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**SUPERIOR COURT OF CALIFORNIA
COUNTY OF SANTA CLARA**

ERIC GONZALEZ, on behalf of the State of
California and Aggrieved Employees,

Plaintiff,

vs.

SUPER MICRO COMPUTER, INC.

Defendant.

Case No. 25CV476626

**COMPLAINT FOR PENALTIES PURSUANT
TO SECTIONS 2699(a) AND (f) OF THE
CALIFORNIA LABOR CODE PRIVATE
ATTORNEYS GENERAL ACT**

DEMAND FOR JURY TRIAL

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6 *California and Aggrieved Employees*
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1 Plaintiff Eric Gonzalez (“Plaintiff”), on behalf of the State of California and Aggrieved
2 Employees, complains and alleges as follows:

3 **INTRODUCTION**

4 1. Plaintiff brings this enforcement action against Defendant Super Micro Computer, Inc.
5 (“Super Micro” or “Defendant”) on behalf of the State of California to collect penalties as a result of
6 Defendant’s systematic violations of California labor law with respect to Defendant’s misclassification
7 of exempt workers in the State of California (the “Aggrieved Employees”).

8 2. Plaintiff and Aggrieved Employees are current and former exempt workers employed
9 by Defendant in California wrongfully classified as exempt employees.

10 3. Defendant’s employment policies and practices include misclassifying Aggrieved
11 Employees as exempt. Because Defendant does not properly classify Aggrieved Employees as non-
12 exempt, these employees are not provided the protections and rights they are entitled to under
13 California’s labor laws, including overtime wages, meal and rest periods, and accurate itemized wage
14 statements.

15 4. Plaintiff challenges Defendant’s unlawful misclassification policies and practices
16 which result in systematic violations of: (1) failing to pay Plaintiff and Aggrieved Employees overtime
17 wages; (2) failing to authorize and permit Plaintiff and Aggrieved Employees to take compliant meal
18 periods to which they are entitled by law, and failing to pay premium compensation for non-compliant
19 meal periods; (3) failing to authorize and permit Plaintiff and Aggrieved Employees to take compliant
20 rest periods to which they are entitled by law, and failing to pay premium compensation for non-
21 compliant rest periods; (4) failing to provide Plaintiff and Aggrieved Employees true and accurate
22 itemized wage statements; and (5) failing to pay all wages due timely and at separation.

23 5. Plaintiff, on behalf of the State of California, seeks to recover penalties and reasonable
24 attorneys’ fees for these violations pursuant to Sections 2699(a) and (f) of the California Labor Code
25 Private Attorneys General Act (“PAGA”).

26 **PARTIES**

27 6. Plaintiff and Aggrieved Employees are all current and former exempt employees of
28 Defendant in the State of California willfully and improperly classified as exempt employees. The

1 Aggrieved Employees work as, but not limited to, salaried Inside Sales Representatives, Account
2 Managers, Sales Directors, and Sales Managers in California.

3 7. Plaintiff Eric Gonzalez is an individual over the age of eighteen and, at all times
4 relevant to this Complaint, was a resident of the State of California.

5 8. Plaintiff worked for Defendant as an Inside Sales Representative in San Jose,
6 California, from approximately February 2023 to May 2024.

7 9. Plaintiff is informed, believes, and thereon alleges that Defendant Super Micro
8 Computer, Inc. is a Delaware corporation with its principal place of business located in San Jose,
9 California. Super Micro is registered to do business in the State of California and does business in the
10 State of California. Super Micro may be served with process by serving its registered agent, Kim Liou,
11 980 Rock Ave., San Jose, California 95131.

12 10. Plaintiff is informed, believes, and thereon alleges that Defendant employs hundreds
13 of exempt workers similarly situated to Plaintiff in California. Plaintiff is informed, believes, and
14 thereon alleges that, in California, Defendant owns, operates, and/or manages locations in this county.
15 Plaintiff is informed, believes, and thereon alleges that Defendant employs Aggrieved Employees, in
16 this County and throughout California.

17 11. At all material times, Defendant does business under the laws of California, has places
18 of business in the State of California, including in this County, and employs Aggrieved Employees in
19 this County. Defendant is a “person” as defined in Cal. Lab. Code § 18 and Cal. Bus. & Prof. Code §
20 17201. Defendant is also an “employer” as that term is used in the California Labor Code and the IWC
21 Wage Orders.

22 12. Defendant employs Plaintiff and Aggrieved Employees because Defendant, directly or
23 indirectly, controls the employment terms, pay practices, timekeeping practices, and daily work of
24 Plaintiff and Aggrieved Employees.

25 **SUBJECT MATTER JURISDICTION AND VENUE**

26 13. Venue is proper in this County pursuant to Cal. Code Civ. Proc. §§ 393 and/or 395.5.
27 Defendant conducts business and employs Aggrieved Employees in this County, and therefore the
28 liability and the cause, or some part of the cause, arose in this County.

14. This Court has jurisdiction over Plaintiff's claims for penalties pursuant to the PAGA. The Court also has jurisdiction over Defendant because they are a corporation authorized to do business in the State of California, and because Defendant does in fact do business and employs workers in the State of California.

FACTUAL ALLEGATIONS

15. Upon information and belief, Super Micro Computer, Inc. designs, develops, manufactures, and sells high performance, server and storage solutions, along with related software and services.

16. Super Micro willfully misclassifies Plaintiff and Aggrieved Employees as exempt from California's wage and hour laws when Super Micro knows that Aggrieved Employees are non-exempt employees entitled to the protections of California labor laws.

17. Pursuant to Defendant's uniform corporate policy, Plaintiff and Aggrieved Employees are paid a set salary, regardless of hours actually worked. Plaintiff and Aggrieved Employees are also paid commission that correlates to their results and performance.

18. Defendant misclassifies Plaintiff and Aggrieved Employees as exempt, including pursuant to the Inside Sales Exemption. However, no exemption from California overtime laws applies. Plaintiff and Aggrieved Employees earn less than 50% of their pay from commissions. Defendant has and continues to willfully, improperly classify Plaintiff and Aggrieved Employees as “exempt” even though Defendant knows they do not qualify for the exemptions.

19. By misclassifying Plaintiff and Aggrieved Employees as exempt employees, Super Micro withholds from Aggrieved Employees and denies Aggrieved Employees overtime wages, meal and rest breaks, premium wages for missed and non-compliant meal and rest breaks, itemized and accurate wage statements, and all earned wages upon separation.

20. Plaintiff worked for Defendant as an Inside Sales Representative in San Jose, California from approximately February 2023 to May 2024.

21. Plaintiff and Aggrieved Employees routinely work in excess of eight (8) hours in a day and in excess of forty (40) hours in a week.

22. Plaintiff is informed, believes, and thereon alleges that Defendant employs and has

1 employed hundreds of workers similarly situated to Plaintiff in California.

2 23. Plaintiff is informed, believes, and thereon alleges that Aggrieved Employees perform
3 work substantially similar to Plaintiff, in that they support the daily functions of running Defendant's
4 business activities.

5 24. Aggrieved Employees perform their jobs under Defendant's supervision using materials
6 and technology approved and supplied by Defendant.

7 25. Aggrieved Employees are required to follow and abide by Defendant's common work,
8 time, and pay policies and procedures in the performance of their jobs.

9 26. At the end of each pay period, Aggrieved Employees receive wages from Defendant that
10 are determined by common systems and methods that Defendant selects and controls.

11 27. Plaintiff is informed, believes, and thereon alleges that Defendant's policies and
12 practices have at all relevant times been similar for Plaintiff and Aggrieved Employees, regardless of
13 location in the State of California. Upon information and belief, Aggrieved Employees worked more
14 than eight (8) hours per day and more than forty (40) hours in at least one workweek during the one
15 (1) year before this Complaint was filed.

16 28. Defendant does not pay overtime and/or double time for hours worked over 8 hours in
17 a workday, over 12 hours in a workday, and/or over 40 hours in the workweek. Aggrieved Employees
18 work frequently over 8 hours in a workday, over 12 hours in a workday, and/or over 40 hours in the
19 workweek, without overtime or double time wages. Defendant's failure to timely pay wages is willful
20 and/or intentional.

21 29. Plaintiff and Aggrieved Employees are not provided with an uninterrupted, off-duty, 30-
22 minute meal period before the fifth hour of work. Defendant's policies, practices, and procedures
23 prevent Plaintiff and Aggrieved Employees from taking their meal periods before the end of the fifth
24 hour, as required. Defendant requires Plaintiff and Aggrieved Employees to either continue working
25 during their meal breaks and/or schedules mandatory meetings during Aggrieved Employees' meal
26 periods.

27 30. For each day Plaintiff and Aggrieved Employees work shifts over ten hours, Defendant
28 regularly denies and fails to provide Plaintiff and Aggrieved Employees with compliant second 30-

1 minute uninterrupted meal periods before the end of the tenth hour of work. When Plaintiff and
2 Aggrieved Employees are entitled to a second meal period, Defendant requires them to work the
3 entirety of their shifts without providing or offering a second meal period.

4 31. Defendant fails to pay Plaintiff and Aggrieved Employees meal period premiums to
5 which they are entitled to for these missed, late, and otherwise non-compliant first and second meal
6 breaks.

7 32. Defendant also routinely fails to authorize or permit off duty, paid rest periods of at least
8 10 minutes of rest time for every 4 hours of work. Unless relieved and directed to take a break, Plaintiff
9 and Aggrieved Employees are expected to continue working, and do continue working. Defendant
10 does not direct or allow Plaintiff and Aggrieved Employees to cease working to take rest breaks.
11 Instead, Plaintiff and Aggrieved Employees are directed and expected to continue working until their
12 meal break or the end of the workday without a rest break.

13 33. Defendant fails to pay Plaintiff and Aggrieved Employees rest period premiums to
14 which they are entitled for these missed, late, and otherwise non-compliant rest breaks.

15 34. Plaintiff is informed, believes, and thereon alleges that Defendant utilizes and applies
16 these meal and rest break policies and practices across all of Defendant's facilities and worksites
17 throughout California.

18 35. Defendant's failure to pay overtime wages, and provide compliant meal and rest breaks
19 also result in a failure to provide Plaintiff and Aggrieved Employees, accurate itemized wage
20 statements as required by California law. The wage statements Defendants provide are not accurate
21 because they do not reflect (1) payments for overtime wages for hours worked over 8 hours in a
22 workday, over 12 hours in a workday, and/or over 40 hours in the workweek, (2) payment for premium
23 pay for missed meal breaks, rest breaks, and second meal breaks, and (3) the accurate hours worked.

24 36. Moreover, Defendant does not provide Plaintiff and Aggrieved Employees with full
25 payment of all wages owed at the end of employment. These workers are owed wages and premium
26 pay for overtime and missed meal and rest breaks when their employment ends. These amounts remain
27 unpaid after voluntary and involuntary termination. As a consequence, Defendant is subject to waiting
28 time penalties under the California Labor Code.

37. Defendant's conduct has been knowing, willful, and carried out in bad faith, and has caused significant damage to Plaintiff and Aggrieved Employees. Defendant did not take requisite reasonable steps to ensure that Plaintiff and Aggrieved Employees were provided with timely and compliant meal and rest breaks, premium pay for overtime and missed or non-compliant breaks, compensated for all hours worked, or accurate wage statements, and timely paid for all wages at separation.

38. Plaintiff is informed, believes, and thereon alleges that Defendant knew or should have known that Plaintiff and Aggrieved Employees regularly do not receive timely and compliant meal and rest breaks, premium pay for overtime and missed or non-compliant breaks, payment for all hours worked, or accurate wage statements, and that Defendant does not timely pay all final wages. Thus, Defendant's denial of wages, compliant meal and rest periods and related premium pay, failure to pay for all hours worked, failure to provide complete and accurate wage statements, and failure to timely pay all final wages is and/or was deliberate and willful.

39. Plaintiff is informed, believes, and thereon alleges that Defendant's unlawful conduct has been widespread, repeated, and consistent as to Aggrieved Employees and throughout Defendant's operations in the State of California.

FIRST CAUSE OF ACTION

Penalties Pursuant to Cal. Lab. Code § 2699(f)

(Failure to Pay Overtime Premiums)

(On Behalf of the State of California and Aggrieved Employees)

40. Plaintiff realleges and incorporates the foregoing paragraphs as though fully set forth herein.

41. Cal. Lab. Code § 2699(f) provides:

For all provisions of this code except those for which a civil penalty is specifically provided, there is established a civil penalty for a violation of these provisions, as follows: . . . (2) If, at the time of the alleged violation, the person employs one or more employees, the civil penalty is one hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation and two hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent violation.

42. Cal. Lab. Code § 200 defines wages as “all amounts for labor performed by employees

1 of every description, whether the amount is fixed or ascertained by the standard of time, task, piece,
2 commission basis or method of calculation.”

3 43. IWC Wage Order 4-2001(2)(K) defines hours worked as “the time during which an
4 employee is subject to the control of an employer and includes all the time the employee is suffered
5 or permitted to work, whether or not required to do so.”

6 44. Cal. Lab. Code § 1198 makes it unlawful for employers to employ employees under
7 conditions that violate the Wage Orders.

8 45. Cal. Lab. Code § 510 provides, in relevant part:

9 Eight hours of labor constitutes a day’s work. Any work in excess of eight hours in one
10 workday and any work in excess of 40 hours in any one workweek and the first eight
11 hours worked on the seventh day of work in any one workweek shall be compensated
12 at the rate of no less than one and one-half times the regular rate of pay for an employee.
13 Any work in excess of 12 hours in one day shall be compensated at the rate of no less
14 than twice the regular rate of pay for an employee. In addition, any work in excess of
15 eight hours on any seventh day of a workweek shall be compensated at the rate of no
16 less than twice the regular rate of pay of an employee. Nothing in this section requires
17 an employer to combine more than one rate of overtime compensation in order to
18 calculate the amount to be paid to an employee for any hour of overtime work.

15 46. Cal. Lab. Code § 1194 provides, in relevant part:

16 Notwithstanding any agreement to work for a lesser wage, any employee receiving less
17 than the legal minimum wage or the legal overtime compensation applicable to the
18 employee is entitled to recover in a civil action the unpaid balance of the full amount
19 of this minimum wage or overtime compensation, including interest thereon,
20 reasonable attorney’s fees, and costs of suit.

19 47. Defendant’s misclassification of Plaintiff and Aggrieved Employees as exempt results
20 in the failure to pay all wages and overtime.

21 48. To the extent that any violation alleged herein does not carry penalties under Cal. Lab.
22 Code § 2699(a), Plaintiff seeks civil penalties pursuant to Cal. Lab. Code § 2699(f) for each pay period
23 in which Plaintiff and an Aggrieved Employee were aggrieved, in the amounts established by Cal.
24 Lab. Code § 2699(f). Plaintiff seeks penalties pursuant to Cal. Lab. Code § 2699(f) for Plaintiff and
25 Aggrieved Employees for violations of Cal. Lab. Code provisions including, but not limited to, Cal.
26 Lab. Code §§ 510 1194, 1198, IWC Wage Order 4-2001, and any other violation alleged herein which
27 does not carry penalties under Cal. Lab. Code § 2699(a).

28 49. Pursuant to Cal. Lab. Code §§ 2699.3(a)(1) and (2), on April 17, 2025, Plaintiff

1 provided the Labor and Workforce Development Agency (“LWDA”) with notice of his intention to
2 file this claim. On April 17, 2025, Plaintiff mailed Defendant a copy of such notice via certified mail.
3 At least sixty-five (65) calendar days have passed without response from the LWDA. Plaintiff satisfied
4 the administrative prerequisites to commence this civil action in compliance with Cal. Lab. Code §
5 2699.3(a).

6 50. Plaintiff seeks the aforementioned penalties on behalf of the State, other Aggrieved
7 Employees, and himself as set forth in Cal. Lab. Code § 2699(g)(1).

8 51. Defendant is liable to Plaintiff, Aggrieved Employees, and the State of California for
9 the civil penalties set forth in this Complaint. Plaintiff is also entitled to an award of attorneys’ fees
10 and costs as set forth below.

11 52. Wherefore, Plaintiff requests relief as hereinafter provided.

12 **SECOND CAUSE OF ACTION**

13 **Penalties Pursuant to Cal. Lab. Code § 2699(f)**

14 **(Meal and Rest Period Premiums)**

15 **(On Behalf of the State of California and Aggrieved Employees)**

16 53. Plaintiff realleges and incorporates the foregoing paragraphs as though fully set forth
17 herein.

18 54. Cal. Lab. Code § 2699(f) provides:

19 For all provisions of this code except those for which a civil penalty is specifically
20 provided, there is established a civil penalty for a violation of these provisions, as
21 follows: . . . (2) If, at the time of the alleged violation, the person employs one or more
22 employees, the civil penalty is one hundred dollars (\$100) for each aggrieved employee
23 per pay period for the initial violation and two hundred dollars (\$200) for each
24 aggrieved employee per pay period for each subsequent violation.

25 55. Cal. Lab. Code § 200 defines wages as “all amounts for labor performed by employees
26 of every description, whether the amount is fixed or ascertained by the standard of time, task, piece,
27 commission basis or method of calculation.”

28 56. Cal. Lab. Code §§ 226.7 and 512 and IWC Wage Order 4-2001 require Defendant to
authorize, permit, and/or make available timely and compliant meal periods to their employees. Cal.
Lab. Code §§ 226.7 and 512 and IWC Wage Order 4-2001 prohibit employers from employing an

1 employee for more than five (5) hours without a meal period of not less than thirty (30) minutes, and
2 from employing an employee more than ten (10) hours per day without providing the employee with
3 a second meal period of not less than thirty (30) minutes.

4 57. Cal. Lab. Code § 226.7 and IWC Wage Order 4-2001 require Defendant to pay
5 employees one additional hour of pay at their regular rate of compensation for each workday that a
6 timely, compliant meal or rest period is not provided.

7 58. Defendant's misclassification of Plaintiff and Aggrieved Employees as exempt results
8 in meal period violations and Defendant's failure to pay proper premium payments for non-compliant
9 meal breaks.

10 59. To the extent that any violation alleged herein does not carry penalties under Cal. Lab.
11 Code § 2699(a), Plaintiff seeks civil penalties pursuant to Cal. Lab. Code § 2699(f) for each pay period
12 in which Plaintiff and Aggrieved Employees were aggrieved, in the amounts established by Cal. Lab.
13 Code § 2699(f). Plaintiff seeks penalties pursuant to Cal. Lab. Code § 2699(f) for Plaintiff and
14 Aggrieved Employees for violations of Cal. Lab. Code provisions including, but not limited to, Cal.
15 Lab. Code §§ 226.7, 512, 1198, IWC Wage Order 4-2001, and any other violation alleged herein which
16 does not carry penalties under Cal. Lab. Code § 2699(a).

17 60. Pursuant to Cal. Lab. Code §§ 2699.3(a) and (c), on April 17, 2025, Plaintiff provided
18 the Labor and Workforce Development Agency ("LWDA") with notice of his intention to file this
19 claim. On April 17, 2025, Plaintiff mailed Defendant a copy of such notice via certified mail. At least
20 sixty-five (65) calendar days have passed without response from the LWDA. Plaintiff satisfied the
21 administrative prerequisites to commence this civil action in compliance with Cal. Lab. Code §
22 2699.3(a) and (c).

23 61. Plaintiff seeks the aforementioned penalties on behalf of the State, other Aggrieved
24 Employees, and himself as set forth in Cal. Lab. Code § 2699(g)(1).

25 62. Defendant is liable to Plaintiff, Aggrieved Employees, and the State of California for
26 the civil penalties set forth in this Complaint. Plaintiff is also entitled to an award of attorneys' fees
27 and costs as set forth below.

28 63. Wherefore, Plaintiff requests relief as hereinafter provided.

THIRD CAUSE OF ACTION

Penalties Pursuant to Cal. Lab. Code § 2699(a)

(Failure to Provide True and Accurate Itemized Wage Statements)

(On Behalf of the State of California and Aggrieved Employees)

64. Plaintiff realleges and incorporates the foregoing paragraphs as though fully set forth herein.

65. Cal. Lab. Code § 2699(a) provides:

Notwithstanding any other provision of law, any provision of this code that provides for a civil penalty to be assessed and collected by the Labor and Workforce Development Agency or any of its departments, divisions, commissions, boards, agencies, or employees, for a violation of this code, may, as an alternative, be recovered through a civil action brought by an aggrieved employee on behalf of himself or herself and to other current or former employees.

66. Cal. Lab. Code § 226(a) provides:

An employer, semimonthly or at the time of each payment of wages, shall furnish to their employee, either as a detachable part of the check, draft, or voucher paying the employee's wages, or separately if wages are paid by personal check or cash, an accurate itemized statement in writing showing (1) gross wages earned, (2) total hours worked by the employee, except as provided in subdivision (j), (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and only the last four digits of their social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer and, if the employer is a farm labor contractor, as defined in subdivision (b) of Section 1682, the name and address of the legal entity that secured the services of the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee...

67. Cal. Lab. Code § 226(e)(1) provides, in relevant part:

An employee suffering injury as a result of a knowing and intentional failure by an employer to comply with subdivision (a) is entitled to recover the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one hundred dollars (\$100) per employee for each violation in a subsequent pay period, not to exceed an aggregate penalty of four thousand dollars (\$4,000), and is entitled to an award of costs and reasonable attorney's fees.

68. Cal. Lab. Code § 226.3 provides:

Any employer who violates subdivision (a) of Section 226 shall be subject to a civil penalty in the amount of two hundred fifty dollars (\$250) per employee per violation in an initial citation and one thousand dollars (\$1,000) per employee for each violation in a subsequent citation, for which the employer fails to provide the employee a wage deduction statement or fails to keep the records required in subdivision (a) of Section 226. The civil penalties provided for in this section are in addition to any other penalty

provided by law.

69. Cal. Lab. Code § 226 also requires employers to keep records required to be maintained under § 226(a) for at least three (3) years.

70. Cal. Lab. Code § 1174(d) provides, in relevant part:

[Employers shall] [k]eep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept in accordance with rules established for this purpose by the commission...

71. Cal. Lab. Code § 1174.5 provides, in relevant part:

Any person employing labor who willfully fails to maintain the records required by subdivision (c) of Section 1174 or accurate and complete records required by subdivision (d) of Section 1174, or to allow any member of the commission or employees of the division to inspect records pursuant to subdivision (b) of Section 1174, shall be subject to a civil penalty of five hundred dollars (\$500).

72. IWC Wage Order 4-2001, Section 7, provides, in relevant part:

(A) Every employer shall keep accurate information with respect to each employee including the following:

(3) ... Time records showing when the employee begins and ends each work period....

(4) Total wages paid each payroll period...

(5) Total hours worked during the payroll period and applicable rates of pay...

(B) Every employer who has control over wages, hours, or working conditions shall semimonthly or at the time of each payment of wages furnish each employee an itemized statement in writing showing: (1) all deductions; (2) the inclusive dates of the period for which the employee is paid; (3) the name of the employee or the employee's social security number; and (4) the name of the employer, provided all deductions made on written orders of the employee may be aggregated and shown as one item. (See Labor Code Section 226.) This information shall be furnished either separately or as a detachable part of the check, draft, or voucher paying the employee's wages....

73. Defendant's misclassification of Plaintiff and Aggrieved Employees as exempt results in the failure to issue compliant itemized wage statements containing all of the information required under Cal. Lab. Code § 226 and to maintain all records required under Cal. Lab. Code §§ 226 and 1174.

74. Plaintiff seeks penalties pursuant to Cal. Lab. Code § 2699(a) for each pay period in which Plaintiff and an Aggrieved Employee were aggrieved, in the amounts established by those sections, including but not limited to penalties under Cal. Lab. Code §§ 226.3, 226(e)(1), and 1174.5. Plaintiff seeks penalties pursuant to Cal. Lab. Code § 2699(a) for Plaintiff and Aggrieved Employees

1 for each failure by Defendant, alleged above, to provide Plaintiff and Aggrieved Employees an
2 accurate, itemized wage statement in compliance with Cal. Lab. Code § 226(a). Plaintiff also seeks
3 civil penalties pursuant to Cal. Lab. Code § 2699(a) for each failure by Defendant, alleged above, to
4 maintain records in compliance with Cal. Lab. Code §§ 226 and 1174 and IWC Wage Order 4-2001.

5 75. Pursuant to Cal. Lab. Code §§ 2699.3(a) and (c), on April 17, 2025, Plaintiff provided
6 the Labor and Workforce Development Agency (“LWDA”) with notice of his intention to file this
7 claim. On April 17, 2025, Plaintiff mailed Defendant a copy of such notice via certified mail. At least
8 sixty-five (65) calendar days have passed without response from the LWDA. Plaintiff satisfied the
9 administrative prerequisites to commence this civil action in compliance with Cal. Lab. Code §§
10 2699.3(a) and (c).

11 76. Plaintiff seeks the aforementioned penalties on behalf of the State, other Aggrieved
12 Employees, and himself as set forth in Cal. Lab. Code § 2699.

13 77. Defendant is liable to Plaintiff, Aggrieved Employees, and the State of California for
14 the civil penalties set forth in this Complaint. Plaintiff is also entitled to an award of attorneys’ fees
15 and costs as set forth below.

16 78. Wherefore, Plaintiff requests relief as hereinafter provided.

17 **FOURTH CAUSE OF ACTION**

18 **Penalties Pursuant to Cal. Lab. Code § 2699(a)**

19 **(Waiting Time Penalties)**

20 **(On Behalf of the State of California and Aggrieved Employees)**

21 79. Plaintiff realleges and incorporates the foregoing paragraphs as though fully set forth
22 herein.

23 80. Cal. Lab. Code § 2699(a) provides:

24 Notwithstanding any other provision of law, any provision of this code that provides
25 for a civil penalty to be assessed and collected by the Labor and Workforce
26 Development Agency or any of its departments, divisions, commissions, boards,
27 agencies, or employees, for a violation of this code, may, as an alternative, be recovered
28 through a civil action brought by an aggrieved employee on behalf of himself or herself
and to other current or former employees.

1 81. Cal. Lab. Code §§ 201 and 202 require employers to immediately pay wages earned
2 and unpaid to an employee that is discharged, and to pay an employee who quits within 72 hours after
3 he or she quits, at the latest.

4 82. Cal. Lab. Code § 203 provides, in relevant part:
5 If an employer willfully fails to pay, without abatement or reduction, in accordance
6 with Sections 201, 201.5, 202, and 205.5, any wages of an employee who is discharged
7 or who quits, the wages of the employees shall continue as a penalty from the due date
thereof at the same rate paid or until an action therefor is commenced; but the wages
shall not continue for more than 30 days.

8 83. Cal. Lab. Code § 256 provides: “The Labor Commissioner shall impose a civil penalty
9 in an amount not exceeding 30 days’ pay as waiting time under the terms of Section 203.”

10 84. Plaintiff seeks civil penalties pursuant to Cal. Lab. Code § 2699(a) for each failure by
11 Defendant, as alleged above, to timely pay all wages owed to Plaintiffs and the Aggrieved Employees
12 in compliance with Cal. Lab. Code §§ 201-202 and in the amounts established by Cal. Lab. Code §§
13 203 and 256.

14 85. Cal. Lab. Code § 226(a) provides:
15 Every employer shall, semimonthly or at the time of each payment of wages, furnish
16 each of his or her employees, either as a detachable part of the check, draft, or voucher
17 paying the employee's wages, or separately when wages are paid by personal check or
18 cash, an accurate itemized statement in writing showing (1) gross wages earned, (2)
19 total hours worked by the employee, except for any employee whose compensation is
20 solely based on a salary and who is exempt from payment of overtime under
21 subdivision (a) of Section 515 or any applicable order of the Industrial Welfare
22 Commission, (3) the number of piece-rate units earned and any applicable piece-rate
if the employee is paid on a piece-rate basis, (4) all deductions, provided that all
deductions made on written orders of the employee may be aggregated and shown as
one item, (5) net wages earned, (6) the inclusive dates of the period for which the
employee is paid, (7) the name of the employee and his or her social security number,
(8) the name and address of the legal entity that is the employer, and (9) all applicable
hourly rates in effect during the pay period and the corresponding number of hours
worked at each hourly rate by the employee.

23 86. Cal. Lab. Code § 226(e)(1) provides, in relevant part:
24 An employee suffering injury as a result of a knowing and intentional failure by an
25 employer to comply with subdivision (a) is entitled to recover the greater of all actual
26 damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and
27 one hundred dollars (\$100) per employee for each violation in a subsequent pay period,
28 not to exceed an aggregate penalty of four thousand dollars (\$4,000), and is entitled to
an award of costs and reasonable attorney’s fees.

 87. Cal. Lab. Code § 226.3 provides:
Any employer who violates subdivision (a) of Section 226 shall be subject to a civil

penalty in the amount of two hundred fifty dollars (\$250) per employee per violation in an initial citation and one thousand dollars (\$1,000) per employee for each violation in a subsequent citation, for which the employer fails to provide the employee a wage deduction statement or fails to keep the records required in subdivision (a) of Section 226. The civil penalties provided for in this section are in addition to any other penalty provided by law.

88. Plaintiff also seeks civil penalties pursuant to Cal. Lab. Code § 2699(a) for each failure by Defendant, alleged above, to provide Plaintiff and Aggrieved Employees an accurate, itemized wage statement in compliance with Cal. Lab. Code § 226(a) in the amounts established by Cal. Lab. Code § 226.3. In addition, Plaintiff seeks penalties in the amount established by Cal. Lab. Code § 226(e)(1).

89. Pursuant to Cal. Lab. Code §§ 2699.3(a)(1) and (2), on April 17, 2025, Plaintiff provided the Labor and Workforce Development Agency (“LWDA”) with notice of his intention to file this claim. On April 17, 2025, Plaintiff mailed Defendant a copy of such notice via certified mail. At least sixty-five (65) calendar days have passed without response from the LWDA. Plaintiff satisfied the administrative prerequisites to commence this civil action in compliance with Cal. Lab. Code § 2699.3(a).

90. Plaintiff seeks the aforementioned penalties on behalf of the State, other Aggrieved Employees, and himself as set forth in Cal. Lab. Code § 2699.

91. Defendant is liable to Plaintiff, Aggrieved Employees, and the State of California for the civil penalties set forth in this Complaint. Plaintiff is also entitled to an award of attorneys’ fees and costs as set forth below.

92. Wherefore, Plaintiff requests relief as hereinafter provided.

FIFTH CAUSE OF ACTION

Penalties Pursuant to Cal. Lab. Code § 2699(f)

(Failure to Pay Wages Timely)

(On Behalf of the State of California and Aggrieved Employees)

93. Plaintiff realleges and incorporates the foregoing paragraphs as though fully set forth herein.

94. Cal. Lab. Code § 2699(f) provides:

For all provisions of this code except those for which a civil penalty is specifically

provided, there is established a civil penalty for a violation of these provisions, as follows: . . . (2) If, at the time of the alleged violation, the person employs one or more employees, the civil penalty is one hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation and two hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent violation.

95. Cal. Lab. Code § 200 defines wages as “all amounts for labor performed by employees of every description, whether the amount is fixed or ascertained by the standard of time, task, piece, commission basis or method of calculation.”

96. Cal. Lab. Code § 204(a) provides that “[a]ll wages ... earned by any person in any employment are due and payable twice during each calendar month....” and “[l]abor performed between the 1st and 15th days, inclusive, of any calendar month shall be paid for between the 16th and the 26th day of the month during which the labor was performed, and labor performed between the 16th and the last day, inclusive, of any calendar month, shall be paid for between the 1st and 10th day of the following month.”

97. IWC Wage Order 4-2001(2)(K) defines hours worked as “the time during which an employee is subject to the control of an employer and includes all the time the employee is suffered or permitted to work, whether or not required to do so.”

98. Cal. Lab. Code § 1198 makes it unlawful for employers to employ employees under conditions that violate the Wage Orders.

99. Defendant’s misclassification of Plaintiff and Aggrieved Employees as exempt results in the failure to pay all wages, overtime wages, and meal and rest period premiums, timely under the timeframes set forth in § 204.

100. In addition, pursuant to Cal. Lab. Code § 210, any employer who fails to pay wages in the time prescribed by Cal. Lab. Code § 204 is subject to civil penalties of one hundred dollars (\$100) for each initial violation for each employee, and two hundred dollars (\$200) for each subsequent or willful violation for each employee, plus 25% of the amount unlawfully withheld. Defendant’s failure to timely pay wages to Plaintiff and Aggrieved Employees, including as a result of misclassification and failure to pay earned wages, subjects Defendant to these penalties. Plaintiff seeks to recover civil penalties under Labor Code § 210 pursuant to PAGA, Cal. Lab. Code §§ 2698 et seq.

101. To the extent that any violation alleged herein does not carry penalties under Cal. Lab.

Code § 2699(a), Plaintiff seeks civil penalties pursuant to Cal. Lab. Code § 2699(f) for each pay period in which Plaintiff and Aggrieved Employees were aggrieved, in the amounts established by Cal. Lab. Code § 2699(f). Plaintiff seeks penalties pursuant to Cal. Lab. Code § 2699(f) for Plaintiff and Aggrieved Employees for violations of Cal. Lab. Code provisions including, but not limited to, Cal. Lab. Code §§ 204, 1198, IWC Wage Order 4-2001, and any other violation alleged herein which does not carry penalties under Cal. Lab. Code § 2699(a).

102. Pursuant to Cal. Lab. Code §§ 2699.3(a) and (c), on April 17, 2025, Plaintiff provided the LWDA with notice of his intention to file this claim. On April 17, 2025, Plaintiff mailed Defendant a copy of such notice via certified mail. At least sixty-five (65) calendar days have passed without response from the LWDA. Plaintiff satisfied the administrative prerequisites to commence this civil action in compliance with Cal. Lab. Code § 2699.3(a) and (c).

103. Plaintiff seeks the aforementioned penalties on behalf of the State, other Aggrieved Employees, and himself as set forth in Cal. Lab. Code § 2699(g)(1).

104. Defendant is liable to Plaintiff, Aggrieved Employees, and the State of California for the civil penalties set forth in this Complaint. Plaintiff is also entitled to an award of attorneys' fees and costs as set forth below.

105. Wherefore, Plaintiff requests relief as hereinafter provided.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for relief as follows:

1. For the Court to declare, adjudge, and decree that Defendant has violated the Cal. Lab. Code as alleged herein;
2. For an order awarding the State of California, Plaintiff, and Aggrieved Employees civil penalties provided under the PAGA;
3. For an award of reasonable attorneys' fees as provided by the Cal. Lab. Code § 2699(g)(1); Cal. Code Civ. Proc. § 1021.5; and/or any other applicable law;
4. For all costs of suit; and
5. For such other and further relief as this Court deems just and proper.

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Respectfully Submitted,

Date: September 30, 2025



Carolyn H. Cottrell
Ori Edelstein
Philippe Gaudard
**SCHNEIDER WALLACE
COTTRELL KIM LLP**

*Attorneys for Plaintiff, on behalf of the State of
California and Aggrieved Employees*

DEMAND FOR JURY TRIAL

Plaintiff hereby demands a jury trial on all claims and issues for which Plaintiff is entitled to a jury.

Date: September 30, 2025

Respectfully Submitted,



Carolyn H. Cottrell
Ori Edelstein
Philippe Gaudard
SCHNEIDER WALLACE
COTTRELL KIM LLP

*Attorneys for Plaintiff, on behalf of the State of
California and Aggrieved Employees*