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8 Attorneys for Plaintiff EVELYN VILLANUEVA
on behalf of the State of California and all Aggrieved Employees

9 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
10 **COUNTY OF LOS ANGELES**

11 EVELYN VILLANUEVA, on behalf of the
12 State of California and all Aggrieved
Employees,

13 Plaintiff,

14 v.
15

16 SF MARKETS, LLC, a Delaware Limited
17 Liability Company; and DOES 1-100,
inclusive,

18 Defendants.
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Case No.: **25STCV22440**

**PLAINTIFF'S REPRESENTATIVE
COMPLAINT FOR VIOLATION OF
THE PRIVATE ATTORNEYS
GENERAL ACT, CAL. LABOR CODE
SECTIONS 2698, et seq.**

1 Plaintiff, EVELYN VILLANUEVA, (“PLAINTIFF”), on behalf of the State of California
2 and all Aggrieved Employees (as defined below), hereby files this Complaint against Defendants
3 SF MARKETS, LLC, a Delaware Limited Liability Company; and DOES 1-100, inclusive.
4 PLAINTIFF is informed and believes and thereon alleges as follows:

5 **INTRODUCTION**

6 1. This is a representative action filed by PLAINTIFF on behalf of all Aggrieved
7 Employees and the State of California against DEFENDANTS, pursuant to California’s Private
8 Attorney General Act, Labor Code section 2698 *et. seq.* (“PAGA”), to recover civil penalties for
9 DEFENDANTS’ violations of the California Labor Code as alleged below.

10 **JURISDICTION AND VENUE**

11 2. This Court has jurisdiction over PLAINTIFF’s claims for penalties pursuant to
12 California statutes, including but not limited to the PAGA, and decisional law and regulations.

13 3. Venue is proper in this judicial district and the County of Los Angeles pursuant to
14 California Code of Civil Procedure section 395.5 because DEFENDANTS transact business within
15 this judicial district, DEFENDANTS assigned PLAINTIFF in this judicial district, and conduct
16 alleged by PLAINTIFF herein occurred in this judicial district. *See also Crestwood Behavioral*
17 *Health, Inc. v. Superior Court* (2021) 60 Cal.App.5th 1069 (venue in a PAGA action is proper in
18 any county where the defendants committed Labor Code violations against some of its employees).
19 Venue is also proper pursuant to section 393 of the California Code of Civil Procedure because the
20 cause, or some part of the cause, arose in the County of Los Angeles.

21 **THE PARTIES**

22 4. PLAINTIFF is, and at all relevant times, was an individual domiciled in the State of
23 California and a citizen of the State of California.

24 5. PLAINTIFF worked for DEFENDANTS as a non-exempt employee with a job title
25 of deli clerk and/or a similar job title and/or job position from in or around 2022 through in or around
26 March 2025. DEFENDANTS assigned PLAINTIFF to work at one of its locations in Whittier,
27 California, which operates under the name “Sprouts Farmers Market” and/or “Sprouts.”

28 6. Defendant, SF MARKETS, LLC, is a Delaware Limited Liability Company, that at

1 all relevant times was authorized to do business in California and is doing business in California.

2 7. DEFENDANTS own, operate, manage and/or staff its employees to work at the
3 supermarkets, stores, facilities, and/or other locations in cities throughout California.
4 DEFENDANTS operate a supermarket chain which specializes in the provision of natural and
5 organic foods. DEFENDANTS operate business under including but not limited to the following
6 names: “Sprouts Farmers Market” and/or “Sprouts.” Based on information and belief,
7 DEFENDANTS operate over one hundred locations throughout California. DEFENDANTS,
8 through its various locations, serve the including but not limited to, consumer food/products
9 industry.¹

10 8. The true names and capacities of the DOE Defendants sued herein as DOES 1
11 through 100, inclusive, are currently unknown to PLAINTIFF, who therefore sues each such
12 Defendant by said fictitious names. Each of the Defendants designated herein as a DOE is legally
13 responsible for the unlawful acts alleged herein. PLAINTIFF will seek leave of Court to amend this
14 Complaint to reflect the true names and capacities of the Doe Defendants when such identities
15 become known.

16 9. PLAINTIFF is further informed and believes that, at all relevant times, each
17 Defendant was the principal, agent, partner, joint venturer, joint employer, officer, director,
18 controlling shareholder, subsidiary, affiliate, parent corporation, successor in interest and/or
19 predecessor in interest of some or all of the other Defendants, and was engaged with some or all of
20 the other defendants in a joint enterprise for profit, and bore such other relationships to some or all
21 of the other Defendants so as to be liable for their conduct with respect to the matters alleged in this
22 complaint. PLAINTIFF is further informed and believes and thereon alleges that each Defendant
23 acted pursuant to and within the scope of the relationships alleged above, and that at all relevant
24 times, each Defendant knew or should have known about, authorized, ratified, adopted, approved,
25 controlled, aided and abetted the conduct of all other Defendants.

26 **JOINT LIABILITY**

27 10. Under California law, the definition of the terms “to employ” are broadly construed

28 ¹ See <https://www.sprouts.com>. Last visited on April 23, 2025.

1 under the applicable IWC Wage Order(s) to have three alternative definitions, including: (1) to
2 exercise control over the wages, hours or working conditions; (2) to suffer or permit to work; or (3)
3 to engage, thereby creating a common law employment relationship. See, *Martinez v. Combs*, 49
4 Cal.4th 35, 64 (2010). One reason that the IWC defined “employer” in terms of exercising control
5 was to reach situations in which multiple entities control different aspects of the employment
6 relationship. Supervision of the work, in the specific sense of exercising control over how services
7 are properly performed, is properly viewed as one of the “working conditions” mentioned in the
8 wage order. *Id.* at 76. A joint employer relationship exists, for example, when one entity (such as a
9 temporary employment agency) hires and pays a worker, and the other entity supervises the work.
10 *Id.* Moreover, the California Court of Appeal recently broadened the test for joint employment in
11 California, applying a less stringent standard to what constitutes sufficient control by a business
12 over its vendor’s employees’ wages and working conditions to render that business liable as a joint
13 employer. See, *Medina v. Equilon Enterprises, LLC*, 68 Cal. App. 5th 868 (2021); “[i]f the putative
14 joint employer instead exercises enough control over the intermediary entity to *indirectly* dictate the
15 wages, hours, or working conditions of the employee, that is a sufficient showing of joint
16 employment,” *Id.* at 875 [emphasis added].

17 11. During PLAINTIFF’s employment by DEFENDANTS, PLAINTIFF and the
18 Aggrieved Employees (defined below) were jointly employed by DEFENDANTS for purposes of
19 the Wage Orders, under the alternative definitions of “to employ” adopted by the California
20 Supreme Court in *Martinez*, supra. As discussed below, these DEFENDANTS (1) exercised control
21 over wages, hours and working conditions of PLAINTIFF and the Aggrieved Employees; (2)
22 suffered or permitted PLAINTIFF and Aggrieved Employees to work for them; and (3) engaged
23 PLAINTIFF and Aggrieved Employees to work for them.

24 12. PLAINTIFF is informed and believes, and thereon alleges that at all relevant times
25 DEFENDANTS operated as a single integrated enterprise with common ownership and centralized
26 human resources. As a result, DEFENDANTS utilized the same unlawful policies and practices
27 across all of their locations/facilities and subjected all of the Aggrieved Employees to these same
28 policies and practices regardless of the location(s) where they worked. Among other things,

1 PLAINTIFF is informed and believes that: (1) there is common ownership in, and financial control,
2 in DEFENDANTS' companies, (2) DEFENDANTS utilize common management, who have control
3 over the day-to-day operations and employment matters, including the power to hire and fire, set
4 schedules, issue employee policies, and determine rates of compensation across its locations in
5 California; (3) DEFENDANTS utilize the same policies and procedures for all California
6 employees, including issuing the same employee handbooks and other form agreements; (4)
7 DEFENDANTS use at least some of the same Human Resources personnel and attorneys to oversee
8 employment matters; and, (6) DEFENDANTS share employees.

9 13. PLAINTIFF is informed and believes, and thereon alleges that at all times relevant
10 to this Complaint, DEFENDANTS were the joint employers of PLAINTIFF and the Aggrieved
11 Employees upon whose behalf PLAINTIFF brings these allegations and causes of action, in that
12 DEFENDANTS, exercised sufficient control over PLAINTIFF and the Aggrieved Employees'
13 wages, hours and working conditions, and/or suffered or permitted PLAINTIFF and the Aggrieved
14 Employees to work so as to be considered the joint employers of PLAINTIFF and the Aggrieved
15 Employees.

16 14. Upon information and belief, PLAINTIFF alleges that DEFENDANTS created a
17 uniform set of policies, practices and/or procedures concerning, inter alia, hourly and overtime pay,
18 time-keeping practices, meal and rest periods, reimbursement of business expenses and other
19 working conditions that were distributed to, and/or applied to PLAINTIFF and the Aggrieved
20 Employees, and further that DEFENDANTS uniformly compensated and controlled the wages of
21 PLAINTIFF and the Aggrieved Employees in a uniform manner. DEFENDANTS collectively
22 represented to PLAINTIFF and the Aggrieved Employees that each was an "at-will" employee of
23 DEFENDANTS, and that DEFENDANTS collectively retained the right to terminate PLAINTIFF's
24 and Aggrieved Employees' employment with or without cause. Upon information and belief,
25 DEFENDANTS further collectively represented to PLAINTIFF and Aggrieved Employees in
26 writing the details of their compensation, and the manner in which they were to take meal and rest
27 periods, the procedures required by DEFENDANTS collectively for recordation of hours worked
28 and the policies applicable to PLAINTIFF and Aggrieved Employees by which DEFENDANTS

1 collectively would evaluate the wage rates of PLAINTIFF and Aggrieved Employees.

2 15. Thus, DEFENDANTS collectively exercised the right to control the wages, hours
3 and working conditions of PLAINTIFF and Aggrieved Employees. As such, DEFENDANTS
4 collectively held the right to control virtually every aspect of PLAINTIFF's and the Aggrieved
5 Employees' employment, including the instrumentality that resulted in the illegal conduct for which
6 PLAINTIFF seeks relief in this Complaint.

7 16. By reason of their status as joint employers of PLAINTIFF and Aggrieved
8 Employees, DEFENDANTS are each liable for civil penalties for violations of the California Labor
9 Code and applicable Wage Orders as to all Aggrieved Employees.

10 **PAGA ALLEGATIONS**

11 17. PLAINTIFF brings this action under the PAGA, as a representative action on behalf
12 of the State of California and all Aggrieved Employees, regarding violations of the California Labor
13 Code as set forth herein as to all Aggrieved Employees. Said "Aggrieved Employees" include the
14 following:

15 All current and former non-exempt employees that worked either directly or via a
16 staffing agency for any one or more DEFENDANTS at any location in California at
17 any time from one year plus 65 days from the filing of the initial Complaint through
18 the present ("PAGA Period").

19 18. PLAINTIFF is an "aggrieved employee," as that term is defined under Labor Code
20 section 2699(c), as PLAINTIFF was employed by DEFENDANTS during the applicable statutory
21 limitations period and suffered all of the Labor Code violations set forth herein. Accordingly,
22 PLAINTIFF seeks to recover on behalf of the State of California, and all Aggrieved Employees, the
23 civil penalties provided by PAGA, plus reasonable attorney's fees and costs. PLAINTIFF has
24 standing to bring a PAGA cause of action on behalf of the State and all Aggrieved Employees, as
25 PLAINTIFF was jointly employed by DEFENDANTS and is affected by all of the alleged
26 violations.

27 **COMPLIANCE WITH PAGA'S NOTIFICATION REQUIREMENTS**

28 19. PLAINTIFF, on April 23, 2025, through counsel, gave written notice by online filing

1 with the California Labor and Workforce Development Agency (“LWDA”) informing it that
2 DEFENDANTS failed to comply with California’s labor laws with regard to the allegations alleged
3 in this Complaint (“PAGA Notice”). The PAGA Notice was also sent to DEFENDANTS via
4 certified mail.

5 20. The PAGA Notice outlined PLAINTIFF’s claims for violations of the California
6 Labor Code and the applicable wage orders on behalf of the State of California and all Aggrieved
7 Employees.

8 21. The LWDA did not provide notice of its intention to investigate DEFENDANTS’
9 violations after expiration of the 65-day waiting time period, or at any time. To the extent any of the
10 alleged violations were curable, DEFENDANTS failed to cure within the time allotted by PAGA.
11 PLAINTIFF has exhausted the administrative remedies as required by Labor Code section 2699.3.
12 Consequently, PLAINTIFF’s right to file the instant lawsuit has duly accrued.

13 22. PLAINTIFF seeks to recover the PAGA civil penalties through a representative
14 action permitted by PAGA and the California Supreme Court in *Arias v. Superior Court* (2009) 46
15 Cal.4th 969. Therefore, class certification of the PAGA claims is not required.

16 **FACTUAL ALLEGATIONS**

17 23. During the relevant period, PLAINTIFF, and each of the Aggrieved Employees,
18 worked for DEFENDANTS in the State of California. At all times referenced herein,
19 DEFENDANTS exercised control over PLAINTIFF and Aggrieved Employees and required,
20 suffered and/or permitted them to work.

21 24. PLAINTIFF worked for DEFENDANTS as a non-exempt employee with a job title
22 of deli clerk and/or a similar job title and/or job position from in or around 2022 through in or around
23 March 2025.

24 25. PLAINTIFF regularly worked shifts lasting at least approximately eight (8) to nine
25 and one-half (9 ½) hours per day, at least five (5) days per week.

26 26. DEFENDANTS assigned PLAINTIFF to work at one of its locations in Whittier,
27 California, which operates under the name “Sprouts Farmers Market” and/or “Sprouts.”

28 27. DEFENDANTS paid PLAINTIFF an hourly rate for time counted by

1 DEFENDANTS as hours worked. At times, DEFENDANTS compensated PLAINTIFF with a base
2 hourly rate of \$20.47. At times, PLAINTIFF was also compensated with bonus pay, shift
3 differential pay and/or other non-discretionary compensation.

4 28. **Meal Period Violations.** PLAINTIFF and other Aggrieved Employees consistently
5 worked shifts of more than five (5) hours, entitling them to at least one meal period.

6 29. PLAINTIFF and other Aggrieved Employees consistently worked shifts of more than
7 five (5) hours, entitling them to at least one meal period.

8 30. PLAINTIFF and other Aggrieved Employees would not receive legally compliant
9 thirty (30) minute first meal breaks. Aggrieved Employees were at times unable to take timely, off
10 duty, thirty-minute, uninterrupted meal periods, often being forced to take late meal periods,
11 interrupted meal periods, and/or work through part or all their meal periods due to understaffing,
12 the nature and constraints of their job duties and/or commentary from supervisors pressuring them
13 to take non-compliant meal breaks or skip meal breaks completely.

14 31. For example, at times, PLAINTIFF was required to complete work tasks while
15 clocked out for meal periods due to the need to complete assigned job duties and/or lack of a relief
16 worker. For example, PLAINTIFF was interrupted at times by DEFENDANTS paging PLAINTIFF
17 over the store intercom system requiring PLAINTIFF to return to work during PLAINTIFF's meal
18 periods, which resulted in denied meal periods, DEFENDANTS' failure to compensate PLAINTIFF
19 for all hours worked and the underpayment of wages.

20 32. There were also times during which PLAINTIFF's supervisor instructed
21 PLAINTIFF to clock out for a meal period but then required PLAINTIFF to work to the fifth hour
22 or beyond before taking a meal period. Based on information and belief, this was done by
23 DEFENDANTS in an effort to avoid paying meal period premiums as PLAINTIFF was not paid a
24 meal period premium for each of these late meal periods, in violation of California law.

25 33. Based on information and belief, DEFENDANTS implemented policies and/or
26 practices that failed to relieve Aggrieved Employees of all duties and DEFENDANTS' control
27 during unpaid meal periods.

28 34. For example, PLAINTIFF was required to monitor and respond to a work

1 communication device (e.g., DEFENDANTS' store intercom) and was at times required to return
2 to work during unpaid meal periods, resulting in DEFENDANTS' failure to relieve PLAINTIFF of
3 all duties and DEFENDANTS' control during unpaid meal periods, resulting in denied meal periods
4 and unpaid minimum wages and overtime wages.

5 35. Based on information and belief, DEFENDANTS had actual and/or constructive
6 knowledge that their unlawful meal period policies and practices resulted in the denial of
7 uninterrupted meal periods which were free of DEFENDANTS' control owed to PLAINTIFF and
8 other Aggrieved Employees, in violation of California's meal period laws.

9 36. Based on information and belief, despite DEFENDANTS' failure to provide lawful
10 meal periods, DEFENDANTS implemented a policy and/or practice of time record manipulation
11 for missed and/or otherwise unlawful meal periods, despite having actual and/or constructive
12 knowledge that PLAINTIFF and other Aggrieved Employees did not receive lawful meal periods.

13 37. PLAINTIFF is further informed and believes and thereon alleges that
14 DEFENDANTS had actual and/or constructive knowledge that its unlawful meal period policies
15 and practices including but not limited to, DEFENDANTS' failure to relieve Aggrieved Employees
16 of all duties and DEFENDANTS' control during unpaid meal periods and time-clock editing when
17 requiring them to take late meal periods resulted in the denial of lawful meal periods owed to
18 PLAINTIFF and other Aggrieved Employees, in violation of California's meal period laws.

19 38. DEFENDANTS failed to pay PLAINTIFF and other Aggrieved Employees an
20 additional hour of wages at their respective regular rates of compensation for each workday a lawful
21 meal period was not provided.

22 39. **Rest Period Violations.** DEFENDANTS did not properly authorize and permit
23 PLAINTIFF and other Aggrieved Employees to take legally compliant rest periods at a rate of every
24 four (4) hours worked or major fraction thereof, that insofar as practicable, were in the middle of
25 the work period, as required by law.

26 40. PLAINTIFF and other Aggrieved Employees were not adequately informed,
27 authorized, instructed about, nor permitted an opportunity to take proper rest breaks per California
28 law.

1 41. DEFENDANTS implemented policies and/or practices that failed to relieve
2 PLAINTIFF and other Aggrieved Employees of all duties and DEFENDANTS' control during rest
3 periods.

4 42. For example, at times, PLAINTIFF was required to work during rest periods due to
5 the need to complete assigned job duties and/or lack of a relief worker.

6 43. Also, during shifts over six hours, PLAINTIFF typically did not receive a second rest
7 period.

8 44. Furthermore, DEFENDANTS failed to pay a rest period premium at Aggrieved
9 Employees' respective regular rates of pay for each day in which they experienced a
10 missed/unlawful rest period in violation of California law.

11 45. **Unpaid Minimum and Overtime Wages.** DEFENDANTS failed to compensate
12 PLAINTIFF and other Aggrieved Employees for all hours worked, resulting in the underpayment
13 of minimum and overtime wages.

14 46. Aggrieved Employees were not paid for all hours worked due to DEFENDANTS'
15 mandated off-the-clock work policies and/or practices.

16 47. For example, at times, PLAINTIFF was required to clock out at the end of
17 PLAINTIFF's shift but continue working off the clock, resulting in DEFENDANTS' failure to
18 compensate PLAINTIFF for all hours worked and the underpayment of wages owed.

19 48. Additionally, as described herein, PLAINTIFF was sometimes required to complete
20 work tasks during unpaid meal periods, resulting in DEFENDANTS' failure to compensate
21 PLAINTIFF for all hours worked and the underpayment of wages owed.

22 49. DEFENDANTS' failure to pay for all time worked by virtue off-the-clock work
23 practices and policies, resulted in the underpayment of minimum wages owed to PLAINTIFF and
24 Aggrieved Employees as well as unpaid overtime wages for those Aggrieved Employees, including
25 PLAINTIFF, who worked more than eight (8) hours in a day and/or more than forty (40) hours in a
26 week.

27 50. DEFENDANTS failed and continue to fail to pay the lawful premium wage rate for
28 all hours worked beyond eight (8) hours in a workday or beyond forty (40) hours in a workweek.

1 51. Based on information and belief, DEFENDANTS had actual and/or constructive
2 knowledge that their off-the-clock work policies and practices resulted in the underpayment of
3 minimum wages and overtime wages owed to Aggrieved Employees, in violation of California's
4 minimum and overtime wage laws.

5 52. Based on information and belief, DEFENDANTS failed to incorporate all non-
6 discretionary remuneration, including but not limited to, shift differential pay, bonus pay/incentive
7 pay, multiple base rates of pay and/or other non-discretionary pay into the regular rate of pay used
8 to calculate the owed overtime rate(s), resulting in the miscalculation and underpayment of overtime
9 wages owed.

10 53. **Inaccurate Wage Statements.** During the relevant period, DEFENDANTS failed to
11 provide PLAINTIFF and other Aggrieved Employees with accurate wage statements that complied
12 with Labor Code section 226. As DEFENDANTS failed to provide PLAINTIFF and Aggrieved
13 Employees with meal and rest periods that complied with Labor section 226.7, the wage statements
14 DEFENDANTS issued to PLAINTIFF and Aggrieved Employees failed and continue to fail to
15 correctly set forth the gross wages earned, the total hours worked, the net wages earned, and all
16 applicable hourly rates in effect during the pay period and the corresponding number of hours
17 worked at each hourly rate by the employee.

18 54. DEFENDANTS issued wage statements to PLAINTIFF and Aggrieved Employees
19 that also failed to indicate the earned gross and net wages earned during the pay period, the correct
20 applicable rates of pay for all hours worked, and the total hours worked by PLAINTIFF and
21 Aggrieved Employees (by virtue of off-the-clock work policies and practices including but not
22 limited to during unpaid meal periods) which results in a violation of Labor Code section 226(a).

23 55. Based on information and belief, wage statements issued by DEFENDANTS failed
24 to list all applicable hourly rates in effect during the pay period and the corresponding number of
25 hours worked at each hourly rate by the employee, in violation of including but not limited to, Labor
26 Code section 226(a)(9).

27 56. As a result, DEFENDANTS issued wage statements to PLAINTIFF and Aggrieved
28 Employees that were not accurate and did not include all of the statutorily required information. As

1 such, DEFENDANTS violated Labor Code section 226.

2 **57. Failure to Timely Pay All Wages Upon Separation of Employment.**

3 DEFENDANTS failed to timely pay Aggrieved Employees all wages that were due and owing upon
4 discharge of employment. DEFENDANTS untimely provide final wages to Aggrieved Employees
5 without regard to the timing requirements of Labor Code sections 201-202.

6 58. Upon separation of employment, Aggrieved Employees' final paychecks were not
7 timely provided, were not timely provided with all paid time off and/or did not include all wages
8 owed as they were devoid of, including but not limited to, all owed minimum wages, overtime
9 wages, premium wages and/or paid time off wages at the properly accrued rates.

10 59. For example, DEFENDANTS failed to timely furnish PLAINTIFF with a final
11 paycheck containing all owed minimum wages, overtime wages, premium wages, and vacation pay
12 and/or paid time off wages at the properly accrued rates (including but not limited to, all owed
13 vacation pay/paid time off paid at the final rate including non-discretionary compensation, including
14 but not limited to, any owed bonus pay/shift differentials/other non-discretionary compensation).

15 60. For example, DEFENDANTS' personnel file for PLAINTIFF shows a separation of
16 employment date of March 27, 2025, however, DEFENDANTS' final paycheck for PLAINTIFF is
17 dated April 2, 2025, and is devoid of all wages owed including without limitation all owed minimum
18 wages, overtime wages, premium wages, and vacation pay and/or paid time off wages at the properly
19 accrued rates (including but not limited to, all owed vacation pay/paid time off paid at the final rate
20 including non-discretionary compensation, including but not limited to, any owed bonus pay/shift
21 differentials/other non-discretionary compensation).

22 61. Thus, PLAINTIFF is entitled to penalties under Labor Code section 203.

23 62. These violations subject DEFENDANTS to civil penalties under Labor Code section
24 203, 210, and/or 256.

25 **63. Unreimbursed Business Expenses.** DEFENDANTS required PLAINTIFF and
26 Aggrieved Employees to incur business expenses as a direct consequence of the performance of
27 their job duties without providing reimbursement, in violation of Labor Code section 2802.

28 64. DEFENDANTS shifted the costs of doing business onto Aggrieved Employees by

1 requiring them to pay for their business expenses, such as but not limited to, the use of Aggrieved
2 Employees' personal vehicles and/or personal cell phones.

3 65. For example, oftentimes, PLAINTIFF's supervisor required PLAINTIFF to respond
4 to work-related communications on PLAINTIFF's personal cellphone/device, however,
5 DEFENDANTS did not fully reimburse PLAINTIFF for the business expenses PLAINTIFF
6 incurred in connection with being required to use PLAINTIFF's personal cell phone/mobile device
7 for work.

8 66. DEFENDANTS' failure to provide Aggrieved Employees with full reimbursement
9 for all reasonable expenses associated with carrying out their duties required that Aggrieved
10 Employees subsidize and/or carry the burden of business expenses in violation of Labor Code section
11 2802.

12 67. PLAINTIFF is informed and believes and alleges thereon that DEFENDANTS
13 engaged in these same herein described unlawful practices, which led to violations of the California
14 Labor Code as further alleged below, and that DEFENDANTS applied these same herein described
15 unlawful practices to all of its employees that it applied to PLAINTIFF.

16 **FIRST CAUSE OF ACTION**
17 **VIOLATION OF PRIVATE ATTORNEYS GENERAL ACT, LABOR CODE SECTIONS**
18 **2698, *ET SEQ.***
19 **(On behalf of PLAINTIFF, Aggrieved Employees and the State of California against all**
20 **Defendants)**

21 68. PLAINTIFF incorporates all preceding paragraphs as if fully alleged herein.

22 **Meal Period Violations**

23 69. California law requires employers to provide employees a duty-free, uninterrupted
24 thirty (30) minute meal period when an employee works more than five (5) hours in a workday, and
25 it must be provided within the first five (5) hours the employee works. Lab. Code section 512 (and
26 all applicable IWC Wage Orders), section 11(A) and (C); *Brinker Restaurant Corp. v. Superior*
27 *Court* (2012) 53 Cal.4th 1004.

28 70. Employers must also provide employees with a second duty-free, uninterrupted thirty
(30) minute meal period when an employee works more than (10) hours in a workday, and it must
be provided before the end of the 10th hour of work. *Ibid.*

1 71. Employers covered by any and all applicable IWC Wage Orders have an obligation
2 to both (1) relieve their employees for at least one meal period for shifts over five hours (see above),
3 and (2) to record having done so. If the employer fails to properly record a valid meal period, it is
4 presumed that no meal period was provided. All applicable IWC Wage Orders, section 7(A)(3)
5 (“Meal periods . . . shall also be recorded”); *Brinker, supra*, 53 Cal.4th 1004, 1052-1053, citing
6 section 7(A)(3) (“If an employer’s records show no meal period for a given shift over five hours, a
7 rebuttable presumption arises that the employee was not relieved of duty and no meal period was
8 provided”).

9 72. Employers must pay employees an additional hour of wages at the employees’
10 regular rate of pay for each missed or unlawful meal period (e.g., less than 30 minutes, interrupted
11 meal period, first meal period provided after five (5) hours, second meal period provided after 10
12 hours). Lab. Code § 226.7; all applicable IWC Wage Orders, §11(B) (“If an employer fails to
13 provide an employee a meal period in accordance with the applicable provision of this Order, the
14 employer shall pay the employee one (1) hour of pay at the employee’s regular rate of compensation
15 for each workday that the meal period is not provided”); *Brinker, supra*, 53 Cal.4th 1004.

16 73. As explained above, PLAINTIFF and other Aggrieved Employees were unable to
17 take timely, off duty, thirty-minute, uninterrupted meal periods, often being forced to work during
18 their meal periods, take interrupted and/or shortened meal periods due to the nature and constraints
19 of their job duties, and/or commentary from supervisors pressuring them to take non-compliant meal
20 periods or skip meal periods completely.

21 74. Also, DEFENDANTS implemented policies and practices that failed to relieve
22 Aggrieved Employees of all duties and DEFENDANTS’ control during meal periods, in violation
23 of California meal period law.

24 75. PLAINTIFF is informed and believes and thereon alleges that DEFENDANTS had
25 actual and/or constructive knowledge that their unlawful policies and practices resulted in the denial
26 of compliant meal periods in violation of California's meal period laws.

27 76. DEFENDANTS also failed to pay all owed premiums at Aggrieved Employees’
28 respective regular rates of pay for missed/otherwise unlawful meal periods in violation of California

1 law.

2 77. These unlawful meal period policies and practices result in violations of Labor Code
3 sections 226.7, 512, and 1198-1199, and all applicable wage orders, § 11. These violations subject
4 DEFENDANTS to civil penalties under Labor Code §§ 558, 558.1 and 2699, and all applicable
5 Wage Orders, § 20. These practices result in further violations such as violations of Labor Code §
6 1174 as discussed above, 1198-1199, 226.6 and other violations discussed below.

7 **Rest Period Violations**

8 78. Labor Code section 226.7 and all applicable IWC Wage Orders require an employer
9 to authorize or permit an employee to take a rest period of ten (10) net minutes for every four hours
10 worked or major fraction thereof. Such rest periods must be in the middle of the four-hour period
11 “insofar as practicable.” In *Brinker v. Restaurant Corp.*, 53 Cal.4th 1004 (2012),
12 the California Supreme Court held that employees are entitled to a 10-minute paid rest period for
13 shifts from 3 ½ to 6 hours in a length, two 10-minute rest periods for shifts more than 6 hours up to
14 10 hours, and three 10-minute rest periods for shifts of more than 10 hours up to 14 hours. (*Id.* at
15 1029). The rest period requirement obligates employers to permit and authorize employees to take
16 off-duty rest periods, meaning employers must relieve employees of all duties and relinquish control
17 over how employees spend their time. *Augustus v. ABM Security Services, Inc.*, (2016) 5 Cal.5th
18 257. If the employer fails to provide any required rest period, the employer must pay the employee
19 one hour of pay at the employee’s regular rate of compensation for each workday the employer did
20 not provide at least one legally required rest period, pursuant to Labor Code section 226.7, and
21 applicable IWC Wage Order, §12(B).

22 79. Moreover, under California law rest periods must be a “net” ten minutes in a suitable
23 rest area. *Id.* at 268 (relying on January 3, 1986 and February 22, 2002 Division of Labor Standards
24 Enforcement (DLSE) Letters wherein the DLSE ruled that the net ten-minute language for rest
25 periods means ten minutes of time in a rest area and cannot include time it takes to get to and from
26 the rest area). The employer must show that it clearly articulates the right to a net ten minutes,
27 which means it must clearly communicate what “net” ten minutes means (i.e., regardless of what
28 happens along the way to and from a rest area, employees are entitled to a full ten minutes of rest in

1 the rest area). *Id.*; see also, *Bufile v. Dollar Fin. Grp., Inc.*, (2008) 162 Cal. App. 4th 1193, 1199 (the
2 “onus is on the employer to clearly communicate the authorization and permission [to take rest
3 periods] to its employees.”).

4 80. PLAINTIFF and the Aggrieved Employees were not allowed to take legally
5 compliant, timely 10-minute rest periods for every four (4) hours worked or major fraction thereof.
6 As explained above, rest periods were interrupted, cut short, on duty, and/or otherwise subject to
7 DEFENDANTS’ control due to the nature and constraints of Aggrieved Employees’ job duties,
8 understaffing, and/or commentary from supervisors pressuring PLAINTIFF and Aggrieved
9 Employees to skip rest periods completely or otherwise take non-compliant rest periods.

10 81. DEFENDANTS implemented policies and/or practices that failed to relieve
11 PLAINTIFF and other Aggrieved Employees of all duties and employer control during rest periods.
12 Aggrieved Employees were pressured to complete their work duties according to a designated
13 schedule such that rest periods were only taken once tasks were completed, and/or as time permitted.

14 82. As a result, PLAINTIFF and Aggrieved Employees did not receive legally compliant
15 first meal periods as required by California law.

16 83. Moreover, DEFENDANTS failed to pay a rest period premium to PLAINTIFF and
17 other Aggrieved Employees at their respective regular rates of pay for each workday in which there
18 was a missed or otherwise unlawful rest period.

19 84. As such, DEFENDANTS violated Labor Code sections 226.7, and 1198-1199, and
20 all applicable IWC Wage Orders, §12. These violations subject DEFENDANTS to civil penalties
21 under Labor Code §§ 558 and 2699, and all applicable Wage Orders, §20.

22 **Minimum and Overtime Wage Violations**

23 85. California law provides that employees in California must be paid for all hours
24 worked, up to forty (40) hour per week or eight (8) hours per day, at a regular rate that is no less
25 than the mandated minimum wage. *See* Labor Code section 1197 and the applicable Wage Order.
26 The minimum wage standard applies to each hour employees worked for which they were not paid.
27 Therefore, an employer’s failure to pay for any particular hour worked by an employee is unlawful
28 even if averaging an employee’s total pay over all hours worked, paid or not, results in an average

1 hourly wage above minimum wage. *Armenta v. Osmose, Inc.* (2005) 135 Cal.App.4th 314, 324.

2 86. California law also provides that employees in California must be paid overtime,
3 equal to 1.5 times the employee's regular rate of pay for all hours worked in excess of 40 hours per
4 week or 8 hours per day. *See* Labor Code 510 and the applicable Wage Order section 3. Employers
5 must pay overtime equal to double the regular hourly rate of pay for each hour worked beyond
6 twelve (12) hours per workday and for all hours worked in excess of eight (8) hours on the seventh
7 consecutive day of work in a work week. *Ibid.*

8 87. As explained above, DEFENDANTS violated California's minimum and overtime
9 wage laws by failing to compensate PLAINTIFF and the Aggrieved Employees for all hours worked
10 by virtue of, among other things, DEFENDANTS' off-the-clock work policies and practices
11 described above which resulted in unpaid minimum and overtime wages.

12 88. DEFENDANTS had and continue to have a policy of failing to pay PLAINTIFF and
13 Aggrieved Employees for all hours worked.

14 89. Based on information and belief, DEFENDANTS had actual or constructive
15 knowledge that off-the-clock work policies and practices resulted in the underpayment of minimum
16 and overtime wages owed to PLAINTIFF and other Aggrieved Employees.

17 90. DEFENDANTS failed and continue to fail to pay a premium wage rate for all hours
18 worked beyond eight (8) hours in a day or beyond forty (40) hours in a week.

19 91. Based on information and belief, DEFENDANTS further violated California's
20 overtime wage laws by failing to incorporate all non-discretionary compensation, including but not
21 limited to, non-discretionary bonus compensation, shift differentials, multiple base rates of pay
22 and/or other non-discretionary compensation into the regular rate of pay used to calculate the
23 overtime rate of pay. Failing to include non-discretionary compensation into the regular rate of pay
24 resulted in a miscalculation of the overtime wage rate, resulting in the underpayment of overtime
25 wages owed to PLAINTIFF and other Aggrieved Employees.

26 92. This conduct results in violations of Labor Code sections 218.5, 510, 558, 558.1,
27 1194, 1197, 1198-1199, and all applicable Wage Orders. These violations subject DEFENDANTS
28 to civil penalties under Labor Code sections 218.5, 558, 558.1, 1197.1, 2699, and all applicable IWC

1 Wage Orders, section 20.

2 **Business Expense Violations**

3 93. California law requires employers to indemnify their employees for all necessary
4 expenditures incurred by the employee in direct consequence of the discharge of their duties or of
5 their obedience to the directions of the employer. *See* Cal. Lab. Code s. 2802 and all applicable
6 Wage Orders section 9(b). Furthermore, “for purposes of [section 2802], the term ‘necessary
7 expenditure or losses’ shall include all reasonable costs, including, but not limited to, attorneys’ fees
8 incurred by the employee enforcing the rights granted by this section.”

9 94. Among other things, under California law, when employees must use their personal
10 cellphones for work-related purposes, the employer must reimburse them for a reasonable
11 percentage of their cell phone bills. *See Cochran v. Schwan’s Home Services, Inc.* (2014) 228
12 Cal.App.4th 1137, 1140. To show liability, an employee will only need to show that he or she was
13 required to use their personal cellphone for work-related purposes and not reimbursed for the use.
14 *Id.* 1144-1145.

15 95. Further, “any contract or agreement, express or implied, made by any employee to
16 waive the benefits of this article or any part thereof, is null and void, and this article shall not deprive
17 any employee or his personal representative of any right or remedy to which he is entitled to under
18 the laws of this State.” *See* Cal. Lab. Code section 2804.

19 96. As described above, PLAINTIFF and the Aggrieved Employees were improperly
20 required to pay for business expenses that are legally the responsibility of the employer.

21 97. DEFENDANTS’ failure to provide PLAINTIFF and the Aggrieved Employees with
22 full reimbursement for all reasonable expenses associated with carrying out their duties required
23 that PLAINTIFF and the Aggrieved Employees subsidize and/or carry the burden of business
24 expenses in violation of Labor Code section 2802.

25 98. As a result of DEFENDANTS’ unlawful conduct, PLAINTIFF and other Aggrieved
26 Employees have suffered injury in that they were not completely reimbursed as mandated by
27 California law.

28 99. DEFENDANTS’ failure to provide PLAINTIFF and the Aggrieved Employees with

1 full reimbursement for all reasonable expenses associated with carrying out their duties required
2 that PLAINTIFF and the Aggrieved Employees subsidize and/or carry the burden of business
3 expenses in violation of Labor Code section 2802.

4 100. As a result of DEFENDANTS' unlawful conduct, PLAINTIFF and the Aggrieved
5 Employees have suffered injury in that they were not completely reimbursed as mandated by
6 California law.

7 101. Despite being aware of these business expenses, DEFENDANTS failed to reimburse
8 PLAINTIFF and other Aggrieved Employees for such expenses in violation of California Labor
9 Code § 2802. In turn, there constitutes a PAGA violation based on violations of California Labor
10 Code § 2802 and the applicable Wage Order.

11 **Wage Statement Violations**

12 102. California law requires every employer semi-monthly or at the time of each payment
13 of wages to furnish its employees with an accurate itemized wage statement in writing that contains
14 the following: (1) gross wages earned; (2) total hours worked by the employee; (3) the number of
15 piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis;
16 (4) all deductions; (5) net wages earned; (6) the inclusive dates of the period for which the employee
17 is paid; (7) the name of the employee and only the last four digits of his or her social security number
18 or an employee identification number other than a social security number; (8) the name and address
19 of the legal entity that is the employer; and (9) all applicable hourly rates in effect during the pay
20 period and the corresponding number of hours worked at each hourly rate. Lab. Code § 226.

21 103. As DEFENDANTS failed to provide PLAINTIFF and other Aggrieved Employees
22 with meal and rest periods that complied with Labor Code section 226.7, the wage statements
23 DEFENDANTS issued to PLAINTIFF and other Aggrieved Employees failed and continue to fail
24 to correctly set forth (a) the gross wages earned, in violation of Labor Code section 226(a)(1); (b)
25 the total hours worked by the employee in violation of Labor Code section 226(a)(2); (c) the net
26 wages earned, in violation of Labor Code section 226(a)(5); and (d) all applicable hourly rates in
27 effect during the pay period and the corresponding number of hours worked at each hourly rate by
28 the employee, in violation of Labor Code section 226(a)(9).

1 104. Moreover, due to violations detailed above, including but not limited to,
2 DEFENDANTS' failure to pay regular and overtime wages for all hours worked and failure to
3 provide meal and rest break premiums, DEFENDANTS have violated California Labor Code § 226
4 by willfully failing to furnish PLAINTIFF and other Aggrieved Employees with accurate, itemized
5 wage statements that listed the gross and net wages earned and the correct applicable rates of pay
6 for all hours worked. Based on information and belief, DEFENDANTS failed to incorporate all
7 forms of non-discretionary compensation earned during the pay period into the regular rate of pay
8 for purposes of calculating the owed overtime rate, and as such, failed to display the proper overtime
9 rate(s) for each hour of overtime worked by PLAINTIFF and other Aggrieved Employees.

10 105. As explained above, wage statements issued by DEFENDANTS failed to list the
11 "total hours worked" by PLAINTIFF and Aggrieved Employees (by virtue of off-the-clock work
12 policies and practices described above), which results in a violation of Labor Code section 226(a).
13 Failure to list all hours worked on a wage statement, gives rise to an inference of injury under Labor
14 Code Section 226 (*Maldonado v. Epsilon Plastics, Inc.*, (2018) 22 Cal.App.5th 1308, 1337).

15 106. Also, wage statements issued by DEFENDANTS failed to list all applicable hourly
16 rates in effect during the pay period and the corresponding number of hours worked at each hourly
17 rate by the employee, in violation of, including but not limited to, Labor Code section 226(a)(9).

18 107. DEFENDANTS' failure to accurately list all hours worked on all wage statements
19 caused confusion to PLAINTIFF and caused and continues to cause confusion to other Aggrieved
20 Employees over whether they received all wages owed to them.

21 108. As a result, PLAINTIFF and other Aggrieved Employees have suffered injury as
22 they could not easily determine whether they received all wages owed to them and whether they
23 were paid for all hours worked.

24 109. DEFENDANTS knowingly and intentionally failed to provide PLAINTIFF and
25 Aggrieved Employees with accurate, itemized wage statements.

26 110. As a result of DEFENDANTS' unlawful conduct, PLAINTIFF and Aggrieved
27 Employees have suffered injury. The absence of accurate information on their wage statements has
28 prevented earlier challenges to DEFENDANTS' unlawful pay practices, will require discovery and

1 mathematical computations to determine the amount of wages owed, and will cause difficulty and
2 expense in attempting to reconstruct time and pay records. DEFENDANTS' conduct led to the
3 submission of inaccurate information about wages and amounts deducted from wages to state and
4 federal government agencies. As a result, PLAINTIFF and Aggrieved Employees are required to
5 participate in this lawsuit and create more difficulty and expense from having to reconstruct time
6 and pay records than if DEFENDANT had complied with its legal obligations.

7 111. These violations subject DEFENDANTS to civil penalties under Labor Code § 226.
8 Each violation results in a *separate* civil penalty, for each Aggrieved Employee, for each pay period
9 during which the statute provisions were violated. ²

10 **Untimely Payment of Final Wages**

11 112. California Labor Code section 201(a) provides, in relevant part, that “[i]f an
12 employer discharges an employee, the wages earned and unpaid at the time of discharge are due and
13 payable immediately.” California Labor Code section 202(a) provides, in relevant part, that “[i]f an
14 employee not having a written contract for a definite period quits his or her employment, his or her
15 wages shall become due and payable not later than 72 hours thereafter, unless the employee has
16 given 72 hours previous notice of his or her intention to quit, in which case the employee is entitled
17 to his or her wages at the time of quitting.”

18 113. Pursuant to Labor Code section 203, an employer that willfully fails to pay wages
19 due an employee who is terminated or resigns must pay (in addition to the unpaid wages) a penalty
20 equal to the employee's daily wages for each day, not exceeding 30 days, that the wages are unpaid.
21 Case law clarifies this 30-day waiting time penalty is recoverable under the PAGA via Labor Code
22 section 256. See, *Iskanian v. CLS Transportation Los Angeles, LLC*, 59 Cal.4th 348 (2014); see also,
23 *Caliber Bodyworks, Inc. v. Superior Court*, 134 Cal. App. 4th 365 (2005).

24 114. As explained herein, DEFENDANTS failed and continue to fail to timely pay final
25 wages to Aggrieved Employees upon discharge/separation of employment in violation of Labor
26 Code section 201-202. Also, final paychecks did not include all wages owed as they are devoid of,
27 including but not limited to, all owed minimum wages, overtime wages, premium wages, and/or

28 ² Labor Code § 226.3 (establishing that the civil penalty is “per employee per violation”).

1 paid time off wages at the properly accrued rates.

2 115. As a result, DEFENDANTS violated Labor Code sections 201, 202, and 203. These
3 violations subject DEFENDANTS to civil penalties under Labor Code sections 203, 210, and/or
4 256.

5 116. Under the provisions of PAGA and the above mentioned Labor Code sections,
6 including but not limited to Labor Code sections 201-203, 226, 226.7, 256, 510, 512, 558, 558.1,
7 1194, 1197, 1197.1, 2699, 2699.3, 2802, and all applicable Wage Orders as well as all interpretations
8 of these laws by California Courts and administrative bodies, as well as any other law that is
9 enforceable through PAGA, DEFENDANTS are liable for the following penalties:

10 a. All statutorily-specified penalties recoverable under PAGA as enumerated in the
11 relevant California Labor Code provisions listed herein only if permitted by the PAGA statute,
12 pursuant to Labor Code section 2699(a); and

13 b. Default PAGA penalties for any violation of the enumerated list of Labor Code
14 violations without a civil penalty recoverable under the PAGA, all in the default amounts provided
15 by Labor Code section 2699(f).

16 117. Pursuant to Labor Code section 2699(g), and/or any and all other applicable laws,
17 PLAINTIFF is entitled to recover civil penalties, costs, and attorney's fees.

18 **PRAYER FOR RELIEF**

19 WHEREFORE, PLAINTIFF prays for relief and judgment as follows on behalf of the State
20 of California and all Aggrieved Employees:

- 21 1. For civil penalties under Labor Code Section 2699;
- 22 2. For an order temporarily, preliminarily and permanently enjoining and
23 restraining DEFENDANTS from engaging in similar unlawful conduct as set
24 forth herein;
- 25 3. For reasonable attorney's fees and costs of suit; and

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4. For such other and further relief that the Court deems just and proper.

Dated: July 30, 2025

CROSNER LEGAL, PC

By: 

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