023 through
15 April 2025, and Garcia was employed by Defendants from approximately July 2023 through
16 January 2025. Plaintiffs allege that the Aggrieved Employees were subjected to the same
17 policies, working conditions, and corresponding wage and hour violations to which Plaintiffs
18 were subjected during employment.

19 3. Plaintiffs and the Aggrieved Employees were not provided all minimum, regular,
20 and overtime wages due to Defendants’ “auto-deduct” policy and practice. Under this “auto-
21 deduct” practice, Defendants automatically deducted 30 minutes from the shift of Aggrieved
22 Employees – despite no meal period recorded, and without inquiry into whether a meal period
23 was taken or for how long. In other words, when a Represented Employee’s timekeeping
24 showed a shift spanning 8.5 hours worked, the Defendants only paid for 8 hours, deducting 30
25
26

27 ¹ Because a PAGA action is aimed at deterring and punishing violations of the Labor Code, the
28 State of California “is always the real party in interest in the suit.” *Iskanian v. CLS Transp. of
Los Angeles, LLC* (2014) 59 Cal.4th 348, 360; *ZB, N.A. v. Superior Court* (2019) 8 Cal.5th 175,
185 (all PAGA claims “are brought on the state’s behalf”).

1 minutes (0.5 hours) for a meal period despite that there are no records evidencing a 30-minute
2 meal period occurring on that shift.

3 4. Notably, at all relevant times, Garcia and other Aggrieved Employees were only
4 paid on a piece-rate (per-patient) basis but did not receive separate hourly compensation at no
5 less than the minimum wage for unpaid, on-duty time including tasks such as scheduling
6 appointments, completing paperwork (e.g., documenting each patient's care in the patient's
7 medical chart – "charting"), and travel time to/from each patient's visit. Also, the piece-rate
8 compensation paid to Plaintiff and the Aggrieved Employees often resulted in a payment of
9 wages at less than the required California minimum wage for all hours worked. Thus, the
10 Company's pay policy violated Labor Code § 226.2, which requires employers to provide
11 separate hourly compensation to piece-rate employees for rest and recovery periods and other
12 nonproductive time.

13 5. Additionally, at all relevant times, Plaintiffs and the Aggrieved Employees were
14 not provided proper minimum and overtime wages due to the Defendants' failure to accurately
15 record and compensate for all hours worked, which led to frequent and reoccurring unpaid
16 compensable time. For example, the Defendants frequently required Plaintiffs and the Aggrieved
17 Employees to perform pre- and post-shift work without recording such time – leading to unpaid
18 wages – such as when being required by the Defendants to arrive at the work location at a certain
19 time but being unable to clock in because the timekeeping was inside the building (and the
20 building was locked, waiting for a different employee to unlock). The Ninth Circuit confirmed
21 that this is illegal and such tasks must be compensated. *Cadena v. Customer Connexx LLC* (9th
22 Cir. 2022) 51 F.4th 831 (booting up and shutting down computers is compensable under the
23 FLSA [and therefore the Labor Code]); *Troester v. Starbucks Corporation* (2018) 5 Cal.5th 829
24 (California law "do[es] not allow employers to require employees to routinely work for minutes
25 off the clock without compensation"); *Frlekin v. Apple Inc.* (2020) 8 Cal.5th 1038 (tasks are
26 compensable when employee is under company's control and where the tasks served the
27 employer's interests).

1 6. Furthermore, Defendants failed to pay proper overtime to Plaintiffs and the
2 Aggrieved Employees. At all relevant times, Plaintiffs and the Aggrieved Employees were paid
3 on an hourly basis. However, on the occasions when Plaintiffs and the Aggrieved Employees
4 worked overtime hours and received additional earned compensation during the same workweek,
5 Defendants failed to properly include these amounts in the calculations for the regular rate of pay
6 – in violation of California law.

7 7. Plaintiffs and the Aggrieved Employees were also denied 30-minute off-duty
8 meal periods, as mandated by California law. As a result of Defendants' policies and practices,
9 the Aggrieved Employees were subjected to meal period violations when they were: (1) unable
10 to take a meal period due to workload, (2) forced to take an on-duty meal period while under the
11 control of Defendants, (3) forced to take a shortened meal period, (4) forced to take a meal
12 period after the 5th hour of work, and (5) not provided mandated second meal periods for shifts
13 in excess of 10 hours. In addition, Plaintiffs were subjected to the same timekeeping issues
14 discussed above, which would require them eat while subject to the Defendants' control or
15 otherwise forego or shorten meal periods. As such, Plaintiffs and other similarly situated
16 employees were regularly not provided with uninterrupted meal periods of at least 30 minutes, as
17 required by California law. Also, the practical effect of the Defendants' policy of requiring
18 employees to keep working during meal periods often resulted in Plaintiffs and other similarly
19 situated employees not exercising their right to leave work for meal periods. Moreover,
20 Defendants failed to record or keep accurate information regarding when Plaintiffs and the
21 Aggrieved Employees took their meal periods, in violation of the applicable IWC Wage Order §
22 7(A)(3).

23 8. Defendants also failed to provide Plaintiffs with 10 minutes of net rest break time
24 for every 4 hours worked, or major fraction thereof, as mandated by California law. Defendants
25 did not schedule Plaintiffs' rest breaks and Plaintiffs were often not authorized and/or permitted
26 to take mandated rest breaks due to being overwhelmed by their hectic workload. Furthermore,
27 on occasions when Plaintiffs worked in excess of 10 hours in a shift, Defendants failed to
28 authorize and/or permit a third mandated rest break.

1 9. Also, at all relevant times, Plaintiffs and the Aggrieved Employees were denied
2 paid rest breaks by virtue of the Defendants’ policy that only paid its nonexempt employees on a
3 piece-rate per-patient basis, regardless of time spent. As Plaintiff and the Aggrieved Employees
4 could not earn income during a rest break (*i.e.*, they could not simultaneously take an off-duty
5 rest break *and* treat a patient), Plaintiffs and the Aggrieved Employees were illegally denied paid
6 rest breaks. This violates California law, which requires employers that pay on a piece-rate basis
7 to provide separate *hourly* compensation for mandated paid rest breaks. *See* Labor Code § 226.2;
8 *Bluford v. Safeway Stores, Inc.* (2013) 216 Cal.App.4th 864, 872 (employers are required to
9 separately compensate employees for paid rest periods where the employer uses an “activity-
10 based compensation system” that does not directly compensate for rest periods).

11 10. Defendants also failed to comply with the mandates of Labor Code §§ 204 and
12 210 regarding the timing of the payment of wages to its employees each period, including
13 minimum and overtime wages, as well as meal and rest period premiums. Also, Defendants
14 failed to comply with the mandates of Labor Code §§ 201–203 regarding timing of payment of
15 final wages and failed to pay all wages due and owing upon separation of employment including
16 minimum wages, overtime, meal and rest break premiums, and Defendants further failed to pay
17 the Aggrieved Employees for mandated sick time at a rate “calculated in the same manner as the
18 regular rate of pay.”

19 11. Moreover, at all relevant times, Defendants required Plaintiffs and the Aggrieved
20 Employees to incur necessary business-related expenses and costs without reimbursement,
21 including, but not limited to, acquiring and maintaining a smart phone and related monthly data
22 plan to navigate in the field, communicate with the Defendants via phone and text message, and
23 call patients. Fernandez also was required to use her personally owned INR machine to conduct
24 blood tests as part of her duties. The machine needs test strips to run, and Fernandez had to
25 purchase two sets of test strips out of pocket. Fernandez received no reimbursement from the
26 Defendants for the test strips or the use of her INR machine.

27 12. Also, at all relevant times, Defendants utilized a policy and practice through
28 which Plaintiffs and the Aggrieved Employees accrued vacation and/or paid time off hours

(collectively, “vacation hours”). California law, specifically Labor Code § 227.3, requires Defendants to pay all accrued and unused vacation hours upon separation of employment at the final rate of pay. However, Defendants’ policy and practice violated Labor Code § 227.3, as detailed below.

13. Plaintiffs further allege that Defendants provided Plaintiffs and the Aggrieved Employees with inaccurate and incomplete wage statements that failed to accurately state all necessary items required under Labor Code § 226(a) and 226.2.

14. Plaintiffs allege that Defendants’ violations of the wage and hour components of the Labor Code and IWC Wage Orders enabled them to decrease expenses and to increase their level of productivity and profits, thereby allowing Defendants to gain an unfair advantage over their competitors.

15. At all material times, Defendants and DOES 1 through 20 were and/or are the Aggrieved Employees’ employers or persons acting on behalf of the Aggrieved Employees’ employer, within the meaning of California Labor Code § 558, who violated or caused to be violated, a section of Part 2, Chapter 1 of the California Labor Code or any provision regulating hours and days of work in an IWC Wage Order and, as such, are subject to penalties for each underpaid employee as set forth in Labor Code § 558 and under California law.

16. Plaintiffs bring this lawsuit on behalf of the State of California, as the real party in interest, to recover all applicable and available PAGA remedies for violations of the California Labor Code committed against the Aggrieved Employees as alleged herein, as well as attorneys’ fees, costs, and/or other damages as permitted by PAGA. Plaintiffs reserve the right to name additional representatives throughout the State of California.

II. JURISDICTION

17. This Court has jurisdiction over the claims for relief of Plaintiffs and the Aggrieved Employees pursuant to the Labor Code and the IWC Wage Orders.

III. VENUE

18. Venue as to each Defendant is proper in this Court pursuant to Code of Civil Procedure § 395(a) because: Defendants transact business in Riverside County, the unlawful acts

1 alleged herein have a direct effect on the Aggrieved Employees in Riverside County, Defendants
2 employed or employ the Aggrieved Employees Riverside County, and the alleged violations
3 occurred in Riverside County. *Crestwood Behavioral Health, Inc. v. Superior Court* (2021) 60
4 Cal.App.5th 1069, 1075 (“venue is proper in any county in which an aggrieved employee
5 worked and Labor Code violations allegedly occurred.”).

6 **IV. PARTIES**

7 **Plaintiffs**

8 19. Plaintiffs and PAGA Representative Elizabeth Fernandez and Gladys Garcia were
9 employed by Defendants and performed work for Defendants during the relevant periods herein.

10 **Defendants**

11 20. Plaintiffs allege that Defendant Valley Care Home Health Inc. is a California
12 corporation authorized to and doing business in Riverside County and is or was the legal
13 employer of Plaintiffs and the Aggrieved Employees during the applicable periods.

14 21. Plaintiffs are ignorant of the true names, capacities, relationships, and extent of
15 participation in the conduct herein alleged, of Defendants sued herein as DOES 1 through 20,
16 inclusive, but on information and belief alleges that those Defendants are legally responsible for
17 the payment of penalties and damages to Plaintiffs and all Aggrieved Employees by virtue of
18 Defendants’ unlawful actions and practices and therefore sue these Defendants by such fictitious
19 names. Plaintiffs will amend this complaint to allege the true names and capacities of the DOE
20 Defendants when ascertained.

21 22. Plaintiffs are informed and believe and thereon allege that they and the Aggrieved
22 Employees worked under the joint direction and control of Defendants and that Defendants, and
23 each of them, acted in all respects pertinent to this action as the agent of the other Defendants,
24 carried out a joint scheme, business plan or policy in all respect pertinent hereto, and the acts of
25 each Defendant are legally attributable to the other Defendants. On information and belief, a
26 unity of interest and ownership between each Defendant exists such that all Defendants acted as
27 a single employer of Plaintiffs and other Aggrieved Employees.
28

23. Furthermore, Plaintiffs are informed and believe and thereon allege that Defendants, and each of them, are an integrated enterprise and should be treated as a single employer because these entities share an interrelation of operations, with common human resources and personnel policies and shared common offices and facilities. Additionally, Defendants also have a shared website, common management, a centralized control of labor operations, and common ownership or financial control.

24. Plaintiffs are informed and believe and thereon allege that, in conducting themselves in the manner described herein, Defendants, and each of them, were acting in active concert with one another such that the acts of each were and are fully attributable to the others in all material respects. Plaintiffs are further informed and believe that at all relevant times Defendants and each of them are now, and at all material times herein mentioned were, the agents, servants, employees, partners, affiliates, and/or representatives of each of their remaining co-Defendants, and were, at all times herein mentioned, acting within the course, scope, and purpose of such relationship(s) and with the knowledge, consent and/or ratification of each of their remaining co-Defendants.

25. Plaintiffs are further informed and believe that at all relevant times, Defendants have been inadequately capitalized to conduct business, have failed to follow appropriate corporate formalities, and have simply been a shell and instrumentality through which Defendants DOES 11 through 20, inclusive, have conducted their personal affairs. Accordingly, the corporate veil should be pierced, and any liability attached to Defendants should be imposed jointly and severally against Defendants DOES 11 through 20. Adherence to the fiction of the separate existence of these corporate entities would permit abuse of the corporate privilege, thereby sanctioning fraud and promoting injustice.

V. PAGA CAUSES OF ACTION (Labor Code §§ 2698 – 2699.5)

26. Plaintiffs are “aggrieved employees” under the PAGA as they were employed by Defendants during the applicable statutory period and suffered one or more of the Labor Code violations alleged herein. As such, Plaintiffs may recover the remedies described herein in a civil action filed on behalf of the State of California and for violations committed against the

1 Aggrieved Employees.

2 27. Plaintiffs seek to recover all applicable and available PAGA remedies pursuant to
3 Labor Code § 2699, as well as attorneys' fees, costs, and/or other damages as permitted by
4 PAGA through a representative action pursuant to the PAGA and the California Supreme Court
5 in *Arias v. Superior Court* (2009) 46 Cal. 4th 969. Therefore, Plaintiffs are not required to, nor
6 do they, seek class certification of the PAGA claims under Code of Civil Procedure § 382.

7 28. Pursuant to Labor Code § 2699.3(a), Plaintiffs gave written notice by online filing
8 to the Labor and Workforce Development Agency ("LWDA") and by certified mail to
9 Defendants of the specific provisions of the Labor Code alleged to have been violated, including
10 the facts and theories to support the alleged violations. Sixty-five (65) days have elapsed since
11 Plaintiffs provided notice of the claims alleged herein without the LWDA assuming jurisdiction,
12 so Plaintiffs have fully satisfied their administrative prerequisites for bringing suit under the
13 PAGA.

14 **FIRST CAUSE OF ACTION**

15 **PAGA ASSESSMENT FOR FAILURE TO PAY MINIMUM WAGES**

16 (Labor Code §§ 200, 1194, 1194.2, 1197; IWC Wage Order § 4)

17 *Against All Defendants*

18 29. Plaintiffs incorporate the preceding paragraphs of the Complaint as if fully
19 alleged herein.

20 30. Plaintiffs and the Aggrieved Employees were not exempt from the requirement to
21 be paid at least the applicable California minimum wage throughout the statutory period for each
22 hour worked.

23 31. Plaintiffs and the Aggrieved Employees were not provided proper minimum and
24 regular wages due to the allegations herein. As a result of these policies and practices, Plaintiffs
25 and the Aggrieved Employees were required to perform off-the-clock work that Defendants
26 either knew or should have known they were performing.

27 32. Consequently, Defendants violated California Labor Code laws and minimum
28 wage laws, *inter alia*, Labor Code §§ 200, 221, 222, 223, 1197, IWC Wage Order 9, § 4, and

1 Cal. Code Regs., tit. 8, section 11090, subds. 1 and 4(B).

2 33. Plaintiffs are informed and believe and thereon allege that Defendants
3 intentionally, willfully, and improperly failed to pay wages to Plaintiffs and the Aggrieved
4 Employees for each hour worked in violation of Labor Code §§ 221-223, 1194 and 1197.

5 34. Defendants' conduct was willful, as Defendants knew that Plaintiffs and the
6 Aggrieved Employees were entitled to be paid wages throughout the statutory period for each
7 hour worked, including proper minimum and regular wages, yet Defendants chose not to pay
8 them in accordance thereto.

9 35. As a result of the unlawful employment practices alleged herein, Plaintiffs, on
10 behalf of the State of California, seek the assessment of all applicable and available PAGA
11 remedies pursuant to Labor Code § 2699, and seek to recover all attorneys' fees, costs, and/or
12 any other damages permitted under PAGA.

13 **SECOND CAUSE OF ACTION**

14 **FAILURE TO PAY FOR REST AND RECOVERY PERIODS AND OTHER**
15 **NONPRODUCTIVE TIME**

16 (Labor Code § 226.2)

17 *Against All Defendants*

18 36. Plaintiffs incorporate the preceding paragraphs of the Complaint as if fully
19 alleged herein.

20 37. Garcia and the Aggrieved Employees were not exempt from the requirement to be
21 paid at least the applicable California minimum wage throughout the statutory period for each
22 hour worked.

23 38. Garcia and the Aggrieved Employees were also not provided proper minimum
24 and regular wages owed due to Defendants' policy which only provided compensation for each
25 patient seen (piece-rate, per-patient). Under this pay plan, Garcia and the Aggrieved Employees
26 did not receive separate hourly compensation at no less than the minimum wage for unpaid, on-
27 duty, time including tasks such as scheduling appointments, completing paperwork (*e.g.*,
28 documenting each patient's care in the patient's medical chart – "charting"), and travel time

1 to/from each patient's visit. Also, the piece-rate compensation paid to Garcia and the Aggrieved
2 Employees often resulted in a payment of wages at less than the required California minimum
3 wage for all hours worked.

4 39. Also, Defendants' piece-rate pay plan often resulted in a payment of wages to
5 Garcia and the Aggrieved Employees at less than the required California minimum and regular
6 wages for all hours worked. Regardless of actual time spent with the patients, Defendants' per-
7 patient pay policy often illegally resulted in a rate of pay under the applicable minimum and
8 regular wages.

9 40. Consequently, Defendants violated California Labor Code laws and minimum
10 wage laws, *inter alia*, Labor Code §§ 200, 221, 222, 223, 226.2, 1197, IWC Wage Order 9, § 4,
11 and Cal. Code Regs., tit. 8, section 11090, subds. 1 and 4(B).

12 41. Furthermore, Garcia and the Aggrieved Employees were denied paid rest breaks
13 by virtue of Defendants' policy that only paid the Piece-Rate Subclass on a piece-rate basis
14 without separation compensation for rest breaks. As Plaintiff and Piece-Rate Subclass could not
15 earn income during a rest break (i.e., they could not take an off-duty rest break and treat a patient
16 simultaneously), Garcia and the Aggrieved Employees were illegally denied paid rest breaks.
17 Thus, Defendants violated California Labor Code laws, *inter alia*, Labor Code §§ 200, 221, 222,
18 223, 1197, IWC Wage Order 9, § 4, and Cal. Code Regs., tit. 8, section 11090, subds. 1 and
19 4(B).

20 42. Garcia is informed and believes and thereon alleges that Defendants intentionally,
21 willfully, and improperly failed to pay wages to Garcia and the Aggrieved Employees for each
22 hour worked in violation of Labor Code §§ 221-223, 1194 and 1197.

23 43. Defendants' conduct was willful, as Defendants knew that Garcia and the
24 Aggrieved Employees were entitled to be paid wages throughout the statutory period for each
25 hour worked, including proper minimum and regular wages, yet Defendants chose not to pay
26 them in accordance thereto.

27 44. At all material times, Defendants DOES 1 through 20 were and/or are the
28 employer of Plaintiffs and the Piece-Rate Subclass or were persons acting on behalf of said

1 employer(s), within the meaning of California Labor Code § 558, who violated or caused to be
2 violated Labor Code § 204 and a provision or provisions of Part 2, Chapter 1 of the California
3 Labor Code regulating hours and days of work respectively.

4 45. During employment of Plaintiffs and the Piece-Rate Subclass, Defendants failed
5 to pay them all wages to which they were entitled, thereby receiving an economic benefit.

6 46. As a result of the Defendants' wrongful conduct, Plaintiffs and the Piece-Rate
7 Subclass have been damaged in amounts to be proven at trial.

8 47. Garcia, on behalf of herself and the Piece-Rate Subclass, seeks recovery of all
9 unpaid wages, liquidated damages, penalties, interest, attorneys' fees and costs of suit, pursuant
10 to Labor Code §§ 1194 and 1194.2, against Defendants in an amount to be proven at trial.

11 **THIRD CAUSE OF ACTION**

12 **PAGA ASSESSMENT FOR FAILURE TO PAY OVERTIME WAGES**

13 (Labor Code §§ 204 and 510; IWC Wage Order § 3(A))

14 *Against All Defendants*

15 48. Plaintiffs incorporate the preceding paragraphs of the Complaint as if fully
16 alleged herein.

17 49. Plaintiffs and the Aggrieved Employees were employees of Defendants who did
18 not receive proper protections and benefits of the laws governing payment of overtime wages.

19 50. Labor Code § 204 requires that the employer timely pay all overtime wages to its
20 employees. Labor Code § 510(a) and the applicable IWC Wage Order § 3(A) provide that any
21 work performed in excess of eight (8) hours in one workday or in excess of forty (40) hours in
22 any one workweek shall be compensated at the rate of no less than one and one-half times the
23 regular rate of pay for an employee. Furthermore, any work performed in excess of twelve (12)
24 hours in one workday shall be compensated at twice the regular rate of pay for an employee.

25 51. At all relevant times, Plaintiffs and the Aggrieved Employees were required by
26 Defendants to work hours in excess of 8 and/or 12 per day and/or 40 per week. However, as a
27 result of the policies and practices described in this Complaint, Defendants failed to pay
28 Plaintiffs and the Aggrieved Employees for all overtime hours worked.

1 52. As a result of these policies and practices, Defendants failed to pay Plaintiffs and
2 the Aggrieved Employees for all overtime hours worked.

3 53. Defendants violate Labor Code §§ 204 and 510 and the applicable IWC Wage
4 Order § 3(A) every pay period with respect to Plaintiffs and the Aggrieved Employees because
5 Defendants required their employees to work hours in excess of 8 and/or 12 per day and/or 40
6 per week without proper overtime compensation.

7 54. Plaintiffs are informed and believe and thereon allege that Defendants
8 intentionally, willfully, and improperly failed to pay proper overtime wages to Plaintiffs and the
9 Aggrieved Employees in violation of Labor Code §§ 204, 221-223, 510, 1194 and 1197.

10 55. Defendants' conduct was willful, as Defendants knew that Plaintiffs and the
11 Aggrieved Employees were entitled to be paid proper overtime wages throughout the statutory
12 period, yet Defendants chose not to pay them in accordance thereto.

13 56. As a result of the unlawful employment practices alleged herein, Plaintiffs, on
14 behalf of the State of California, seek the assessment of all applicable and available PAGA
15 remedies pursuant to Labor Code § 2699, and seek to recover all attorneys' fees, costs, and/or
16 any other damages permitted under PAGA.

17 **FOURTH CAUSE OF ACTION**

18 **PAGA ASSESSMENT FOR FAILURE TO PROVIDE MEAL PERIODS**

19 (Labor Code §§ 226.7 and 512; IWC Wage Order § 11, 12)

20 *Against All Defendants*

21 57. Plaintiffs incorporate the preceding paragraphs of the Complaint as if fully
22 alleged herein.

23 58. Plaintiffs and the Aggrieved Employees are and/or were employees of Defendants
24 who did not receive proper protections and benefits of laws governing mandatory meal periods.

25 59. Labor Code § 226.7 requires employers, including Defendants, to provide
26 employees with meal periods as mandated by the Industrial Welfare Commission.

27 60. Labor Code § 512(a), in part, provides that employers, including Defendants, may
28 not employ an employee for a work period of more than five hours per day without providing an

1 employee the opportunity to take an uninterrupted meal period of not less than 30 minutes,
2 except that if the total work period per day of the employee is no more than six hours, the meal
3 period may be waived by mutual consent of both the employer and the employee. Employers
4 may not employ an employee for a work period more than 10 hours per day without providing
5 the employee with a second meal period of not less than 30 minutes.

6 61. Pursuant to Labor Code § 226.7(b) and the applicable IWC Wage Order § 11(B),
7 Defendants shall pay an employee one additional hour of pay at the employee's regular rate of
8 pay for each meal period that is missed.

9 62. At all relevant times, and as a result of the policies and practices described in this
10 Complaint, Plaintiffs and the Aggrieved Employees were denied the 30-minute meal periods to
11 which they were entitled.

12 63. Defendants violated Labor Code §§ 226.7, 512, and the applicable IWC Wage
13 Order every pay period because Plaintiffs and the Aggrieved Employees were not provided with
14 all mandatory meal periods and Defendants failed to pay Plaintiffs and the Aggrieved Employees
15 one additional hour of compensation at the regular rate of pay in lieu thereof.

16 64. On information and belief, Plaintiffs and the Aggrieved Employees did not
17 voluntarily or willfully waive the mandated meal periods. Any expressed or implied waivers
18 obtained from Plaintiffs and the Aggrieved Employees were not willfully obtained, were not
19 voluntarily agreed to, were a condition of employment, or were a part of a contract of an
20 unlawful adhesion. Defendants did not permit or authorize Plaintiffs and the Aggrieved
21 Employees to take meal periods in accordance with California law.

22 65. As a result of the unlawful employment practices alleged herein, Plaintiffs, on
23 behalf of the State of California, seek the assessment of all applicable and available PAGA
24 remedies pursuant to Labor Code § 2699, and seek to recover all attorneys' fees, costs, and/or
25 any other damages permitted under PAGA.

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1 **FIFTH CAUSE OF ACTION**

2 **PAGA ASSESSMENT FOR FAILURE TO PROVIDE REST BREAKS**

3 (Labor Code §§ 226.7 and 512; IWC Wage Order § 12)

4 *Against All Defendants*

5 66. Plaintiffs incorporate the preceding paragraphs of the Complaint as if fully
6 alleged herein.

7 67. Plaintiffs and the Aggrieved Employees are and/or were employees of Defendants
8 who did not receive proper protections and benefits of the laws governing mandatory rest breaks.

9 68. Labor Code § 226.7 requires employers, including Defendants, to provide rest
10 breaks to their employees as mandated by Order of the Industrial Welfare Commission.

11 69. The IWC Wage Order § 12 states, in part, that every employer shall authorize and
12 permit all employees to take rest periods, which insofar as practicable shall be in the middle of
13 each work period. Employees shall receive a 10-minute rest period every four hours or major
14 fraction thereof that they are required to work. Authorized rest period time shall be counted, as
15 hours worked, for which there shall be no deduction from wages.

16 70. Pursuant to Labor Code § 226.7(b) and Section 12(B) of the applicable Wage
17 Order, Defendants shall pay Plaintiffs and the Aggrieved Employees one additional hour of pay
18 at their regular rate of compensation for each day that the rest period is not provided.

19 71. At all relevant times, and as a result of the policies and practices described in this
20 Complaint, Plaintiffs and the Aggrieved Employees were denied mandated rest breaks.

21 72. Defendants violated Labor Code §§ 226.7, 512, and the applicable IWC Wage
22 Order every pay period because Plaintiffs and the Aggrieved Employees were not provided with
23 all mandatory rest periods and Defendants failed to pay Plaintiffs and the Aggrieved Employees
24 one additional hour of compensation in lieu thereof.

25 73. As a result of the unlawful employment practices alleged herein, Plaintiffs, on
26 behalf of the State of California, seek the assessment of all applicable and available PAGA
27 remedies pursuant to Labor Code § 2699, and seek to recover all attorneys' fees, costs, and/or
28 any other damages permitted under PAGA.

PAGA ASSESSMENT FOR FAILURE TO REIMBURSE BUSINESS EXPENSES

Against All Defendants

75. Plaintiffs and the Aggrieved Employees are and/or were employees of Defendants who did not receive proper protections and benefits of the laws governing reimbursement of business expenses.

76. Labor Code § 2802(a) requires that the employer indemnify its employees for expenses and losses incurred while discharging their duties or in obedience to the directions of their employer.

77. At all relevant times herein mentioned, Defendants violated Labor Code § 2802(a) when they failed to reimburse Plaintiffs and the Aggrieved Employees for expenses incurred as a direct consequence of employment with Defendants and/or under the direction of Defendants.

78. As a result of the unlawful employment practices alleged herein, Plaintiffs, on behalf of the State of California, seek the assessment of all applicable and available PAGA remedies pursuant to Labor Code § 2699, and seek to recover all attorneys' fees, costs, and/or any other damages permitted under PAGA.

FAILURE TO PAY VESTED VACATION

Against All Defendants

80. Plaintiffs and the Aggrieved Employees were employees of Defendants who did not receive proper protections and benefits of the laws governing the payment of vested vacation time and/or paid time off upon separation of employment.

1 81. Pursuant to Labor Code § 227.3, an employer that has implemented a paid
2 vacation, paid time off, or compensated time off policy must, upon an employee's separation
3 from employment, pay to the employee all vested but unused vacation and/or paid time off at the
4 final rate of pay.

5 82. At all relevant times, Defendants utilized a policy and practice through which
6 Plaintiffs and the Aggrieved Employees accrued vacation and/or PTO hours (collectively,
7 "vacation hours"). However, Defendants' policy and practice violated Labor Code § 227.3
8 because Plaintiffs and the Aggrieved Employees did not receive compensation for all accrued but
9 unused vacation hours and did not receive compensation for the same at the "final rate", as
10 required by Labor Code § 227.3.

11 83. At all relevant times herein, Defendants failed to pay the Aggrieved Employees,
12 including Plaintiffs, all vested but unused vacation time and/or paid time off upon separation
13 from employment, thereby receiving an economic benefit.

14 84. Plaintiffs are informed and believe and thereon allege that Defendants, and each
15 of them, knowingly refused to perform their obligations to compensate the Aggrieved Employees
16 for all vested but unused vacation time and/or paid time off upon separation from employment.

17 85. As a result of Defendants' violations of Labor Code § 227.3, Plaintiffs and the
18 Aggrieved Employees seek to recover the unpaid vacation hours, as well as penalties, interest,
19 attorneys' fees, and costs as permitted under California law.

20 **EIGHTH CAUSE OF ACTION**

21 **PAGA ASSESSMENT FOR FAILURE TO TIMELY PAY FINAL WAGES**

22 (Labor Code §§ 201–203)

23 *Against All Defendants*

24 86. Plaintiffs incorporate the preceding paragraphs of the Complaint as if fully
25 alleged herein.

26 87. Plaintiffs and the Aggrieved Employees are and/or were employees of Defendants
27 who did not receive proper protections and benefits of the laws governing the timing and
28 payment of wages.

1 88. Labor Code § 201 requires that the employer immediately pay any wages, without
2 abatement or reduction, to any employee who is discharged.

3 89. Labor Code § 202 requires that the employer pay all wages earned and unpaid,
4 without abatement or reduction, no later than 72 hours of receiving an employee's notice of
5 intent to quit or immediately at the time of quitting if at least a 72-hour notice was provided.

6 90. Labor Code §§ 201-203 cause the unpaid wages of the employee to continue as a
7 penalty from the due date thereof at the same rate until paid or until an action therefore is
8 commenced, but the wages shall not continue for more than thirty (30) days.

9 91. At all relevant times, Defendants employed a policy and practice whereby
10 Plaintiff and the Aggrieved Employees were not paid all wages due and owing upon separation
11 of employment within the time required by Labor Code §§ 201 and 202.

12 92. Also, at all relevant times, Defendants engaged in the practice of failing to pay all
13 wages due and owing to Plaintiffs and the Aggrieved Employees upon separation of
14 employment, including, but not limited to, minimum, regular, and overtime wages, vacation
15 wages, as well as meal and rest period premiums.

16 93. Additionally, at all relevant times, Defendants failed to pay all mandated sick
17 wages owed to the Aggrieved Employees at the proper rate of pay.

18 94. Labor Code § 246(l)(1) provides that paid sick time for non-exempt employees
19 must be “calculated in the same manner as the regular rate of pay for the workweek in which the
20 employee uses paid sick time, whether or not the employee actually works overtime in that
21 workweek.” Additionally, Labor Code § 246(l)(2) states that the paid sick time must be
22 “calculated by dividing the employee’s total wages, not including overtime premium pay, by the
23 employee’s total hours worked in the full pay periods of the prior 90 days of employment.”

24 95. Here, Plaintiffs and the Aggrieved Employees were compensated on an hourly
25 basis plus additional compensation in the form of shift differentials and/or nondiscretionary
26 compensation. However, on the occasions that the Aggrieved Employees took sick time and
27 received paid sick leave, Defendants only paid sick time at the base rate of pay (not factoring in
28 the additional compensation as required by Labor Code §§ 246(l)(1-2)), leading to unpaid wages

1 at the time of separation of employment.

2 96. Plaintiffs allege that, at all times material to this action, Defendants had a planned
3 pattern and practice of failing to timely pay Plaintiffs and the Aggrieved Employees all wages
4 due and owing upon separation of employment as required by Labor Code §§ 201 and 202.

5 97. As a result of the unlawful employment practices alleged herein, Plaintiffs, on
6 behalf of the State of California, seek the assessment of all applicable and available PAGA
7 remedies pursuant to Labor Code § 2699, and seek to recover all attorneys' fees, costs, and/or
8 any other damages permitted under PAGA.

9 **NINTH CAUSE OF ACTION**

10 **PAGA ASSESSMENT FOR**

11 **FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS**

12 (Labor Code § 226)

13 *Against All Defendants*

14 98. Plaintiffs incorporate the preceding paragraphs of the Complaint as if fully
15 alleged herein.

16 99. Plaintiffs and the Aggrieved Employees are and/or were employees of Defendants
17 who did not receive proper protections and benefits of the laws governing the provision of
18 accurate itemized wage statements.

19 100. Labor Code § 226(a) requires an employer to provide its employees with itemized
20 wage statements accurately stating gross wages earned, all deductions, net wages earned, the
21 inclusive dates of the pay period, the employee's name and the last four digits of his or her
22 Social Security number (or employee identification number), the name and address of the legal
23 entity that is the employer, and all applicable hourly rates in effect during the pay period and the
24 corresponding number of hours worked at each hourly rate by the employee.

25 101. Defendants violate Labor Code § 226(a) every pay period with respect to
26 Plaintiffs and the Aggrieved Employees due to violations including: failure to accurately state
27 total hours worked (for example, the wage statements failed to accurately reflect the
28 compensable hours worked); failure to accurately state gross wages earned; failure to accurately

1 state all deductions; failure to accurately state net wages earned; failure to state the applicable
2 hourly rates (including the accurate overtime rate of pay); and failure to accurately state the
3 corresponding number of hours worked at each hourly rate.

4 102. Moreover, Defendants' wage statements directly violated Labor Code § 226(a)
5 each period due to the failure to pay and report premium wages for denied meal periods and rest
6 breaks under § 226.7.

7 103. Therefore, Defendants violate Labor Code § 226(a) every pay period with respect
8 to Plaintiffs and the Aggrieved Employees because Defendants failed to provide a wage
9 statement to Plaintiffs and the Aggrieved Employees that complied with the requirements of §
10 226(a).

11 104. Unlike class action claims, PAGA Plaintiffs need not meet the "injury" and
12 "knowing and intentional" violation requirements of Labor Code § 226(e). See *Lopez v. Friant*
13 *& Associates, LLC* (2017) 15 Cal.App.5th 773, 788 ("a Plaintiff seeking civil penalties under
14 PAGA for a violation of section 226(a) does not have to satisfy the "injury" and "knowing and
15 intentional" requirements of section 226(e)(1)"); see also, *Lawson v. ZB, N.A.* (2017) 18
16 Cal.App.5th 705, 722 ("the scienter requirement [of § 226(e)] has no application in a PAGA
17 claim for violation of [§ 226(a)]").

18 105. As a result of the unlawful employment practices alleged herein, Plaintiffs, on
19 behalf of the State of California, seek the assessment of all applicable and available PAGA
20 remedies pursuant to Labor Code § 2699, and seek to recover all attorneys' fees, costs, and/or
21 any other damages permitted under PAGA.

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1 **VI. PRAYER FOR RELIEF**

2 WHEREFORE, Plaintiffs, on behalf of the State of California as the real party in interest,
3 pray for judgment and relief against Defendants, jointly and severally, as follows:

- 4 1. For the assessment of all remedies and/or penalties available under the PAGA;
5 2. For reasonable attorneys' fees and costs of suit to the extent permitted by law; and
6 3. For such other and further relief as the Court deems just and proper.

7 Dated: July 7, 2025

LAUBY, MANKIN & LAUBY LLP

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9 BY: 
10 Brian J. Mankin, Esq.
11 Peter J. Carlson, Esq.
12 Luke Wagner, Esq.
13 Attorneys for Plaintiffs
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