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County of San Bernardino
Rancho Cucamonga District
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MONICA R. GUILLEMIN WILLIAMS,
IMA BERNAL, and the PROPOSED CLASS

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN BERNARDINO

MONICA R. GUILLEMIN WILLIAMS, and)
IMA BERNAL,)

Plaintiffs,)

v.)

THA HOME HEALTH CARE, INC., a)
California Corporation; REGAL MEDICAL)
GROUP, INC., a California Corporation;)
HERITAGE PROVIDER NETWORK, INC.,)
a California Corporation; ADNAN)
ABDELAZIZ, an individual; RICHARD)
MERKIN, an individual; SHEREEN)
ABDELAZIZ, an individual, and DOES 1 to)
50, inclusive,)

Defendants.)

CASE NO.: CIVRS2502534

ASSIGNED FOR ALL PURPOSES TO:

**CLASS AND REPRESENTATIVE ACTION
COMPLAINT**

- 1. MISCLASSIFICATION AS INDEPENDENT CONTRACTOR (VIOLATION OF CALIFORNIA LABOR CODE §§ 2750.3, 226.8);**
- 2. FAILURE TO PAY ALL WAGES (VIOLATION OF CALIFORNIA LABOR CODE §§ 510, 1194, 1198; IWC WAGE ORDER NO.4);**
- 3. FAILURE TO PROVIDE MEAL PERIODS OR COMPENSATION IN LIEU THEREOF (VIOLATION OF IWC WAGE ORDER 4-2001, CAL. LAB. CODE §§ 226.7, 512);**
- 4. FAILURE TO AUTHORIZE AND PERMIT REST BREAKS (VIOLATION OF IWC WAGE ORDER 4-2001, CAL. LAB. CODE § 226.7);**
- 5. FAILURE TO INDEMNIFY FOR EXPENDITURES INCURRED IN DISCHARGE OF DUTIES (CAL. LAB. CODE §§ 450, 2802, 2804);**

- 1) 6. FAILURE TO MAINTAIN RECORDS
2) IN VIOLATION OF (VIOLATION OF
3) CALIFORNIA LABOR CODE §§ 558,
4) 1174, 1174.5, 274.5(a));
5) 7. FAILURE TO PAY MINIMUM WAGE
6) AND UNPAID WAGES (VIOLATION
7) OF CALIFORNIA LABOR CODE §§
8) 1197, 1194, 1194.2, 1197.1);
9) 8. WAITING TIME PENALTIES
10) (VIOLATION OF CALIFORNIA
11) LABOR CODE §§ 201, 202, 203);
12) 9. FAILURE TO ISSUE ACCURATE
13) ITEMIZED WAGE STATEMENTS
14) (VIOLATION OF CALIFORNIA
15) LABOR CODE § 226(a));
16) 10. CONVERSION;
17) 11. VIOLATION OF BUSINESS &
18) PROFESSIONS CODE §17200;
19) 12. INJUNCTIVE RELIEF;
20) 13. PENALTIES UNDER CALIFORNIA
21) LABOR CODE PRIVATE
22) ATTORNEYS GENERAL ACT OF
23) 2004 (CAL. LABOR CODE § 2699, *et*
24) *seq.*);
25) 14. FAILURE TO PROVIDE PERSONNEL
26) RECORDS (CAL. LAB CODE §
27) 1198.5);
28) 15. WHISTLEBLOWER VIOLATIONS
CALIFORNIA LABOR CODE §§
1102.5, 96k AND 98.6;
16. WRONGFUL TERMINATION IN
VIOLATION OF PUBLIC POLICY.

JURY TRIAL DEMANDED

COMES NOW Plaintiffs MONICA R. GUILLEMIN WILLIAMS, and IMA BERNAL, (collectively “PLAINTIFFS”) on behalf of themselves and all other similarly situated individuals (hereinafter “CLASS”), and on behalf of the general public, and allege as follows:

INTRODUCTION

1. This is a Class Action, pursuant to Code of Civil Procedure § 382, on behalf of PLAINTIFFS and all individuals who currently work or formerly worked for Defendants THA HOME HEALTH CARE, INC. (“THA”); REGAL MEDICAL GROUP, INC. (“RMG”); HERITAGE PROVIDER NETWORK, INC. (“HPN”), ADNAN ABDELAZIZ; RICHARD

1 MERKIN; and SHEREEN ABDELAZIZ and DOES 1 to 50, inclusive (collectively referred to as
2 “DEFENDANTS”) who were knowingly and intentionally misclassified as independent contractors
3 within the State of California.

4 2. DEFENDANTS had a consistent policy of misclassifying their employees as
5 independent contractors, instead of employees, in order to gain an unfair workforce advantage.
6 DEFENDANTS knew or should have known that such classifications clearly violate the Labor Code
7 and IWC Wage Orders and run afoul of public policy. By misclassifying employees as independent
8 contractors, DEFENDANTS failed to pay them wages earned during the course of their employment
9 and upon separation of employment, failed to provide them with meal and rest periods or
10 compensation in lieu thereof, failed to reimburse their business expenses, failed to issue them
11 accurate itemized wages statements, failed to comply with Cal. Lab. Code § 2810.5, and failed to
12 comply with Lab. Code § 2802.

13 **THE PARTIES**

14 **A. PLAINTIFFS**

15 3. PLAINTIFFS Monica R. Guillemín Williams ("WILLIAMS") is a resident of California
16 who began her employment with Defendants since November 6, 2023 until her unlawful termination
17 on or about April 22, 2024. WILLIAMS held the position of physician assistant/associate and
18 served as a Wound Specialist for THA.

19 4. PLAINTIFFS Ima Bernal ("BERNAL") is a resident of California who was initially hired
20 by THA as a Patient Intake Coordinator, who was then informed that she was a Nursing Case
21 Manager. BERNAL was employed by THA from approximately June 2023 until her unlawful
22 termination on April 25, 2024.

23 5. PLAINTIFFS on behalf of themselves and the CLASS bring this Class Action to recover,
24 statutorily mandated employee benefits, among other things, unpaid wages for all hours worked,
25 including minimum and overtime wages, commissions, premiums for missed meal and rest break
26 periods, indemnification of business expenses, injunctive relief, declaratory relief, penalties for
27 failure to comply with various California Labor Code sections and the Industrial Welfare
28 Commission Wage Order 5-2001, (“IWO Wage Order 5”), out of pocket expenses (including payroll

1 taxes) that should have been paid by DEFENDANTS, interest, restitution, attorneys' fees, and costs,
2 and any other appropriate relief for DEFENDANTS' systematic pattern of violations of California
3 law which contributed to Defendants' deliberate unfair competition in direct violation of Bus. & Prof.
4 Code § 17200.

5 **B. DEFENDANTS**

6 6. At all relevant times alleged herein, PLAINTIFFS are informed and believe, and thereon
7 allege that THA HOME HEALTH CARE, INC. ("THA") is, and at all times relevant hereto was, a
8 California corporation, registered with the Secretary of State of California and authorized to conduct
9 business in the State of California and does conduct business in the State of California.

10 7. THA is a provider for in home health services for patients deemed "home bound" under
11 the criteria determined by the Centers for Medicare & Medicaid Services' ("CMS") *Health Plan*
12 *Management System* (HPMS). Both parties are engaged with treatment, administration, and or
13 support of *CMS/Health Plan* members.

14 8. THA alleges that it "is a leading, full-service home health agency dedicated to providing
15 personalized, compassionate, and high-quality healthcare services right in the comfort of our clients'
16 homes." <https://www.indeed.com/cmp/Tha-Home-Health-Care-Inc/about>.

17 9. THA is a provider for in home health services for patients deemed "home bound" under
18 the criteria determined by the Centers for Medicare & Medicaid Services' ("CMS") *Health Plan*
19 *Management System* (HPMS). Both parties are engaged with treatment, administration, and or
20 support of *CMS/Health Plan* members.

21 10. THA alleges that it "is a leading, full-service home health agency dedicated to providing
22 personalized, compassionate, and high-quality healthcare services right in the comfort of our clients'
23 homes." <https://www.indeed.com/cmp/Tha-Home-Health-Care-Inc/about>.

24 11. PLAINTIFFS are informed and believe, and thereon allege that Adnan Abdelaziz
25 ("ABDELAZIZ") is a resident of the State of California and the Chief Executive Officer of THA
26 with its principal place of business listed with the Secretary of the State of California as 10718 Civic
27 Center Dr., St. 201, Rancho Cucamonga, CA 91730. Notably, THA's operation and where its
28 employees performed services is located at 8291 Utica Ave, Rancho Cucamonga, CA 91730 ("the

1 Concealed Office”). THA would intentionally conceal this location from regulatory agencies
2 attempting to schedule site visits. For example, when a state regulatory agency scheduled a site visit,
3 THA misled the state regulatory agency that all its staff were working remotely, THA has no office,
4 and that the Montclair office was infested with mold – all of which was not true. THA just did not
5 want the state regulatory agency to know about the Concealed Office.

6 12. ABDELAZIZ directly oversees and controls THA’s operation and exercises and
7 continues to exercise significant control over THA’s employees’ overall terms and conditions of
8 employment.

9 13. PLAINTIFFS are informed and believe, and thereon allege that SHEREEN
10 ABDELAZIZ (“S. ABDELAZIZ”) is a resident of the State of California and THA’s Office
11 Manager. S. ABDELAZIZ directly oversees and controls THA’s operation and exercises and
12 continues to exercise significant control over THA’s employees’ overall terms and conditions of
13 employment.

14 14. PLAINTIFFS and the CLASS are informed and believe, and based thereon allege, that
15 S. ABDELAZIZ and ABDELAZIZ permitted, authorized, approved, and ratified the wrongful acts
16 and practices against the PLAINTIFFS and the CLASS.

17 15. S. ABDELAZIZ and ABDELAZIZ, are the owners and had the authority to hire and
18 terminate the PLAINTIFFS and the other members of the CLASS; to set work rules and conditions
19 governing PLAINTIFFS and the CLASS members’ employment; and to supervise their daily
20 employment activities, including but not limited to the payment of their wages and commissions.

21 16. At all relevant times alleged herein, PLAINTIFFS are informed and believe, and thereon
22 allege that Regal Medical Group, Inc., (“RMG”) is, and at all times relevant hereto was, a California
23 corporation, registered with the Secretary of State of California and authorized to conduct business
24 in the State of California and does conduct business in the State of California.

25 17. RMG purports to provide its members “access to one of the largest, physician-led
26 healthcare networks in Southern California. RMG allege that they contract with top doctors across
27 six-county SoCal service area to provide patients with quality care. “With more than 3,000+ primary
28 care doctors, 10,000+ specialists, and hundreds of hospitals, urgent care centers, and labs to choose

1 from, you can expect best-in-class care right in your neighborhood.”

2 <https://www.regalmed.com/about-us/our-doctors/>

3 18. At all relevant times alleged herein, PLAINTIFFS are informed and believe, and thereon
4 allege that Heritage Provider Network, Inc., (“HPN”) is, and at all times relevant hereto was, a
5 California corporation, registered with the Secretary of State of California and authorized to conduct
6 business in the State of California and does conduct business in the State of California.

7 19. HPN administers health care through the following private medical groups:

- 8 - Bakersfield Family Medical Center
- 9 - Coastal Communities Physician Network
- 10 - Desert Oasis Health Care
- 11 - High Desert Medical Group
- 12 - Heritage Victor Valley Medical Group
- 13 - Regal Medical Group
- 14 - Sierra Medical Group
- 15 - ADOC Medical Group

16 20. PLAINTIFFS are informed and believe, and thereon allege that Richard Merkin
17 (“MERKIN”) is a resident of the State of California. PLAINTIFFS are informed and believe, and
18 based thereon allege, that Defendant MERKIN is the Chief Executive Officer, Chief Financial
19 Officer, and Secretary of RMG with its principal place of business in located at 3115 Ocean Front
20 Walk, Ste. 301, Maria Del Rey, CA 90292. PLAINTIFFS are informed and believe, and based
21 thereon allege, that Defendant MERKIN is the Chief Executive Officer, Chief Financial Officer,
22 and Secretary of HPN with its principal place of business in located at 3115 Ocean Front Walk, Ste.
23 301, Maria Del Rey, CA 90292.

24 21. MERKIN directly oversees and controls RMG’s and HPN’s operation and exercised
25 and continues to exercise significant control over DEFENDANTS’ employees’ overall terms and
26 conditions of employment.

27 22. PLAINTIFFS and the CLASS are informed and believe, and based thereon allege, that
28 MERKIN permitted, authorized, approved, and ratified the wrongful acts and practices against the
PLAINTIFFS and the CLASS.

29 23. MERKIN had the authority to hire and terminate the PLAINTIFFS and the other
members of the CLASS; to set work rules and conditions governing PLAINTIFFS and the CLASS

1 members' employment; and to supervise their daily employment activities, including but not limited
2 to the payment of their wages and commissions.

3 24. PLAINTIFFS and the CLASS are unaware of the true names and capacities, whether
4 individual, corporate, associate, or otherwise of the DEFENDANTS sued herein as DOES 1 through
5 50, inclusive, and for that reason PLAINTIFFS sues said DEFENDANTS by such fictitious names
6 pursuant to § 474 of the California Code of Civil Procedure. PLAINTIFFS will file and serve an
7 amendment to this Cross-Complaint alleging the true names and capacities of these fictitiously
8 named DEFENDANTS when PLAINTIFFS knows such true names and capacities. PLAINTIFFS
9 and the CLASS are informed and believe, and based thereon allege, that each of the DOE
10 DEFENDANTS are in some manner liable to PLAINTIFFS and the CLASS for the events and
11 actions alleged herein. THA, RMG, HPN, S. ABDELAZIZ, ABDELAZIZ, MERKIN, and DOES
12 1 through 50, inclusive, are referred to collectively herein as "DEFENDANTS".

13 25. PLAINTIFFS and the CLASS are informed and believe, and based thereon allege that
14 at all times herein mentioned, each of the DEFENDANTS, whether named or fictitious, exercised
15 sufficient authority over the terms and conditions of PLAINTIFFS and the CLASS' employment
16 for them to be liable as the "employer" and/or "person" for the claims asserted in this Complaint,
17 including but not limited to, under Labor Code § 558.1 and §18, who violated or caused to be
18 violated California Labor Code or any provision regulating hours and days of work in any order of
19 the Industrial Welfare Commissions, as such are subject to penalties for each underpaid employee,
20 which includes an amount equal to the underpaid wages, which shall be paid to each affected
21 employee, as set forth in Labor Code § 558.

22 26. DEFENDANTS, including but not limited to S. ABDELAZIZ, ABDELAZIZ, and,
23 MERKIN's conduct form significant basis for the PLAINTIFFS' claims alleged herein. S.
24 ABDELAZIZ, ABDELAZIZ, and MERKIN are sued individually pursuant to Cal. Labor Code §
25 558, and 588.1 which defines "employer or other person acting on behalf of an employer" to include
26 a "natural person who is an owner, director, officer, or managing agent of the employer." Each S.
27 ABDELAZIZ, ABDELAZIZ, MERKIN in performing their duties, knew that their actions were
28

1 unlawful and intentionally acted anyway in denying PLAINTIFFS and the CLASS their rights under
2 California law.

3 27. S. ABDELAZIZ, ABDELAZIZ, and MERKIN each violated or caused the violations
4 alleged herein because each created, implemented, directed and/or enforced THA, RMG, and HPN's
5 employment practices and policies, including but not limited to, misclassifying employees as
6 independent contractors, meal and rest period policies, overtime policies, and failure to reimburse
7 for necessary business expenses.

8 28. S. ABDELAZIZ, ABDELAZIZ, and MERKIN each created, set and/or implemented
9 THA, RMG, HPN's policies, practices, and procedures regarding misclassifying employees as
10 independent contractors, payment of wages and commissions, overtime wages, and meal and rest
11 period premiums that resulted in the failure to pay PLAINTIFFS and the CLASS proper wages for
12 all hours worked.

13 29. S. ABDELAZIZ, ABDELAZIZ, and MERKIN each exercised day-to-day control
14 over PLAINTIFFS and the CLASS' employment, controlled and authorized payroll transactions,
15 and supervised THA, RMG, HPN's current and former employees.

16 30. PLAINTIFFS and the CLASS are informed and believe, and based thereon allege that
17 at all times relevant herein, each of the DEFENDANTS, whether named or fictitious, was an
18 employer, was the principle, agent, co-conspirator, partner, joint venturer, officer, director,
19 controlling shareholder, subsidiary, affiliate, parent corporation, successor in interest and/or
20 predecessor in interest of each of the other DEFENDANTS named herein, and, in doing the acts and
21 in carrying out the wrongful conduct alleged herein, was engaged with some or all of the other
22 DEFENDANTS in a joint enterprise for profit, and bore such other relationships to some or all of
23 the other DEFENDANTS so as to be liable for their conduct with respect to the matters alleged
24 herein.

25 31. At all times mentioned herein, PLAINTIFFS and the CLASS are further informed and
26 believe and thereon allege that each and every of the acts and omissions alleged herein were
27 performed by, and/or attributable to each of the DEFENDANTS, whether named or fictitious, each
28 acting as agents and/or employees, and/or under the directions and control of each of the other

1 DEFENDANTS and acting pursuant to and within the course and scope of the relationships alleged
2 above, and that all relevant times, each of the DEFENDANTS knew or should have known about,
3 authorized, ratified, adopted, approved, controlled, aided and abetted the conduct of all other
4 DEFENDANTS.

5 32. PLAINTIFFS and the CLASS are informed and believe and thereupon allege that
6 DEFENDANTS, and each of them, exercised sufficient degree of control over PLAINTIFFS and
7 the CLASS to render each of the DEFENDANTS the employer or joint employers of PLAINTIFFS
8 and the CLASS. Throughout PLAINTIFFS' employment the DEFENDANTS assigned work to
9 PLAINTIFFS and the CLASS, and directed each in the performance thereof, to which end
10 PLAINTIFFS and the CLASS were required to report to each of the DEFENDANTS on a regular
11 basis and did so report. DEFENDANTS each had the authority to control the terms and conditions
12 of PLAINTIFFS' employment; set work rules and conditions governing PLAINTIFFS'
13 employment; and to supervise their daily employment activities. As result of sufficient authority
14 and exercise of control over the terms and conditions of PLAINTIFFS and the CLASS'
15 employment, DEFENDANTS, and each of them, are joint employers of PLAINTIFFS and the
16 CLASS, and each of them, is jointly and severally liable to PLAINTIFFS and the CLASS for the
17 damages alleged herein.

18 33. As a direct and proximate result of the unlawful actions of DEFENDANTS,
19 PLAINTIFFS and the CLASS have suffered and continue to suffer from loss of earnings in amounts
20 as yet unascertained, but subject to proof at trial and within the jurisdiction of this Court.

21 34. At all relevant times herein, PLAINTIFFS and the CLASS were employed by
22 DEFENDANTS under employment agreements, including commissions agreement, that were oral,
23 and partly implied. In perpetrating the acts and omissions alleged herein, DEFENDANTS, and each
24 of them, acted pursuant to and in furtherance of their policies and practices of not paying
25 PLAINTIFFS for all hours worked, including minimum and overtime wages; failing to properly
26 classify workers as employees entitling to statutory mandated benefits; failing to pay payroll taxes;
27 failing to provide compliant meal periods; failing to authorize and permit rest periods; failing to
28 provide accurate itemized wage statements; failure to timely pay wages due upon termination of

1 employment; failing to reimburse and indemnify PLAINTIFFS and the CLASS for expenditures in
2 discharge of their duties; failing to properly maintain records; failing to provide paid sick leave; and
3 requiring employees and applicants to agree to illegal employment terms and conditions of
4 employment. By doing the unlawful acts alleged herein, DEFENDANTS decreased their
5 employment-related costs and obtained unfair advantage over their law-abiding competitors;
6 therefore, engaged in unfair competition.

7 35. PLAINTIFFS bring this lawsuit seeking injunction, declaratory relief, restitution, and
8 monetary relief against DEFENDANTS on behalf of himself and all other current and former
9 employees of DEFENDANTS to recover, among other things, restitution, unpaid wages, interest,
10 penalties, liquidated damages, attorney's fees and costs pursuant to California Labor Code 201, 202,
11 203, 226, 226.3, 226.7, 432.5, 510, 512, 558, 558.1, 1194, 1198, and 2802, 2810.5 and the Business
12 and Professions Code §§ 16600, 17200 *et seq.*

13 **JURISDICTION**

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

18 37. Venue is proper in this Court because, upon information and belief, DEFENDANTS
19 maintain offices, have agents, and/or transact business in the State of California, county of Orange.
20 DEFENDANTS' illegal policies and practices which are the subject of this action were also applied
21 in the State of California, County of Orange, and because records relevant and related to this action
22 are maintained in this county. THA, RMG, and HPN's main place of business is in this judicial
23 district.

24 **FACTUAL BACKGROUND**

25 38. PLAINTIFFS make the allegations in this Complaint without any admission to any
26 particular allegation. PLAINTIFFS bears the burden of pleading, proving, or persuading and
27 PLAINTIFFS reserve the right to plead the alternative.
28

1 39. As part of their compensation, PLAINTIFFS and the CLASS received hourly wages
2 for the work performed while employed with DEFENDANTS and were classified as independent
3 contractors.

4 40. DEFENDANTS held PLAINTIFFS and the CLASS to a strict work schedule, set
5 strict standards, policies, and procedures, which apply uniformly to the entire CLASS and that
6 DEFENDANTS require and expect the CLASS to carefully follow. DEFENDANTS routinely
7 monitor the details of the work of the CLASS to ensure strict adherence to DEFENDANTS'
8 standards, policies, and procedures.

9 41. DEFENDANTS' policy and practice and unrealistic imposition of work schedules
10 and work demands did not permit PLAINTIFFS and the CLASS to take meal and rest breaks.
11 PLAINTIFFS and the CLASS were unable to complete their job requirements without working
12 through meal and rest breaks and/or working before and after their scheduled shifts.

13 42. Additionally, PLAINTIFFS and the CLASS' meal and rest breaks, if taken, were
14 frequently interrupted by DEFENDANTS' practice of requiring PLAINTIFFS and the CLASS to
15 answer calls at all times in order to respond to calls from customers. PLAINTIFFS and the CLASS
16 were pressured and specifically instructed to meet their job requirement through DEFENDANTS'
17 policy of disciplining and/or terminating those who did not meet the job requirements imposed by
18 DEFENDANTS.

19 43. As a direct result of DEFENDANTS' work demands, policies, and procedures, and
20 directives, PLAINTIFFS and the CLASS did not have the ability to regularly take a daily meal
21 break, much less a daily one-half hour uninterrupted meal period before the end of the 1st five (5)
22 hour of work as is required by California law. PLAINTIFFS and the CLASS also did not take any
23 rest breaks throughout the workday.

24 44. DEFENDANTS knew or should have known that PLAINTIFFS and the CLASS
25 routinely worked through their meal and rest breaks, and before and after their scheduled shifts
26 without compensation.

27 45. DEFENDANTS knew or should have known that PLAINTIFFS and the CLASS were
28 entitled to receive certain wages for overtime compensation, and that they were not receiving
overtime compensation.

1 46. DEFENDANTS knew or should have known that PLAINTIFFS and the CLASS were
2 entitled to receive minimum wages, and that they were not receiving said minimum wages.

3 47. DEFENDANTS failed to compensate PLAINTIFFS and the CLASS premium pay
4 for missed meal and rest break periods, equal to one additional hour of pay at PLAINTIFFS and the
5 CLASS' regular rate of pay when a meal and/or a rest period was missed.

6 48. DEFENDANTS' engage in a policy and practice of coercing and compelling
7 PLAINTIFFS and the CLASS to for supplies, cellphone, computer, and other expenses to carry out
8 DEFENDANTS' business.

9 49. DEFENDANTS engage in a policy and practice of violating California Labor Code
10 246(a) by failing to provide PLAINTIFFS and the CLASS with paid sick days to accrue at a rate of
11 not less than one hour per every 30 hours worked, or in the alternative comply with the requirements
12 of section 246(b)(1) or 246(f).

13 50. PLAINTIFFS are informed and believe, and thereon allege, that DEFENDANTS
14 knew or should have known that DEFENDANTS were obligated to provide PLAINTIFFS and the
15 CLASS with paid sick leave benefits but failed to do so.

16 51. DEFENDANTS engage in a policy and practice of violating California Labor Code
17 §§ 246(i) by failing to provide PLAINTIFFS and the CLASS with written notices setting forth the
18 amount of paid sick leave available, or PTO leave that DEFENDANTS provide in lieu of sick leave,
19 for use either on each employees' itemized wage statements as described in Section 226 or in a
20 separate writing provided on the designated pay date with each employees' payment of wages.

21 52. DEFENDANTS engage in a policy and practice of completely failing to issue
22 itemized wage statements to PLAINTIFFS and the CLASS in compliance with the statutory
23 requirement of §226(a) which requires employers to maintain accurate records for each employee's
24 hours of work and to provide each employee with an accurate wage statements in writing setting
25 forth, among other things, the gross wages earned; total hours worked by the employee; net wages
26 earned; all applicable hourly rates in effect during the pay period and the corresponding number of
27 hours worked at each hourly rate by the employee, and all deductions made.

28 53. DEFENDANTS knew or should have known that PLAINTIFFS and the CLASS were
entitled to receive itemized wage statements or separate written statements showing the amount of
paid sick leave available, or paid time off provided in lieu of sick leave. In violation of the California

1 Labor Code, DEFENDANTS failed to provide PLAINTIFFS and the CLASS with itemized wage
2 statements or separate written statements showing this information.

3 54. DEFENDANTS failed to maintain records documenting PLAINTIFFS and the
4 CLASS' accrued and used sick leave in violation of Labor Code § 247.5(a).

5 55. PLAINTIFFS are informed and believe, and thereon allege that DEFENDANTS
6 engage in a policy and practice of failing to maintain payroll records, and records pertaining to
7 current and former employees within the state in violation of Labor Code § 1174(d).

8 56. PLAINTIFFS are informed and believe, and thereon allege, that DEFENDANTS
9 knew or should have known that they had a duty to maintain accurate and complete payroll records
10 in this state in accordance with the Labor Code and applicable IWC Wage Order, but willfully,
11 knowingly, and intentionally failed to do so.

12 **PLAINTIFFS EXHAUSTED THEIR ADMINISTRATIVE REMEDIES**

13 57. PLAINTIFFS met all the jurisdictional requirements of proceeding with claims for
14 civil penalties under the PAGA, codified at Labor Code, Section 2698 *et seq.* by timely giving
15 written notice in the manner required by Labor Code §2699.3 at the time of filing. Specifically, on
16 April 11, 2025, PLAINTIFFS exhausted their administrative remedies by notifying DEFENDANTS
17 via certified U. S. Mail, by electronic mail to Labor and Workforce Development Agency
18 ("LWDA") a true and correct copy is attached and incorporated by reference as Exhibit "1". The
19 notice filed with LWDA was accompanied by a filing fee of seventy-five dollars (\$75) pursuant to
20 § 2699.3(c)(1)(B).

21 58. Once more than 65 days elapses after PLAINTIFFS' notification letter was sent to
22 LWDA, and PLAINTIFFS' counsel receives no notice from LAWDA stating their intention to
23 investigate or prosecute the claims, PLAINTIFFS will amend this Complaint pursuant to Lab. Code
24 § 2699.3(a)(2)(C), "as a matter of right" to add a cause of action arising under PAGA.

25 **CLASS ACTION DESIGNATION**

26 59. PLAINTIFFS bring this Complaint as a class action, on behalf of themselves and all
27 persons within the CLASS, pursuant to California Code of Civil Procedure §382, as the code
28 authorizes "one or more may sue or defend for the benefit of all" "when the question is one of a
common or general interest of many persons" and "its impracticable to bring them all before the

court”; California Code of Civil Procedure §§ 428.10 - 428.30; and California Business and Professions Code § 17200 *et seq.* as follows:

THE CLASS

60. All current and former employees, who were employed by DEFENDANTS in the State of California for a period of time within the four (4) years preceding the filing of this action until the time of trial, “THE RELEVANT TIME PERIOD,” that were classified as independent contractors, who were subjected to DEFENDANTS’ unlawful acts as stated herein.

61. PLAINTIFFS reserve the right under Rule 3.765, California Rules of Court, to amend or modify the CLASS description with greater specificity or further division into subclasses or limitations to particular issues.

62. This action has been brought and may properly be maintained as a class action under the provisions of § 382 of the Code of Civil Procedure because there is a well-defined community of interest in the litigation and the proposed CLASS is easily ascertainable. This action is appropriately suited for a Class Action because:

63. **Ascertainable Class:** The CLASS is ascertainable in that its members may be identified and located using information contained in DEFENDANTS’ personnel records.

64. **Numerosity:** The potential members of the CLASS as defined are so numerous that joinder of all members of the CLASS is impracticable. While the precise size of the CLASS has not been ascertained at this time, PLAINTIFFS is informed and believe, and based thereon allege, that DEFENDANTS currently employee, and during THE RELEVANT TIME PERIOD employed, approximately 200 persons in the State of California who fall within the CLASS definition.

65. Accounting for employees’ turnover during THE RELEVANT PERIOD necessarily increases this number. PLAINTIFFS allege that DEFENDANTS’ employment records would provide information as to the number and location of members of the CLASS. Joinder of members of the CLASS is not practicable.

66. **Common Questions of Fact or Law:** This action involves questions of law and fact common to the CLASS that predominate over questions affecting only individual class members. The common questions of law and fact focuses on DEFENDANTS’ systematic course of illegal practices and policies, which were applied to the entire CLASS in violation of the California Labor Code, IWC Orders, the California Business and Professions Code, which prohibits unfair business

1 practices arising from such violations. These common questions of law and fact include, without
2 limitations:

- 3 a. Whether DEFENDANTS misclassified PLAINTIFFS and the CLASS as independent
4 contractors;
- 5 b. Whether DEFENDANTS required PLAINTIFFS and the CLASS to work over eight
6 (8) hours per day and/or over forty (40) hours per week and failed to pay for all hours
7 worked;
- 8 c. Whether DEFENDANTS required PLAINTIFFS and the CLASS to work over eight
9 (8) hours per day and/or over forty (40) hours per week and failed to pay the legally
10 required overtime compensation to PLAINTIFFS and the CLASS;
- 11 d. Whether DEFENDANTS deprived PLAINTIFFS and the CLASS of meal periods or
12 required PLAINTIFFS and the CLASS to work during meal periods without
13 compensation;
- 14 e. Whether DEFENDANTS deprived PLAINTIFFS and the CLASS of rest periods or
15 required PLAINTIFFS and the CLASS to work during rest periods without
16 compensation;
- 17 f. Whether DEFENDANTS failed to reimburse PLAINTIFFS and the CLASS for
18 necessary business expenses incurred in the performance of their job duties, in
19 violation of Labor Code §2802;
- 20 g. Whether DEFENDANTS failed to timely pay all wages due to PLAINTIFFS and the
21 CLASS during their employment;
- 22 h. Whether DEFENDANTS failed to issue accurately itemized wage statements to
23 PLAINTIFFS and the CLASS, in violation of Labor Code §§ 226(a);
- 24 i. Whether DEFENDANTS kept complete and accurate payroll records as required by
25 California Labor Code, including, inter alia, section 1174(d);
- 26 j. Whether DEFENDANTS paid PLAINTIFFS and the former CLASS members their
27 final wages beyond the time frames set forth in Labor Code §§ 201-203;
- 28 k. Whether DEFENDANTS' conduct of misclassifying employees as independent

contractor was voluntary and intentional;

- l. Whether DEFENDANTS failed to properly record all hours worked;
- m. Whether DEFENDANTS failed to memorialize commission agreements in writing;
- n. Whether DEFENDANTS engaged in unfair business practices in violation of California Business & Professions Code section 17200, *et seq.*

67. **Typicality:** The claims of the PLAINTIFFS are typical of the CLASS because DEFENDANTS subjected all of their employees to identical violations of the California Labor Code, IWC Wage Order, and California Business and Professions Code by, *inter alia*, misclassifying them as independent contractor; failing to pay them for all hours worked; failing to pay them minimum and overtime wages; failing to reimburse them for reasonable business expenses incurred in the discharge of their duties; failing to properly maintain their payroll records; failing to provide them with accurate itemized statements for each pay period; failing to authorize or permit them to take meal and rest breaks as required by California law; and requiring them to agree to illegal terms and conditions of employment.

68. **Adequacy of Representation:** PLAINTIFFS are fully prepared to take all necessary steps to represent fairly and adequately the interest of the members of the CLASS. PLAINTIFFS have no interests that are adverse to the interests of the CLASS. PLAINTIFFS' attorneys are ready, able and willing to fully and adequately represent the CLASS and PLAINTIFFS. PLAINTIFFS have incurred, and during the pendency of this action will continue to incur, costs and attorneys' fees, that have been, are and will be necessarily expended for the prosecution of this action for the substantial benefit of each CLASS member.

69. **Superiority of Class Action:** A class action is superior to other available means for the fair and efficient adjudication of this controversy. Individual joinder of all proposed members of the CLASS is not practicable, and questions of law and fact common to the proposed CLASS predominate over any questions affecting only individual members of the proposed CLASS. Each member of the proposed CLASS has been damaged and is entitled to recovery by reason of DEFENDANTS' illegal policies and/or practices.

70. **Public Policy Consideration:** Certification of this lawsuit as a class action will advance public policy objectives. Employers of this state violate employment and labor laws every day. Current employees are often afraid to assert their rights out of fear of direct or indirect

1 retaliation. However, class actions provide the class members who are not named in the Complaint
2 anonymity that allows for the vindication of their rights.

3 71. Class action treatment will allow those similarly situated persons to litigate their
4 claims in the manner that is most efficient and economical for the parties and the judicial system.
5 PLAINTIFFS are unaware of any difficulties that are likely to be encountered in the management
6 of this action that would preclude its maintenance as a class action. Individualized litigation would
7 also present the potential for inconsistent or contradictory judgments, in addition of duplication of
8 efforts and expenses.

9 **FIRST CAUSE OF ACTION**
10 **MISCLASSIFICATION AS INDEPENDENT CONTRACTOR**
11 **(LABOR CODE §§ 2750.3, 226.8)**
12 **(AGAINST ALL DEFENDANTS)**

13 72. PLAINTIFFS repeat and re-allege all allegations contained in preceding paragraphs
14 as though fully set forth in this cause of action, and incorporates them by reference, and further allege:

15 73. Labor Code § 3353 defines "Independent Contractor" as "any person who renders
16 service for a specified recompense for a specified result, under the control of his principal as to the
17 result of his work only and not as to the means by which such result is accomplished."

18 74. Labor Code § 2750.3 provides in pertinent part that "a person providing labor or
19 services for remuneration shall be considered an employee rather than an independent contractor
20 unless the hiring entity demonstrates that all of the following conditions are satisfied:

21 (A) The person is free from the control and direction of the hiring entity in connection with
22 the performance of the work, both under the contract for the performance of the work and in
23 fact.

24 (B) The person performs work that is outside the usual course of the hiring entity's business.

25 (C) The person is customarily engaged in an independently established trade, occupation, or
26 business of the same nature as that involved in the work performed."

27 75. DEFENDANTS, as a matter of established company policy and procedure
28 consistently:

- a. Administered and continue to administer a uniform company policy and practice regarding the duties and responsibilities of the members of the Class.
- b. Administered and continue to administer a uniform company policy and practice regarding the payment of wages to the members of the CLASS;
- c. Treated and continue to treat the members of the CLASS as Independent Contractors to avoid the payment of wages and other benefits in violation of the Labor Code and IWC Wage Orders;
- d. Controlled and continue to control the work performed by, the manner, and the means in which the work was performed by the members of the CLASS; and
- e. Disseminated false information throughout DEFENDANTS' facilities and amongst DEFENDANTS' employees reciting that, under DEFENDANTS' labor policies and practices and under California law, the members of the CLASS were properly classified as Independent Contractors.

76. The PLAINTIFFS and the CLASS were inappropriately misclassified by DEFENDANTS as Independent Contractors because:

(A) PLAINTIFFS and the CLASS are not free from the control and direction of the DEFENDANTS in connection with the performance of the work. In fact, the PLAINTIFFS and the CLASS were controlled by DEFENDANTS as to both the result of their work and as to the means by which results were accomplished. PLAINTIFFS and the CLASS did not in fact have the right to control or discretion as to the manner of performance of their services.

(B) PLAINTIFFS and the CLASS do not perform work that is outside the usual course of the hiring entity's business.

(C) PLAINTIFFS and the CLASS are not customarily engaged in an independently established trade, occupation, or business of the same nature as that involved in the work performed for DEFENDANTS.

77. PLAINTIFFS and the CLASS did not meet the bona fide Independent Contractor status in that they did not ordinarily and customarily:

- i) substantially invest other than personal services in the business;

- ii) hold out to be in business for themselves;
- iii) bargain for contracts to complete a specific project for compensation;
- iv) control the time and place their work is performed;
- v) supply tools and instrumentalities used in the work other than those normally and customarily provided by employees;
- vi) hire employees;
- vii) perform work that is not ordinarily in the course of the principal's work;
- viii) perform work that requires a particular skill;
- ix) hold a license pursuant to the Business and Professions Code;
- x) intend a work relationship of an Independent Contractor status; and/or
- xi) intend a work relationship that is not severable or terminable at will by the principal but gives rise to an action for the breach of contract.

78. DEFENDANTS' pattern, practice and uniform administration of corporate policy regarding illegal employment classification as described herein is unlawful and creates an entitlement to recovery by the members of the CLASS, in a civil action, for reimbursement of the appropriate withholding of federal, state, and local income taxes based upon a flat withholding rate for supplemental wage payments in accordance with Treas. Reg. § 31.3402(g)-1(a)(2) as amended or supplemented, and any corresponding state or local law, and the CLASS members' share of FICA, Medicare, and state and local employment taxes that were improperly not paid by DEFENDANTS as a result of the independent contractor classification.

79. Labor Code § 226.8(a)(1) states "It is unlawful for any person or employer to engage in any of the following activities:

- (1) Willful misclassification of an individual as an independent contractor.
- (2) Charging an individual who has been willfully misclassified as an independent contractor a fee, or making any deductions from compensation, for any purpose, including for goods, materials, space rental, services, government licenses, repairs, equipment maintenance, or fines arising from the individual's employment where any of the acts described in this paragraph would have violated the law if the individual had not been misclassified."

1 80. "Willful misclassification" is defined by Labor Code § 226.8(i)(4) as "avoiding
2 employee status for an individual by voluntarily and knowingly misclassifying that individual as an
3 independent contractor."

4 81. Labor Code § 226.8(b) provides that if a court issues a determination that
5 DEFENDANTS have violated Labor Code § 226.8(a), DEFENDANTS shall be subject to a civil
6 penalty: between \$ 5,000 and \$ 15,000 for each violation, in addition to any other penalties or fines
7 permitted by law.

8 82. Further, Labor Code § 226.8(c) provides that if a court issues a determination that
9 DEFENDANTS have violated Labor Code § 226.8(a) and has engaged or is engaging in a pattern or
10 practice of these violations, DEFENDANTS shall be subject to a civil penalty between \$ 10,000 and
11 \$ 25,000 for each violation, in addition to any other penalties or fines permitted by law.

12 83. Here, as set forth above, DEFENDANTS willfully misclassified PLAINTIFFS and
13 the CLASS, and have engaged and continue to engage in a pattern and practice of these violations.
14 Therefore, DEFENDANTS are subject to a civil penalty between \$ 10,000 and \$ 25,000 for each
15 violation, in addition to any other penalties or fines permitted by law.

16 **SECOND CAUSE OF ACTION**
17 **FAILURE TO PAY CALIFORNIA OVERTIME COMPENSATION**
18 **(In Violation of CAL. LAB. CODE §§ 510, 1194, 1198; IWC WAGE ORDER NO.4.)**
19 **(AGAINST ALL DEFENDANTS)**

20 84. PLAINTIFFS repeat and re-allege all allegations contained in preceding paragraphs
21 as though fully set forth in this cause of action, and incorporates them by reference, and further allege:

22 85. During the RELEVANT TIME PERIOD, PLAINTIFFS and the CLASS are and were
23 "non-exempt" employees of DEFENDANTS that were misclassified as independent contractors and
24 did not receive any compensation for work performed in excess of 8 hours per day, and/or 40 hours
25 per week regardless of the number of hours actually worked.

26 86. In addition, misclassifying the PLAINTIFFS and the CLASS as independent
27 contractor deprived PLAINTIFFS and the CLASS proper protections and benefits of the laws
28 governing the payment of wages for all hours worked and overtime wages.

1 87. During the RELEVANT TIME PERIOD, PLAINTIFFS and the CLASS regularly
2 and/or consistently worked in excess of eight (8) hours in a workday, and/or in excess of forty (40)
3 hours in a workweek. The precise number of overtime hours will be proven at trial. Despite the
4 hours worked by PLAINTIFFS and the CLASS, DEFENDANTS intentionally, willfully, in bad faith,
5 and in knowing violation of the California Labor Code, and the applicable IWC Wage Order failed
6 and refused to compensate PLAINTIFFS and the CLASS for all of the overtime wages earned.

7 88. At all relevant times, DEFENDANTS were aware of, and were under a duty to comply
8 with, the overtime provisions of the IWO Wage Orders, and California Labor Code including, but
9 not limited to, California Labor Code §§510, 1194 and 1198.

10 89. The IWC Wage Order provides that DEFENDANTS are and were required to pay
11 PLAINTIFFS and the CLASS employed by DEFENDANTS, and working more than eight (8) hours
12 in a day or more than forty (40) hours in a workweek, at a rate of time-and-one half for all hours
13 worked in excess of eight (8) hours in a day or more than forty hours (40) in a workweek.

14 90. The Applicable IWC Wage Order further provides that DEFENDANTS are and were
15 required to pay PLAINTIFFS and the CLASS overtime compensation at the rate of two times their
16 regular rate of pay for all hours worked in excess of twelve (12) hours in a day.

17 91. California Labor Code § 510 codifies the right to overtime compensation and
18 provides, in pertinent part:

19 “Any work in excess of eight hours in one workday and any work in excess of 40 hours in
20 any one workweek and the first eight hours worked on the seventh day of work in any one
21 workweek shall be compensated at the rate of no less than one and one-half times the regular
22 rate of pay for an employee.”

23 92. California Labor Code §1194, in pertinent part, provides:

24 “Notwithstanding any agreement to work for a lesser wage, any employee receiving less than
25 the legal minimum wage or the legal overtime compensation applicable to the employee is
26 entitled to recover in a civil action the unpaid balance of the full amount of this minimum
27 wage or overtime compensation, including interest thereon, reasonable attorney’s fees and
28 cost of the suit.”

29 93. California Labor Code §1198, in pertinent part, provides:

30 “(t) he maximum hours of work and the standard conditions of labor fixed by the commission
shall be the maximum hours of work and the standard conditions of labor for employees. The
employment of any employee for longer hours than those fixed by the order or under

conditions of labor prohibited by the order is unlawful.”

94. By refusing to compensate PLAINTIFFS and the CLASS for all hours worked, and for overtime wages earned, DEFENDANTS violated those California Labor Code provisions cited herein as well as the applicable IWC Wage Order, and their actions are therefore unlawful.

95. PLAINTIFFS and the CLASS are entitled to receive overtime compensation for all hours worked in excess of eight (8) hours in one workday and any work in excess of forty (40) hours in any workweek and the first eight hours worked on the seventh day of work in any one workweek at the rate of no less than one and one half times the regular rate of pay for each employee. In determining the regular rate of pay for each CLASS member, all remuneration paid to each, including but not limited to commissions, must be calculated.

96. As a direct and proximate result of DEFENDANTS’ unlawful conduct, as set forth therein, PLAINTIFFS and the CLASS have sustained damages, including loss of earnings for hours worked, hours of overtime worked, in an amount to be established at trial.

97. Pursuant to California Labor Code §1194, PLAINTIFFS and the CLASS are entitled to recover unpaid overtime compensation and double time compensation, including interest thereon.

98. PLAINTIFFS and the CLASS are also entitled to recover reasonable attorneys’ fees and costs, pursuant to California Labor Code §1194(a).

99. During the RELEVANT TIME PERIOD, DEFENDANTS were and are the PLAINTIFFS and the CLASS employers and/or persons acting on behalf of the DEFENDANTS, within the meaning of California Labor Code § 558, who violated or caused to be violated any section of the wage order regulating the days and hours worked and, as such are individually liable to each member of the CLASS for each such violations as set forth in the California Labor Code.

100. Labor Code § 558 imposes upon DEFENDANTS, for each initial violation, a penalty of \$50.00 for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount sufficient to recover the underpaid wages, which shall be paid to each affected employee. Furthermore, Labor Code § 558 imposes upon DEFENDANTS, for each subsequent violation, a penalty of \$100.00 for each underpaid employee for each pay period for

1 which the employee was underpaid, in addition to an amount sufficient to recover the underpaid
2 wages, which shall be paid to each affected employee.

3 101. PLAINTIFFS on behalf of themselves and the CLASS seek all available remedies for
4 DEFENDANTS' violations including any and all wages due, penalties, monies, interest, attorney's
5 fees, and costs to the extent permitted by law.

6 WHEREFORE, PLAINTIFFS pray for relief as hereinafter requested.

7
8 **THIRD CAUSE OF ACTION**
9 **FAILURE TO PROVIDE MEAL PERIODS**
10 **(In Violation of IWC Wage Order 4-2001, CAL. LAB. CODE §§ 226.7, 512)**
11 **(AGAINST All DEFENDANTS)**

12 102. PLAINTIFFS repeat and re-allege all allegations contained in preceding paragraphs
13 as though fully set forth in this cause of action, and incorporates them by reference, and further allege:

14 103. During the RELEVANT TIME PERIOD, the IWC Wage Order and California Labor
15 Code sections 226.7 and 512 were applicable to PLAINTIFFS and the CLASS employed by
16 DEFENDANTS.

17 104. During the RELEVANT TIME PERIOD, PLAINTIFFS and the CLASS are and were
18 "non-exempt" employees of DEFENDANTS that were misclassified as independent contractors and
19 did not receive meal periods or premium pay in lieu of meal periods.

20 105. During the RELEVANT TIME PERIOD, DEFENDANTS were aware of, and under
21 a duty to comply with, California Labor Code §§226.7 and 512.

22 106. California Labor Code §226.7 provides:

23 "(a) No employer shall require any employee to work during any meal or rest period
24 mandated by an applicable order of the Industrial Welfare Commission.

25 (b) If an employer fails to provide an employee a meal period or rest period in accordance
26 with an applicable order of the Industrial Welfare Commission, the employer shall pay
27 the employee one additional hour of pay at the employee's regular rate of compensation
28 for each work day that the meal or rest period is not provided."

Moreover, California Labor Code §512 provides:

An employer may not employ an employee for a work period of more than five hours per
day without providing the employee with a meal period of not less than 30 minutes, except
that if the total work period per day of the employee is no more than six hours, the meal

1 period may be waived by mutual consent of both the employer and employee. An
2 employer may not employ and employee for a work period of more than 10 hours per day
3 without providing the employee with a second meal period no not less than 30 minutes,
except that if the total hours worked is no more than 12 hours, the second meal period
maybe waived by mutual consent of the employer and the employee only if the first meal
period was not waived.

4 107. Sections 11 and 12 of IWC Wage Order 4 mandate that the employer provide all
5 applicable meal periods to employees.

6 108. Section 11 of the applicable IWC Wage Order provides in pertinent part:

7 “No employer shall employ any person for a work period of more than of not less than 30
8 minutes... Unless the employee is relieved of all duty during a 30-minute meal period, the
9 meal period shall be considered an “on duty” meal period and counted as time worked.

10 If an employer fails to provide an employee a meal period in accordance with the
11 applicable provisions of this order the employer shall provide the employee one (1) hour
of pay at the employee ‘s regular rate of compensation for each workday that the meal
period is not provided.

12 109. PLAINTIFFS and the CLASS regularly and consistently worked eight (8) hours or
13 more per day but were not provided an uninterrupted, thirty-minute meal period within the first five
14 hours of work each day. By failing to consistently provide PLAINTIFFS and each member of the
15 CLASS an uninterrupted thirty-minute meal period within the first five hours of work each day,
16 DEFENDANTS violated the California Labor Code and applicable IWC Wage Order provisions.

17 110. During the RELEVANT TIME PERIOD, DEFENDANTS intentionally and willfully
18 required PLAINTIFFS and the CLASS to work during meal periods and failed to compensate
19 PLAINTIFFS and the CLASS the full meal period premium for work performed during meal periods.

20 111. PLAINTIFFS are informed and believe and on that basis allege, that DEFENDANTS
21 have never paid the one-hour compensation as a premium payment for PLAINTIFFS or any member
22 of the CLASS due to their violation of the California Labor Code and applicable IWC Wage Order
23 provisions.

24 112. DEFENDANTS’ conduct violates the applicable IWC Wage Order and California
25 Labor Code sections 226.7 and 512(a).

1 113. As a direct and proximate result of DEFENDANTS unlawful conduct, as set forth
2 herein, PLAINTIFFS and the CLASS have sustained damages including loss of compensation
3 resulting from missed meal periods, in an amount to be established at trial.

4 114. Pursuant to applicable IWC Wage Order and California Labor Code section 226.7(b),
5 PLAINTIFFS and the CLASS are entitled to recover from DEFENDANTS one additional hour of
6 pay at the employee's regular rate of compensation for each workday the meal or rest period is not
7 provided. In determining the regular rate of pay for each CLASS member, all remuneration paid to
8 each, including but not limited to commission, must be calculated.

9 115. During the RELEVANT TIME PERIOD, DEFENDANTS were and are the
10 PLAINTIFFS' employers and/or persons acting on behalf of the DEFENDANTS, within the meaning
11 of California Labor Code § 558, who violated or caused to be violated any section of the wage order
12 regulating the days and hours worked and, as such are individually liable to each member of the
13 CLASS for each such violations as set forth in the California Labor Code.

14 116. Labor Code § 558 imposes upon DEFENDANTS, for each initial violation, a penalty
15 of \$50.00 for each underpaid employee for each pay period for which the employee was underpaid
16 in addition to an amount sufficient to recover the underpaid wages, which shall be paid to each
17 affected employee. Furthermore, Labor Code § 558 imposes upon DEFENDANTS, for each
18 subsequent violation, a penalty of \$100.00 for each underpaid employee for each pay period for
19 which the employee was underpaid, in addition to an amount sufficient to recover the underpaid
20 wages, which shall be paid to each affected employee.

21 117. As a direct result of DEFENDANTS' violations alleged herein, PLAINTIFFS and the
22 CLASS have suffered and continue to suffer loss of wages and compensation, all in amounts to be
23 shown according to proof at trial and within the jurisdiction limitations of this Court. PLAINTIFFS
24 and the CLASS seek all available remedies for DEFENDANTS' violations including, but not limited,
25 to any and all wages due, penalties, monies, interest, attorney's fees, and costs to the extent permitted
26 by law.

27 WHEREFORE, PLAINTIFFS pray for relief as hereinafter requested.
28

FOURTH CAUSE OF ACTION
FAILURE TO AUTHORIZE AND PERMIT REST BREAKS
(In Violation of IWC Wage Order 4-2001, CAL. LAB. CODE § 226.7)
(AGAINST ALL DEFENDANTS)

118. PLAINTIFFS repeat and re-allege all allegations contained in preceding paragraphs as though fully set forth in this cause of action, and incorporates them by reference, and further allege:

119. During the RELEVANT TIME PERIOD, the IWC Wage Order and California Labor Code sections 226.7 and 512 were applicable to PLAINTIFFS and the CLASS employed by DEFENDANTS.

120. During the RELEVANT TIME PERIOD, PLAINTIFFS and the CLASS were and continue to be “non-exempt” employees of DEFENDANTS misclassified as independent contractors and did not receive rest periods or premium pay in lieu of rest periods.

121. During the RELEVANT TIME PERIOD, DEFENDANTS were aware of and under a duty to comply with, California Labor Code §226.7 and Section 12 of Wage Order 7-2001.

122. California Labor Code. §226.7 states

“no employer shall require any employee to work during any meal or rest period mandated by an applicable order of the Industrial Welfare Commission.”

Section 12 of Wage Order No. 4-2001 provides in relevant part that:

(A) Every employer shall authorize and permit all employees to take rest periods, which in so far as practicable shall be in the middle of each work period., The authorized rest period time shall be based on the total hours worked daily at the rate of ten (10 minutes net rest time per four (4) hours or major fraction thereof. However, a rest period need not be authorized for employees whose total daily work time is less than three and one-half (3 ‘A) hours. Authorized rest period time shall be counted as hours worked for such there shall be no deduction from wages.

123. During the RELEVANT TIME PERIOD, DEFENDANTS willfully required PLAINTIFFS and the CLASS to work four (4) or more hours without authorizing or permitting a ten (10) minute rest period per each four (4) hours period worked.

124. During the RELEVANT TIME PERIOD, DEFENDANTS willfully required PLAINTIFFS and the CLASS to work during rest periods and failed to pay PLAINTIFFS and the CLASS the full rest period premium for work performed during rest periods.

1 125. If an employer fails to provide an employee a rest period in accordance with the
2 applicable provisions of this order, the employer shall pay the employee one (1) hour of pay at that
3 employee's regular rate of compensation for each work day that the rest period is not provided.

4 126. During the RELEVANT TIME PERIOD, DEFENDANTS failed to pay PLAINTIFFS
5 and the CLASS the full rest period premium due pursuant to California Labor Code section 226.7.

6 127. Pursuant to the applicable IWC Wage Orders and California Labor Code section
7 226.7(b), PLAINTIFFS and the CLASS are entitled to recover from DEFENDANTS one additional
8 hour of pay at the employees' regular rate of compensation for each workday that the rest period was
9 not provided. In determining the regular rate of pay for each CLASS member, all remuneration paid
10 to each, including but not limited to commissions, must be calculated.

11 128. In committing the violations of state law as herein alleged, DEFENDANTS refused
12 to perform their obligations to authorize and permit rest periods and have also failed to pay rest
13 premium wages. As a direct result, PLAINTIFFS and the CLASS have suffered, and continue to
14 suffer, substantial losses, including those related to the use and enjoyment of such compensation,
15 wages, and lost interest on such monies in seeking to compel DEFENDANTS to fully perform their
16 obligation under state law, all to their respective damage in amounts according to proof at trial and
17 within the jurisdictional limitations of this Court.

18 129. During the RELEVANT TIME PERIOD, DEFENDANTS are and/or were the
19 PLAINTIFFS's employers and/or persons acting on behalf of DEFENDANTS within the meaning
20 of California Labor Code § 558, who violated or caused to be violated, a section of Part 2, Chapter I,
21 of the California Labor Code or any provision regulating hours and days of work in any Order of the
22 Industrial Welfare Commission and, as such, are subject to penalties for each underpaid employee,
23 which shall be paid to each affected employee, as set forth in Labor Code § 558.

24 130. Labor Code § 558 imposes upon DEFENDANTS for each initial violation a penalty
25 of \$50.00 for each underpaid employee for each pay period for which the employee was underpaid
26 in addition to an amount sufficient to recover the underpaid wages, which shall be paid to each
27 affected employee. Furthermore, Labor Code § 558 imposes upon DEFENDANTS for each
28 subsequent violation a penalty of \$100 for each underpaid employee for each pay period for which

1 the employee was underpaid, in addition to an amount sufficient to recover the underpaid wages,
2 which shall be paid to each affected employee.

3 131. The CLASS, including PLAINTIFFS, suffered and continue to suffer loss of wages
4 and compensation, all in an amount to be shown according to proof at trial and within the
5 jurisdictional limitations of this Court.

6 132. PLAINTIFFS and the CLASS seeks all available remedies for DEFENDANTS'
7 violations including, but not to, any and all wages due, penalties, interest, attorney's fees, costs to
8 the extent permitted by law.

9 WHEREFORE, PLAINTIFFS pray for relief as hereinafter requested.

10 **FIFTH CAUSE OF ACTION**
11 **FAILURE TO INDEMNIFY FOR EXPENDITURES INCURRED IN DISCHARGE OF**
12 **DUTIES (CAL. LAB. CODE §§ 450, 2802, 2804)**
13 **(AGAINST All DEFENDANTS)**

14 133. PLAINTIFFS repeat and re-allege all allegations contained in preceding paragraphs
15 as though fully set forth in this cause of action, and incorporates them by reference, and further allege:

16 134. During the RELEVANT TIME PERIOD, the California Labor Code §§ 2802, 2804,
17 and 450 was applicable to PLAINTIFFS and the CLASS employed by DEFENDANTS.

18 135. Pursuant to Labor Code § 450(a), "no employer...may compel or coerce any
19 employee... to patronize his or her employer, or any other person, in the purchase of any thing of
20 value."

21 136. Pursuant to Labor Code §2802(a) "An employer shall indemnify his or her employee
22 for all necessary expenditures or losses incurred by the employee in direct consequence of the
23 discharge of his or her duties, or of his or her obedience to the directions of the employer...."

24 137. Pursuant to Labor Code § 2804 "Any contract or agreement, express or implied, made
25 by any employee to waive the benefits of this article or any part thereof is null and void, and this
26 article shall not deprive any employee or his personal representative of any right or remedy to which
27 he is entitled under the laws of this State."

28 138. As a matter of DEFENDANTS' established company policy regarding misclassifying
the CLASS as independent contractors, PLAINTIFFS and the CLASS were and are required by

1 DEFENDANTS to incur necessary expenditures in direct consequence of the discharge of their
2 duties, including but not limited to cellphone, supplies, computer, and other equipment to conduct
3 DEFENDANTS' business.

4 139. During THE RELEVANT TIME PERIOD, as a result of the unlawful acts of
5 DEFENDANTS, PLAINTIFFS and the CLASS have incurred expenditures and losses in an amount
6 to be determined at trial.

7 140. Pursuant to California Labor Code § 2802, DEFENDANTS are required to fully
8 reimburse PLAINTIFFS and the CLASS for all necessary expenses incurred by them in the
9 performance of their job duties.

10 141. PLAINTIFFS and the CLASS suffered, and will continue to suffer, damages in
11 amounts according to proof at the time of trial as a direct and proximate result of DEFENDANTS'
12 willful conduct of requiring PLAINTIFFS to agree to illegal terms and conditions of employment
13 and DEFENDANTS' failure to reimbursement PLAINTIFFS and the CLASS for the unlawful
14 deductions made for necessary and reasonable expenses incurred to conduct DEFENDANTS'
15 business.

16 142. In failing to reimburse PLAINTIFFS and the CLASS for the necessary and reasonable
17 expenses incurred to conduct DEFENDANTS' business, DEFENDANTS acted maliciously,
18 oppressively, and despicably, with the wrongful intention of causing injury and hardship to
19 PLAINTIFFS and the CLASS by reaping economic gain at PLAINTIFFS and the CLASS' expenses,
20 in willful and conscious disregard of PLAINTIFFS and the CLASS' statutory and regulatory rights.

21 143. PLAINTIFFS and the CLASS are entitled to recovery from DEFENDANTS, and each
22 of them, the full amount of the necessary business-related expenses and costs incurred during the
23 course and scope of employment, incurred as a result of DEFENDANTS' unlawful policies and
24 practices, illegal terms and conditions of employment, plus attorneys' fees and costs, interests
25 accrued from the date on which PLAINTIFFS and the CLASS incurred such expenditures.

26 WHEREFORE, PLAINTIFFS pray for relief as hereinafter requested.

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SIXTH CAUSE OF ACTION
FAILURE TO MAINTAIN RECORDS IN VIOLATION OF
(LABOR CODE §§ 558, 1174, 1174.5, 274.5(a))
(AGAINST ALL DEFENDANTS)

144. PLAINTIFFS repeat and re-allege all allegations contained in preceding paragraphs as though fully set forth in this cause of action, and incorporates them by reference, and further allege:

145. Labor Code section 1174(d) requires DEFENDANTS to maintain and preserve in 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 employees employed at the respective plants or establishments. These records shall be kept on file for not less than three years.

146. DEFENDANTS engaged in a policy and practice of failing to maintain payroll records, and records pertaining to current and former employees in a central location in the state.

147. DEFENDANTS failed to comply with California Labor Code section 1174. DEFENDANTS' failure to comply with California Labor Code section 1174 is a violation of California Labor Code section 1175.

148. Labor Code Labor Code § 1174.5 provides that any person employing labor who willfully fails to maintain the records required by Labor Code § 1174(d), shall be subject to civil penalty in the amount of \$500.00.

149. Labor Code § 558 provides for a civil penalty to be assessed against any employer or other person acting on behalf of an employer who violates, or causes to be violated, a provision of the California Labor Code regulating wages, hours, and working conditions.

150. PLAINTIFFS is informed and believe, and on that basis allege that DEFENDANTS, at all relevant time herein, were PLAINTIFFS'S employers or acting on behalf of PLAINTIFFS'S employers pursuant to Labor Code § 558 for purposes of the Labor Code violations alleged in this cause of action, and are therefore subject to civil penalties.

151. As a direct and proximate result of the willful conduct of DEFENDANTS, in violation of Labor Code § 558, 1174(d), PLAINTIFFS and the CLASS are entitled to an award of civil penalties in the amount of \$500 pursuant to Labor code §1174.5.

152. Furthermore, Labor Code Labor Code § 247.5(a) requires an employer to keep for at least three years records documenting the hours worked and paid sick days accrued and used by an employee. An employer shall make these records available to an employee in the same manner as described in Section 226.

153. Upon information and belief, DEFENDANTS also failed to comply with section 247.5(a) in the same manner as DEFENDANTS' failed to provide PLAINTIFFS with the records reflecting accrued and used paid sick days.

154. PLAINTIFFS and the CLASS are entitled to and seek injunctive relief requiring DEFENDANTS to comply with Labor Code Sections 226, and 1174, among other provisions. PLAINTIFFS and the CLASS are also entitled to and seek actual and statutory damages available for such violations under Labor Code Sections 226, and 1174.5, as well as interest, costs, penalties, and attorneys' fees.

WHEREFORE, PLAINTIFFS and the CLASS seek to request relief as described below.

SEVENTH CAUSE OF ACTION
FAILURE TO PAY MINIMUM WAGE AND UNPAID WAGES
(LABOR CODE §§ 1197, 1194, 1194.2, 1197.1)
(AGAINST ALL DEFENDANTS)

155. PLAINTIFFS repeat and re-allege all allegations contained in preceding paragraphs as though fully set forth in this cause of action, and incorporate them by reference, and further allege:

156. Cal. Lab. Code §1197 provides that: "the minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a less wage than the minimum so fixed is unlawful."

157. Cal. Lab. Code §1194 provides in relevant part that any employee receiving less than the legal minimum wage applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage, including interest thereon, reasonable attorneys' fees, and costs of suit.

158. Cal. Lab. Code §1194.2 provides in relevant part that: "in any action under ... Section 1194 to recover wages because of a payment of wage less than the minimum wage fixed by an order of the commission, an employee shall be entitled to recover liquidated damages in an amount equal

1 to the wage unlawfully unpaid and interest thereon.”

2 159. PLAINTIFFS and the CLASS were none-exempt employees of DEFENDANTS that
3 were voluntarily and intentionally misclassified by DEFENDANTS as independent contractors to
4 avoid employee status.

5 160. DEFENDANTS failed to satisfy minimum wage requirements and secretly paid a lower
6 wage while purposing to pay the wage designated by statute. Additionally, DEFENDANTS failed
7 to pay PLAINTIFFS and the CLASS their earned wages, which they were entitled to receive but did
8 not receive. In fact, some of the checks that the DEFENDANTS used to pay the PLAINTIFFS and
9 the CLASS were returned due to insufficient funds.

10 161. During the RELEVANT TIME PERIOD, DEFENDANTS are and/or were the
11 PLAINTIFFS’ employers and/or persons acting on behalf of DEFENDANTS within the meaning of
12 California Labor Code§ 558, who violated or caused to be violated, a section of Part 2, Chapter I, of
13 the California Labor Code or any provision regulating hours and days of work in any Order of the
14 Industrial Welfare Commission and, as such, are subject to penalties for each underpaid employee,
15 which shall be paid to each affected employee, as set forth in Labor Code § 558.

16 162. Labor Code § 558 imposes upon DEFENDANTS for each initial violation a penalty of
17 \$50.00 for each underpaid employee for each pay period for which the employee was underpaid in
18 addition to an amount sufficient to recover the underpaid wages, which shall be paid to each affected
19 employee. Furthermore, Labor Code§ 558 imposes upon DEFENDANTS for each subsequent
20 violation a penalty of \$100 for each underpaid employee for each pay period for which the employee
21 was underpaid, in addition to an amount sufficient to recover the underpaid wages, which shall be
22 paid to each affected employee.

23 163. As a result of the unlawful acts of DEFENDANTS, PLAINTIFFS and the CLASS have
24 been deprived of compensation in amounts to be determined at trial, and are entitled to recovery of
25 such amounts, including interest thereon, attorneys’ fees, costs, liquidated damages, and any other
26 damages as set forth under California law, including statutory and civil penalties.

27 WHEREFORE, PLAINTIFFS and the CLASS seek to request relief as described below.

28 ///

EIGHTH CAUSE OF ACTION
WAITING TIME PENALTIES
(In Violation of California Labor Code § § 201, 202, 203)
(AGAINST All DEFENDANTS)

164. PLAINTIFFS repeat and re-allege all allegations contained in preceding paragraphs as though fully set forth in this cause of action, and incorporates them by reference, and further allege:

165. At all times herein mentioned, PLAINTIFFS and members of the CLASS were employees of DEFENDANTS. DEFENDANTS were subject to California law.

166. Cal. Lab. Code §201 provides in relevant part that: “[i]f an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately.”

167. Cal. Lab. Code §202 provides in relevant part that: “[i]f an employee not having a written contract for a definite period quits his or her employment, his or her wages shall become due and payable not later than 72 hours thereafter, unless the employee has given 72 hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.”

168. As alleged herein, DEFENDANTS failed to pay earned wages to PLAINTIFFS and the CLASS who are former employees of DEFENDANTS at the time they became due and payable.

169. DEFENDANTS failed to timely pay PLAINTIFFS and the CLASS who are former employees of DEFENDANTS, among other things, all overtime and minimum wages, wages for all hours worked, earned wages relating to meal and rest period premiums, and failed to reimburse them for necessary business-related expenses. Thus, DEFENDANTS violated Cal. Lab. Code §§201 and 202.

170. As a result of DEFENDANTS’ unlawful acts, PLAINTIFFS and the CLASS who are former employees of DEFENDANTS’ are entitled to recover, pursuant to Cal. Lab. Code §203, continuing wages as a penalty from the due date thereof at the same rate until paid or until this action was commenced; but for no more than 30 days.

171. DEFENDANTS willfully failed to provide PLAINTIFFS and the CLASS with all wages due and owing, including all regular, minimum, and overtime wages, and meal and rest period

1 premium wages, and reimbursement for necessary business expenses, as specified by Labor Code §§
2 201 and 202, as alleged herein.

3 172. Consequently, pursuant to Labor Code section 203, DEFENDANTS are obligated to pay
4 PLAINTIFFS and member of the CLASS that are former employees of the DEFENDANTS waiting-
5 time penalties equivalent to thirty (30) full working days' worth of wages because certain wages
6 were not paid within 30 days.

7 173. DEFENDANTS' failure to pay PLAINTIFFS and the members of the CLASS that were
8 former employees all wages due were done with the wrongful and deliberate intention of injuring
9 PLAINTIFFS and the CLASS, for improper motives amounting to malice and in conscious disregard
10 to their rights.

11 174. DEFENDANTS' willful failure to pay PLAINTIFFS and the members of the CLASS
12 who are former employees the wages due and owing each of them constitutes violations of Labor
13 Code §§ 201, 202, and 203.

14 175. PLAINTIFFS and the members of the CLASS who are former employees are each
15 entitled to recover from DEFENDANTS the statutory penalty for each day they were not paid, up to
16 a thirty (30) day maximum pursuant to California Labor Code section 203.

17 176. PLAINTIFFS seeks all available remedies for DEFENDANTS' violation including but
18 not limited to, any and all wages due, penalties, monies, interest, attorneys' fees, and costs incurred
19 in this action to the extent permitted by law.

20 WHEREFORE, PLAINTIFFS pray for relief as hereinafter requested.

21 **NINTH CAUSE OF ACTION**
22 **FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS**
23 **(In Violation of CAL. LAB. CODE § 226(a), 246**
24 **(AGAINST All DEFENDANTS)**

25 177. PLAINTIFFS repeat and re-allege all allegations contained in preceding paragraphs as
26 though fully set forth in this cause of action, and incorporates them by reference, and further allege:

27 178. Labor Code § 226(a) requires employers, including DEFENDANTS, to furnish their
28 employees with each wage payment an accurate, itemized writing that shows gross wages earned,
total hours worked, all deductions, net wages earned, the inclusive dates of the period for which the

1 employee is paid, the name of the employee and the portion of his or her social security number as
2 required by law, all applicable hourly rates in effect during the pay period, and the corresponding
3 number of hours worked at each hourly rate by the employee.

4 179. During THE RELEVANT TIME PERIOD, DEFENDANTS knowingly and intentionally
5 failed to provide to the PLAINTIFFS and the CLASS with wage statements. That is, PLAINTIFFS
6 and the CLASS did not receive any wage statements.

7 180. In addition, Labor Code § 246(i) requires an employer to provide an employee with
8 written notice that sets forth the amount of paid sick leave available, or PTO leave an employer
9 provides in lieu of sick leave, for use on either the employee's itemized wage statement described in
10 Section 226 or in a separate writing provided on the designated pay date with the employee's payment
11 of wages.

12 181. DEFENDANTS not only failed to comply with the accrual rate specified in section
13 246(a), but also, failed to comply with the written notice requirements of 246(i). The PLAINTIFFS
14 and the CLASS neither received itemized wage statements nor a written notice setting forth the
15 amount of paid sick leave available or PTO leave in lieu of sick leave because DEFENDANTS failed
16 to provide the PLAINTIFFS and the CLASS of any paid sick leave.

17 182. The PLAINTIFFS and the CLASS, have suffered and continue to suffer injuries,
18 including substantial losses related to the use and enjoyment of such wages, lost interest on such
19 wages and expenses and attorney's fees in seeking to compel DEFENDANTS to fully perform their
20 obligations under state law, all to their respective damage in amounts according to proof at trial.
21 Pursuant to Labor Code §§ 226(e)(2) and 226(c)(2)(B)(i), PLAINTIFFS and the CLASS are deemed
22 to have suffered injury as a result of DEFENDANTS' failure to provide accurate and complete
23 information as required by Labor Code § 226(a).

24 183. Cal. Lab. Code §226(b) provides in relevant part that: "[a]ny employee suffering injury
25 as a result of any knowing and intentional failure by an employer to comply with subdivision (a)
26 shall be entitled to recover the greater of all actual damages or fifty dollars (\$50) for the initial pay
27 period in which a violation occurs and one hundred dollars (\$100) per employee for each violation
28 in a subsequent pay period, not exceeding an aggregate penalty of four thousand dollars (\$4,000) and

1 shall be entitled to an award of costs and reasonable attorney's fees." PLAINTIFFSS are entitled to
2 an award of costs and reasonable attorney's fees pursuant to California Labor Code section 226(e).

3 184. Furthermore, Labor Code § 226(g) permits an employee to bring an action for injunctive
4 relief to ensure compliance with Labor Code § 226. Thus, PLAINTIFFS and the CLASS additionally
5 seek injunctive relief to ensure compliance with Labor Code § 226 including, but not limited to, the
6 providing and maintenance of accurate itemized wage statements identifying, among other things,
7 all the hours worked and their corresponding rate for each pay period and the total net wages earned
8 during each pay period.

9 185. In failing to comply with the requirements of section 226(a) and 246(i), DEFENDANTS
10 acted maliciously, oppressively, and despicably, with the wrongful intention of causing injury and
11 hardship to PLAINTIFFS and the CLASS by reaping economic gain at PLAINTIFFSS expense, in
12 willful and conscious disregard of PLAINTIFFSS' statutory and regulatory rights.

13 186. Cal. Lab. Code §226.3 states in relevant part that "[a]ny employer who violates
14 subdivision (a) of Section 226 shall be subject to a civil penalty in the amount of two hundred fifty
15 dollars (\$250) per employee per violation in an initial citation and one thousand dollars (\$1,000) per
16 employee for each violation in a subsequent citation, for which the employer fails to provide the
17 employee a wage deduction statement or fails to keep the records required in subdivision (a) of
18 Section 226. The civil penalties provided for in this section are in addition to any other penalty
19 provided by law." PLAINTIFFS and the CLASS are entitled to amounts provided herein plus costs
20 and attorney's fees.

21 187. PLAINTIFFS seeks all available remedies for DEFENDANTS' violations including, but
22 not limited to, any and all wages due, actual damages, penalties, payments pursuant to Labor Code §
23 226(e), monies, interest, attorney's fees, costs and injunctive relief.

24 WHEREFORE, PLAINTIFFS pray for relief as hereinafter requested.

25 **TENTH CAUSE OF ACTION**
26 **CONVERSION**
(Against All DEFENDANTS)

27 188. PLAINTIFFS repeat and re-allege all allegations contained in preceding paragraphs as
28 though fully set forth in this cause of action, and incorporates them by reference, and further allege:

189. DEFENDANTS wrongfully failed to pay the PLAINTIFFS and former members of the CLASS who were employees of DEFENDANTS' their earned wages, including minimum and overtime wages, which PLAINTIFFS and the CLASS are entitled to receive.

190. California Labor Code § 200 defines wages as,

(a) "Wages" includes 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 other method of calculation.

(b) "Labor" includes labor, work, or service whether rendered or performed under contract, subcontract, partnership, station plan, or other agreement if the labor to be paid for is performed personally by the person demanding payment.

191. The amount of earned but unpaid hours of work that the PLAINTIFFS and the CLASS are entitled to receive constitute "wages" within the meaning of § 200 of the California Labor Code because PLAINTIFFS and the CLASS performed labor for the to the benefit of the DEFENDANTS. DEFENDANTS unjustly reaped the benefits of the services and labor performed by PLAINTIFFS and the CLASS but failed to pay them for their labor.

192. During THE RELEVANT TIME PERIOD, DEFENDANTS had and continue to have a legal obligation imposed by statute to pay the PLAINTIFFS and the CLASS all earned wages and other compensation due to them. Such wages and compensation belonged to the PLAINTIFFS and the CLASS at the time the labor and services were satisfactorily provided to DEFENDANTS, and accordingly, such wages and compensation are the property of the PLAINTIFFS and the CLASS, not the DEFENDANTS.

193. DEFENDANTS knowingly and intentionally failed to pay PLAINTIFFS and members of the CLASS compensation for all hours worked, including minimum and overtime compensation, knowingly and intentionally failed to compensate PLAINTIFFS and the CLASS for missed meal and rest breaks, and knowingly and intentionally failed to provide other compensation and reimburses due to PLAINTIFFS and the CLASS as specified in this Complaint. Instead, DEFENDANTS converted PLAINTIFFS and the CLASS' rightfully earned wages and converted them to DEFENDANTS' own use and benefits.

194. PLAINTIFFS and members of the CLASS have been injured by DEFENDANTS' intentional conversion of such wages and compensation. PLAINTIFFS and the CLASS are entitled

1 to immediate possession of all amounts converted by DEFENDANTS, with interest, as well as any
2 and all profits that DEFENDANTS acquired by their unlawful conversion.

3 195. DEFENDANTS' action constituting conversion were oppressive, malicious, and
4 fraudulent, and were concealed by DEFENDANTS, and each of them, from the PLAINTIFFS and
5 the CLASS as hereinbefore alleged.

6 196. PLAINTIFFS and the CLASS have been injured by DEFENDANTS' oppressive,
7 malicious, intentional, and fraudulent actions, entitling PLAINTIFFS and the CLASS to punitive and
8 exemplary damages.

9 197. PLAINTIFFS on behalf of themselves and the CLASS seeks all available remedies for
10 DEFENDANTS' violations including any and all wages due, penalties, monies, interest, attorney's
11 fees, and costs to the extent permitted by law.

12 WHEREFORE, PLAINTIFFS pray for relief as hereinafter requested.

13
14 **ELEVENTH CAUSE OF ACTION**
VIOLATION OF BUSINESS & PROFESSIONS CODE §17200
(Against All DEFENDANTS)

15 198. PLAINTIFFS repeat and re-allege all allegations contained in preceding paragraphs as
16 though fully set forth in this cause of action, and incorporates them by reference, and further allege:

17 199. The foregoing conduct, as alleged, violates the California Unfair Competition Law
18 ("UCL"), Cali. Bus. & Prof. Code §§ 17200 et seq., which prohibits unfair competition by
19 prohibiting, inter alia, any unlawful or unfair business acts or practices.

20 200. DEFENDANTS have systematically engaged in unlawful conduct such as wage and
21 hour violations in order to decrease their costs of doing business and gain an unfair advantage over
22 their competitors.

23 201. DEFENDANTS' Labor Code and IWC Wage Orders violations include, but are not
24 limited to, DEFENDANTS' (i) failure to provide proper meal and rest periods and pay PLAINTIFFS
25 and the CLASS meal and rest premiums for missed, short, late and/or on-duty meal and rest periods;
26 (ii) failure to pay all minimum and overtime wages for all hours worked and under the control of
27 DEFENDANTS; (iii) failure to maintain accurate records including accurate records of
28

1 DEFENDANTS' employees' hours worked and wages earned; (iv) failure to provide accurate wage
2 statements; (v) failure to reimburse employees for all costs and expenses incurred; (vi) failure to
3 timely pay all wages due to their employees during employment and after separation of employment;
4 and (vii) misclassifying employees as independent contractors to avoid employment status, and
5 seeking to enforce illegal and unfair provisions against employees and former employees.

6 202. DEFENDANTS intentionally avoided paying PLAINTIFFS and the CLASS all wages
7 and monies, including all minimum and overtime wages, and other financial obligations attached
8 thereto to create for DEFENDANTS an artificially lower cost of doing business and, thus, undercut
9 their competitors and establish and/or gain a greater foothold in the marketplace, all to the detriment
10 of PLAINTIFFS and the CLASS.

11 203. DEFENDANTS lowered their costs of doing business by paying PLAINTIFFS and the
12 CLASS amounts less than what was required under the California Labor Code and Wage Order of
13 the Industrial Welfare Commission, thereby unfairly forcing PLAINTIFFS and the CLASS to
14 perform work without fair compensation and benefits.

15 204. DEFENDANTS held themselves out to PLAINTIFFS and the CLASS as being
16 knowledgeable and adhering to the employment laws of California at all times relevant herein.
17 PLAINTIFFS and the CLASS relied on and believed in DEFENDANTS' representation concerning
18 their conformance with the California laws alleged herein, all to their detriment.

19 205. DEFENDANTS' scheme to lower their payroll costs by violating the California Labor
20 Code and Wage Order of the Industrial Welfare Commission, as alleged herein, constitutes
21 "unlawful, unfair or fraudulent business act or practice," under Business and Professions Code §
22 17200 et seq. By engaging in the above-described acts and practices, DEFENDANTS have
23 committed one or more acts of unfair competition within the meaning of Business & Profession Code
24 §17200, et seq. DEFENDANTS, and each of them, have acted contrary to public policies and have
25 engaged in other unlawful and unfair business practices in violation of Business & Profession Code
26 §17200, et seq., depriving PLAINTIFFS and the CLASS and all interested persons of rights, benefits,
27 and privileges guaranteed to all employees under law
28

1 206. DEFENDANTS' conduct as herein alleged has damaged PLAINTIFFS and the CLASS
2 as described in this CROSS-COMPLAINT. The aforementioned acts of DEFENDANTS'
3 individually, or by and through their managing agents, officers, and/or directors were willful, wanton,
4 malicious, intentional, oppressive, and despicable, and were done in willful and conscious disregard
5 of the rights of CROSS-COMPLAINANT, and each of them, and were done by managerial agents
6 and employees of DEFENDANTS, or with the express knowledge, consent, and ratification of
7 managerial employees of DEFENDANTS, with the intent to vex, injure, and annoy PLAINTIFFS
8 and the CLASS, such as to constitute oppression, fraud, or malice pursuant to California Civil Code
9 § 3294, entitling PLAINTIFFS to punitive and exemplary damages in a sum which is an amount
10 appropriate to punish and set an example of DEFENDANTS, and each of them, to deter such conduct
11 in the future, and to set an example for others.

12 207. PLAINTIFFS and the CLASS suffered and continue to suffer loss of wages and monies,
13 all in an amount to be shown according to proof at trial and within the jurisdiction of this Court, as a
14 direct result of DEFENDANTS' Labor Code and IWC Wage Orders violations.

15 208. PLAINTIFFS seek an order of this Court awarding restitution, injunctive relief and all
16 other relief allowed under Business & Profession Code § 17200, et seq., plus interest, attorneys' fees
17 and costs pursuant to, inter alia, Code of Civil Procedure Section 1021.5.

18 WHEREFORE, PLAINTIFFS pray for relief as hereinafter requested.

19 **TWELFTH CAUSE OF ACTION**
20 **INJUNCTIVE RELIEF**
 (AGAINST ALL DEFENDANTS)

21 209. PLAINTIFFS repeat and re-allege all allegations contained in preceding paragraphs as
22 though fully set forth in this cause of action, and incorporates them by reference, and further allege:

23 210. DEFENDANTS unlawful conduct of failing to properly classify workers as employees
24 entitling them to statutory mandated benefits; failing to pay payroll taxes; failing to provide
25 compliant meal periods; failing to authorize and permit rest periods; failing to provide accurate
26 itemized wage statements; failure to timely pay wages due upon termination of employment; failing
27 to reimburse and indemnify PLAINTIFFS and the CLASS for expenditures in discharge of their
28 duties; failing to properly maintain records; failing to provide paid sick leave; and requiring

1 employees and applicants to agree to illegal employment terms and conditions of employment,
2 threatens real and immediate harm to the CLASS, who will suffer irreparable harm.

3 211. PLAINTIFFS and the CLASS are therefore entitled to an order restraining and ordering
4 DEFENDANTS, representatives, attorneys, servants, and agents from further harm pending final
5 judgment on this matter.

6 WHEREFORE, PLAINTIFFS pray for relief as hereinafter requested.

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8 **THIRTEENTH CAUSE OF ACTION**
9 **PENALTIES UNDER CALIFORNIA LABOR CODE PRIVATE ATTORNEYS GENERAL**
10 **ACT OF 2004 (CAL. LABOR CODE § 2699, *et seq.*)**
11 **(AGAINST ALL DEFENDANTS)**

12 212. PLAINTIFFS repeat and re-allege all allegations contained in preceding paragraphs as
13 though fully set forth in this cause of action, and incorporates them by reference, and further allege:

14 213. California Private Attorney General Act (“PAGA”) permits an “aggrieved employee” to
15 recover penalties on behalf of himself or herself and other current or former employees as a result of
16 the employer’s violations of certain sections of the California Labor Code.

17 214. PLAINTIFFS is an aggrieved employee, in that PLAINTIFFS was employed by
18 DEFENDANTS, among other things, was misclassified as an Independent Contractor, was not
19 provided with all lawful meal and rest breaks, was not paid all of his wages at the time of his
20 termination and was not provided with accurate itemized wage statements. Specifically, violation of
21 Labor Codes specified in this Complaint including, Labor Code §§ 2750.3, 226.8, 3353, 510, 558,
22 1198, 2800, 2802, 2804, 510, 1198, 558, 226.7, 512, 201, 202, 203, 226, 226.3, 558, 1174, 1174.5,
23 274.5, 1197, 1194, 1194.2, 1197.1, 245.5-249, 2810.5, giving rise to private right of action under
24 PAGA.

25 215. PLAINTIFFS have complied with the PAGA notice provision set forth in Cal. Lab. Code
26 section 2699.3(a)(j). Once 65 days have elapsed since the date of PLAINTIFFS’ notice,
27 PLAINTIFFS will amend the Complaint to add cause of action pursuant to the PAGA.

28 216. PLAINTIFFS requests penalties against DEFENDANTS as provided under Lab. Code
section 2699(l), plus reasonable attorneys’ fees and costs, in amounts to be proved at trial.

FOURTEENTH CAUSE OF ACTION
FAILURE TO PROVIDE PERSONNEL RECORDS
(CAL. LAB CODE § 1198.5)
(Against All DEFENDANTS)

217. PLAINTIFFS repeat and re-allege all allegations contained in preceding paragraphs as though fully set forth in this cause of action, and incorporates them by reference, and further alleges:

218. Lab Code § 1198.5 provides:

(a) Every current and former employee, or his or her representative, has the right to inspect and receive a copy of the personnel records that the employer maintains relating to the employee's performance or to any grievance concerning the employee.

(b) (1) The employer shall make the contents of those personnel records available for inspection to the current or former employee, or his or her representative, at reasonable intervals and at reasonable times, but not later than 30 calendar days from the date the employer receives a written request, unless the current or former employee, or his or her representative, and the employer agree in writing to a date beyond 30 calendar days to inspect the records, and the agreed-upon date does not exceed 35 calendar days from the employer's receipt of the written request. Upon a written request from a current or former employee, or his or her representative, the employer shall also provide a copy of the personnel records, at a charge not to exceed the actual cost of reproduction, not later than 30 calendar days from the date the employer receives the request, unless the current or former employee, or his or her representative, and the employer agree in writing to a date beyond 30 calendar days to produce a copy of the records, as long as the agreed-upon date does not exceed 35 calendar days from the employer's receipt of the written request. Except as provided in paragraph (2) of subdivision (c), the employer is not required to make those personnel records or a copy thereof available at a time when the employee is actually required to render service to the employer, if the requester is the employee.

(k) If an employer fails to permit a current or former employee, or his or her representative, to inspect or copy personnel records within the times specified in this section, or times agreed to by mutual agreement as provided in this section, the current or former employee or the Labor Commissioner may recover a penalty of seven hundred fifty dollars (\$750) from the employer.

(l) A current or former employee may also bring an action for injunctive relief to obtain compliance with this section, and may recover costs and reasonable attorney's fees in such an action.

219. DEFENDANTS willfully failed to permit the PLAINTIFFS to inspect or copy their personnel file within 30 calendar days of their request in direct violation of Cal. Lab. Code § 1198.5.

WHEREFORE, PLAINTIFFS request the relief as described below.

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FIFTEENTH CAUSE OF ACTION
WHISTLEBLOWER

**VIOLATIONS CALIFORNIA LABOR CODE §§ 1102.5, 96(k) AND 98.6
(ALLEGED BY PLAINTIFFS INDIVIDUALLY AGAINST ALL DEFENDANTS)**

220. PLAINTIFFS repeat and re-allege all allegations contained in preceding paragraphs as though fully set forth in this cause of action, and incorporates them by reference, and further alleges:

221. At all times herein mentioned, PLAINTIFFS were employees of DEFENDANTS. DEFENDANTS were subject to California law.

222. Labor Code §98.6 provides: “an employer may not discharge an employee or in any manner discriminate, retaliate, or take any adverse action against an employee engaged in any conduct described in subdivision (k) of section 96, or because the employee has made a written or oral complaint that he is owed unpaid wages, or because of exercise by the employee on behalf of himself, herself, or others of any rights afforded him or her.”

223. California Labor Code § 1102.5(a) provides:

(a) “An employer, or any person acting on behalf of the employer, shall not make, adopt, or enforce any rule, regulation, or policy preventing an employee from disclosing information to a government or law enforcement agency, to a person with authority over the employee, or to another employee who has authority to investigate, discover, or correct the violation or noncompliance, or from providing information to, or testifying before, any public body conducting an investigation, hearing, or inquiry, if the employee has reasonable cause to believe that the information discloses a violation of state or federal statute, or a violation of or noncompliance with a local, state, or federal rule or regulation, regardless of whether disclosing the information is part of the employee’s job duties.

(b) An employer, or any person acting on behalf of the employer, shall not retaliate against an employee for disclosing information, or because the employer believes that the employee disclosed or may disclose information, to a government or law enforcement agency, to a person with authority over the employee or another employee who has the authority to investigate, discover, or correct the violation or noncompliance, or for providing information to, or testifying before, any public body conducting an investigation, hearing, or inquiry, if the employee has reasonable cause to believe that the information discloses a violation of state or federal statute, or a violation of or noncompliance with a local, state, or federal rule or regulation, regardless of whether disclosing the information is part of the employee’s job duties.

(c) An employer, or any person acting on behalf of the employer, shall not retaliate against an employee for refusing to participate in an activity that would result in a violation of state or federal statute, or a violation of or noncompliance with a local, state, or federal rule or regulation.”

1 224. DEFENDANTS retaliated against PLAINTIFFS for blowing the whistle, complaining,
2 opposing, and protesting against DEFENDANTS' unlawful activities, including but not limited to
3 complaining about DEFENDANTS' unlawful policies of failing to reimburse employees for their
4 necessary and reasonable costs incurred in discharge of their duties, and misclassifying them as
5 independent contractors, where PLAINTIFFS had reasonable cause to believe DEFENDANTS were
6 violating California law.

7 225. Not only PLAINTIFFS were misclassified as independent contractors to deny them the
8 protections of California law, including meal and rest break and overtime compensation, but they
9 were also denied reimbursement for the reasonable and necessary expenses to conduct
10 DEFENDANTS' business. Numerous times PLAINTIFFS requested reimbursement but were
11 denied.

12 226. It is a violation of the California whistleblower statute, Cal. Labor Code. § 1102.5, and
13 public policy to unlawfully retaliate, punish, discharge, deny promotion, or take any adverse
14 employment action for refusing to violate the law and/or for protesting unlawful activities to a
15 government agency or the employee's employer.

16 227. PLAINTIFFS were whistleblowers pursuant to Cali. Labor Code § 1102.5, as
17 PLAINTIFFS engaged in protected activities, as alleged in this Complain.

18 228. DEFENDANTS' violated Cal. Labor Code § 1102.5(a) as it made, adopted, and
19 enforced rules, regulations and policies preventing PLAINTIFFS from disclosing information to
20 government agency, or to a person with authority over the employee, or to another employee who
21 has authority to investigate, discovery, or correct the violation or non-compliances, where
22 PLAINTIFFS had reasonable cause to believe PLAINTIFFS' employer was violating the law.

23 229. DEFENDANTS violated Cal. Labor Code § 1102.5(b) as they retaliated against
24 PLAINTIFFS for protesting DEFENDANTS' unlawful actions to a person with authority over the
25 employee, or to another employee who has authority to investigate, discovery or correct the violation
26 or noncompliance, because DEFENDANTS knew PLAINTIFFS were going to file a complaint with
27 government agencies regarding DEFENDANTS' unlawful conduct.

1 230. PLAINTIFFS were retaliated against as alleged in this Complaint because
2 PLAINTIFFS refused to participate in activities that would result in a violation of state or federal
3 statutes (or PLAINTIFF reasonably believed to be in violation.) DEFENDANTS were thus in
4 violation of California Labor Code § 1102.5(c).

5 231. When PLAINTIFFS were subjected to the adverse employment actions as identified in
6 this Complaint, DEFENDANTS' were substantially motivated by PLAINTIFFS' complaints of
7 violations of California state law, and said complaints were substantial motivating factors and/or
8 reasons in the decision to subject PLAINTIFF to the aforesaid retaliatory adverse employment
9 actions, including but not limited to reducing his commission by 90%, in direct violation of California
10 Labor Code § 1102.5.

11 232. By the acts and conduct of DEFENDANTS, PLAINTIFF has been directly and legally
12 caused to suffer actual damages pursuant to California Civil Code §3333 including, but not limited
13 to, loss of earning and future earning capacity, attorneys' fees and other pecuniary loss not presently
14 ascertained, for which PLAINTIFFS will seek leave of court to amend when ascertained.
15 PLAINTIFFS also claims such amounts as damages pursuant to Civil Code §3287 and/or §3288
16 and/or any other provision of law providing for prejudgment interest.

17 233. As a further direct and legal result of the acts and conduct of DEFENDANTS,
18 PLAINTIFFS, have been caused to, and did, suffer and continue to suffer severe emotional and
19 mental distress and anguish, humiliation, embarrassment, anger, shock, pain, discomfort, and
20 anxiety. The exact nature and extent of these injuries is presently unknown to PLAINTIFFS, who
21 will pray leave of court to assert the same when they are ascertained.

22 234. The aforementioned acts of DEFENDANTS' individually, or by and through their
23 managing agents, officers, and/or directors were willful, wanton, malicious, intentional, oppressive,
24 and despicable, and were done in willful and conscious disregard of the rights of PLAINTIFFS, and
25 each of them, and were done by managerial agents and employees of DEFENDANTS, or with the
26 express knowledge, consent, and ratification of managerial employees of DEFENDANTS, with the
27 intent to vex, injure, and annoy PLAINTIFF, such as to constitute oppression, fraud, or malice
28 pursuant to California Civil Code § 3294, entitling PLAINTIFFS to punitive and exemplary damages

1 in a sum which is an amount appropriate to punish and set an example of DEFENDANTS, and each
2 of them, to deter such conduct in the future, and to set an example for others.

3 235. PLAINTIFFS are entitled to a civil penalty up to ten thousand dollars (\$10,000) for
4 each violation of California Labor Code § 1102.5.

5 236. As a result of the unlawful acts of DEFENDANTS, PLAINTIFFS are entitled to
6 reasonable attorneys' fees and costs of said suit as specifically provided in Cal. C.C.P. § 1021.5.
7 PLAINTIFFS' action enforces important rights affecting the public interest by bringing forth this
8 lawsuit to ensure DEFENDANTS refrain from unlawfully retaliating against employees for blowing
9 the whistle, thereby conferring a significant benefit on the general public and well being as a result.
10 The necessity and financial burden of this private enforcement, as well as the interest of justice,
11 entitles PLAINTIFFS to reasonable attorneys' fees and costs under Cal. C.C.P. § 1021.5.

12 237. PLAINTIFFS have been generally damaged in an amount within the jurisdictional
13 limits of this Court.

14 **SIXTEENTH CAUSE OF ACTION**
15 **WRONGFUL TERMINATION IN VIOLATION OF PUBLIC POLICY**
16 **(ALLEGED BY THE PLAINTIFFS INDIVIDUALLY AGAINST ALL**
17 **DEFENDANTS)**

18 238. PLAINTIFFS repeat and re-allege all allegations contained in preceding paragraphs as
19 though fully set forth in this cause of action, and incorporates them by reference, and further alleges:

20 239. Under California law, no employee, whether they are "at will" employee, or an employee
21 under a written or other employment contract, can be terminated for a reason that is in violation of a
22 fundamental public policy, or because they report behavior of their employer that they reasonably
23 believe constitutes discriminatory or illegal conduct. In recent years, the California Supreme Court
24 has interpreted a fundamental public policy to be any articulated constitutional, statutory provision,
25 or regulation that is concerned with a matter affecting society at large rather than a purely personal
26 or proprietary interest of the employee or the employer. Moreover, the public policy must be
27 fundamental, substantial and well established at the time of discharge.

28 240. PLAINTIFFS exercising their legal rights to protest misclassification as independent
contractors, and unlawful employment practices as alleged, was a substantial factor in
DEFENDANTS' decision to terminate them.

241. PLAINTIFFS' discharge was wrongful and it violated the fundamental public policy of this State prohibiting retaliation as a result of engagement in a protected activity. This public policy is embodied in following public policy statutes: California Labor Code Section 1102.5, which prohibits an employer from retaliating against an employee for reporting unlawful activity.

242. PLAINTIFFS believe and thereon allege that their engagement in protected activity by complaining about misclassification as independent contractor and protesting DEFENDANTS' unlawful acts, were substantial and motivating factors in DEFENDANTS' conduct as alleged herein.

243. As a direct proximate result of the wrongful acts of DEFENDANTS, and each of them, PLAINTIFFs have suffered and continue to suffer actual, consequential and incidental financial losses, including without limitation, loss of salary and benefits, emotional distress, humiliation, mental anguish, anger, and embarrassment, all in an amount subject to proof at the time of trial.

244. The aforementioned acts of DEFENDANTS' individually, or by and through their managing agents, officers, and/o directors were willful, wanton, malicious, intentional, oppressive, and despicable, and were done in willful and conscious disregard of the rights of PLAINTIFFS, and each of them, and were done by managerial agents and employees of DEFENDANTS, or with the express knowledge, consent, and ratification of managerial employees of DEFENDANTS, with the intent to vex, injure, and annoy PLAINTIFFS, such as to constitute oppression, fraud, or malice pursuant to California Civil Code § 3294, entitling PLAINTIFFS to punitive and exemplary damages in a sum which is an amount appropriate to punish and set an example of DEFENDANTS, and each of them, to deter such conduct in the future, and to set an example for others.

DEMAND FOR JURY TRIAL

PLAINTIFFS, on behalf of themselves and the CLASS, demand a trial by jury on all issues so triable.

PRAYER FOR RELIEF

PLAINTIFFS, on behalf of themselves and the CLASS, and all others similarly situated, pray for relief and judgment against DEFENDANTS, jointly and severally, as follows:

1. For an Order certifying the proposed CLASS and/or any other appropriate subclasses under CCP § 382;

2. For an Order appointing PLAINTIFFS as the representatives of the CLASS;
3. For an Order appointing counsel for PLAINTIFFS as counsel for the CLASS;
4. For a finding that DEFENDANTS violated the provisions of the California Labor Code, including but not limited to, §§ 201-203, 226, 226.3, 226.7, 510, 512, 1194, 1198, 2751, 2810.5, 2802;
5. That the Court declare, adjudge, and decree that DEFENDANTS violated California Business and Professions Code §§ 17200 *et seq.*;
6. That the Court make an award to PLAINTIFFS and the CLASS of damages for the amount of unpaid wages, including interest thereon and penalties, in amounts to be proven, in a formulaic manner, at trial;
7. For all wages earned and owing, including an amount sufficient to recover unlawfully deducted and unpaid wages;
8. For an appropriate injunctive relief, including an Order directing DEFENDANTS to cease and desist from improperly requiring the CLASS to pay DEFENDANTS for desk space rental, supplies, marketing, computer, and other equipment expenses to carry out DEFENDANTS' business;
9. For an appropriate injunctive relief, including an Order directing DEFENDANTS to cease and desist from improperly requiring employees to sign independent contractors' agreements;
10. For nominal damages;
11. For special damages, according to proof;
12. For actual damages pursuant to Labor Code § 226(e);
13. For reasonable attorneys' fees as provided by statute, including but not limited to California Code of Civil Procedures § 1021.5 and California Labor Code §§ 218.5, 226, 1194, 2802;
14. For pre-judgment and post-judgment interest as provided by law;
15. For an award of damages in the amount of unpaid compensation and monies including, but not limited to, actual damages, unpaid wages, overtime wages,

regular wages, consequential, and incidental losses and damages in an amount according to proof;

16. For penalties as permitted under California Labor Code for violations of each of the sections identified herein, including but not limited to §§ 225.5, 226, 226.3, 1174.5, and 558;

17. For waiting time penalties and other penalties according to proof pursuant to California Labor Code section 203 for all employees who have left DEFENDANTS' employment;

18. For injunctive relief pursuant to California Labor Code section 226(h);

19. For the appointment of a receiver to receive, manage and distribute any and all funds disgorged from DEFENDANTS and determined to have been wrongfully acquired by DEFENDANTS as a result of violations of California Business & Professions Code sections 17200 et seq.;

20. For any other such relief as the Court deems just and proper due to the misconduct committed by the DEFENDANTS as alleged herein;

21. 4. For disgorgement of all monies which DEFENDANTS have illegally gained;

22. For Punitive Damages;

23. For restitution of unpaid wages to PLAINTIFFS and all the CLASS;

24. For an award of damages equal to the unpaid losses and necessary business expenses incurred pursuant to Labor Code § 2802, including interest thereon;

25. For an award of additional hour of pay at the regular rate of compensation pursuant to Labor Code §226.7(b) for each meal and rest period not in compliance with the applicable Wage Order of the IWC;

26. For penalties and subsequent violation of a section of Chapter 1 of Labor Code, Div. 2, Part 2, or any provision regulating hours and days of work in any Order of the IWC for each underpaid employee for each pay period for which the employee was underpaid, in addition to an amount sufficient to recover the underpaid wages to be paid to each affected employee pursuant to Labor Code §558;

27. For an accounting to determine all money wrongfully obtained and held by

1 DEFENDANTS;

2 28. For all other Orders, findings, and determinations identified and sought in this Complaint
3 and/or the Court finds just and proper;

4 29. All penalties pursuant to PAGA;

5 30. PLAINTIFFS reserves the right to amend his prayer for relief.
6

7 Dated: April 11, 2025

MIRZAYAN LAW, APLC

8
9
10 By:



11 Natalie Mirzayan, Esq.
12 Attorney for PLAINTIFFS and
13 the PROPOSED CLASS
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EXHIBIT 1

MIRZAYAN LAW, APLC

April 10, 2025



VIA ONLINE FILING

Labor & Workforce Development Agency

<https://www.dir.ca.gov/Private-Attorneys-General-Act/Private-Attorneys-General-Act.html>

1515 Clay Street, Suite 801

Oakland, CA 94612

VIA CERTIFIED MAIL

THA HOME HEALTH CARE, INC.

ADNAN ABDELAZIZ

(Agent for Service of Process)

10718 CIVIC CENTER DR, STE 201 RANCHO

CUCAMONGA, CA 91730

ADNAN ABDELAZIZ

5050 PALO VERDE STREET STE 201

MONTCLAIR, CA 91763

REGAL MEDICAL GROUP, INC

Michael Fate

(Agent for Service of Process)

11100 Washington Blvd

Culver City, CA 90232

HERITAGE PROVIDER NETWORK, INC.

Michael Fate (Agent for Service of Process)

11100 Washington Blvd

Culver City, CA 90232

RICHARD MERKIN

3115 Ocean Front Walk #301

Marina Del Rey, CA 90292

SHEREEN ABDELAZIZ

10718 CIVIC CENTER DR,

STE 201

RANCHO CUCAMONGA, CA 91730

Re: **Notification Of Labor Code Violations (Williams & Bernal v. THA Home Health, Inc., et al.)**

Please be advised that this office represents MONICA R. GUILLEMIN WILLIAMS (“WILLIAMS”) and IMA BERNAL (“BERNAL”) (WILLIAMS and BERNAL are collectively referred to as “Plaintiffs”) who were employed by THA HOME HEALTH CARE, INC. (“THA”); REGAL MEDICAL GROUP, INC. (“RMG”); HERITAGE PROVIDER NETWORK, INC. (“HPN”), ADNAN ABDELAZIZ; RICHARD MERKIN; and SHEREEN ABDELAZIZ (collectively referred to as “Defendants”).

The purpose of this notice is to comply with the statutory exhaustion requirements of the California Labor Code §2699.3 prior to commencing an action pursuant the Private Attorneys General Act of 2004 (“PAGA”), Cal. Labor Code § 2698, *et seq.*

This notice is submitted, on behalf of the named Plaintiffs and all other aggrieved and similarly situated current and former employees of Defendants (“Aggrieved Employees”) impacted by the alleged labor code violations as stated herein.

Relevant facts:

Plaintiff Monica R. Guillemín Williams ("Williams") began her employment with Defendants from approximately November 6, 2023 until her unlawful termination on or about April 22, 2024. Williams held the position of physician assistant/associate and served as a Wound Specialist for THA. Williams was misclassified as an independent contractor and paid hourly.

BERNAL was hired by Defendants as a Patient Intake Coordinator, who was then informed that she was a Nursing Case Manager. BERNAL was employed by Defendants from approximately June 2023 until her unlawful termination on April 25, 2024. At the beginning of BERNAL’s employment the office address was 5050 Palo Verde St., Suite 201, Montclair, CA 91763. Bernal was misclassified as an independent contractor and paid hourly.

PLAINTIFFS are informed and believes, and thereon allege, that DEFENDANTS engaged and continue to engage in a uniform policy and systematic scheme of wage abuse against PLAINTIFFS and Aggrieved Employees. This scheme involved, *inter alia*, misclassifying Plaintiffs and Aggrieved Employees as independent contractors instead of employees, in order to gain an unfair workforce advantage. Defendants knew or should have known that such classifications clearly violate the Labor Code and IWC Wage Orders and run afoul of public policy. By misclassifying Plaintiffs and Aggrieved Employees as independent contractors, Defendants failed to pay them wages earned during the course of their employment and upon separation of employment, failed to provide them with meal and rest periods or compensation in lieu thereof, failed to reimburse their business expenses, failed to issue them accurate itemized wages statements, failed to comply with Cal. Lab. Code § 2810.5, and failed to reimburse employees for necessary and reasonable business expense in accordance with Lab. Code § 2802.

By misclassifying Plaintiffs as “Independent Contractors”, DEFENDANTS were able to justify employing PLAINTIFFS for many hours in excess of forty (40) hours each week and eight (8) hours each day without compensating them at the pay rate mandated by California law, and without providing them with meal and rest breaks in accordance with California law. DEFENDANTS knew or should have known that Plaintiffs and Aggrieved Employees worked greater than eight (8) hours per day and forty (40) hours per week without compensation. DEFENDANTS imposed work schedule resulted in unpaid worktime for all hours worked and missed meal and rest break periods.

DEFENDANTS also denied Plaintiffs and Aggrieved Employees meal and rest breaks through the imposition of work schedules that did not permit meal and rest breaks and/or the imposition of work demands that did not permit meal or rest breaks. PLAINTIFFS and Aggrieved Employees were unable to complete their job requirements without working through meal and rest breaks and/or working before and after their scheduled shifts.

Additionally, PLAINTIFFS and Aggrieved Employees' meal and rest breaks, if taken, were frequently interrupted by DEFENDANTS' practice of requiring Plaintiffs and Aggrieved Employees to be on call at all times in order to respond to calls from managers, and co-workers. Plaintiffs and Aggrieved Employees were pressured to meet their job requirements through DEFENDANTS' policy of disciplining and/or terminating those who did not meet the job requirements imposed by DEFENDANTS.

As a direct result of DEFENDANTS' work demands, policies, and procedures, and directives, PLAINTIFFS and Aggrieved Employees did not have the ability to regularly take daily meal breaks, much less a daily one-half hour uninterrupted meal periods as required by California law. PLAINTIFFS and Aggrieved Employees also did not take any rest breaks throughout the workday.

DEFENDANTS knew or should have known that PLAINTIFFS and Aggrieved Employees routinely worked through their meal and rest breaks, and before and after their scheduled shifts without compensation. DEFENDANTS knew or should have known that PLAINTIFFS and Aggrieved Employees were entitled to receive certain wages for overtime and double time compensation, and that they were not receiving such compensation in accordance with California law. DEFENDANTS knew or should have known that PLAINTIFFS and Aggrieved Employees were entitled to receive certain wages for off-the-clock work, but he was not receiving such compensation. For instance, Williams was not paid for training employees (including but not limited to Taylor Davis), wherein she provided education, and counseling.

DEFENDANTS failed to compensate PLAINTIFFS and Aggrieved Employees for premium pay for missed meal and rest break periods, equal to one additional hour of pay at PLAINTIFFS' and Aggrieved Employees' regular rate of pay when a meal and/or a rest period were missed. DEFENDANTS failed to pay PLAINTIFFS their earned wages, which PLAINTIFFS and Aggrieved Employees were entitled to receive.

Labor Code §§ 2750.3, 226.8, 3353:

Labor Code § 3353 defines "Independent Contractor" as "any person who renders service for a specified recompense for a specified result, under the control of his principal as to the result of his work only and not as to the means by which such result is accomplished."

Labor Code § 2750.3 provides in pertinent part that "a person providing labor or services for remuneration shall be considered an employee rather than an independent contractor unless the hiring entity demonstrates that all of the following conditions are satisfied:

- (A) The person is free from the control and direction of the hiring entity in connection with the performance of the work, both under the contract for the performance of the work and in fact.
- (B) The person performs work that is outside the usual course of the hiring entity's business.

(C) The person is customarily engaged in an independently established trade, occupation, or business of the same nature as that involved in the work performed.”

Defendants, as a matter of established company policy and procedure consistently:

- a. Administered and continue to administer a uniform company policy and practice regarding the duties and responsibilities of the Plaintiffs and Aggrieved Employees;
- b. Administered and continue to administer a uniform company policy and practice regarding the payment of wages to the Plaintiffs and Aggrieved Employees;
- c. Treated and continue to treat the Plaintiffs and Aggrieved Employees as Independent Contractors to avoid the payment of wages and other benefits in violation of the Labor Code and IWC Wage Orders;
- d. Controlled and continue to control the work performed by, the manner, and the means in which the work was performed by the Plaintiffs and the Aggrieved Employees; and
- e. Disseminated false information throughout Defendants' facilities and amongst Defendants' employees reciting that, under Defendants' labor policies and practices and under California law, the members of the Aggrieved Employees were properly classified as Independent Contractors.

Plaintiffs and the Aggrieved Employees were inappropriately misclassified by Defendants as Independent Contractors because:

(A) Plaintiffs and the Aggrieved Employees were not free from the control and direction of the Defendants in connection with the performance of their work. In fact, Plaintiffs and the Aggrieved Employees were controlled by Defendants as to both the result of their work and as to the means by which results were accomplished.

(B) Plaintiffs and the Aggrieved Employees do not perform work that is outside the usual course of the hiring entity's business.

(C) Plaintiffs and the Aggrieved Employees are not customarily engaged in an independently established trade, occupation, or business of the same nature as that involved in the work performed for Defendants.

Plaintiffs and the Aggrieved Employees did not meet the bona fide Independent Contractor status in that they did not ordinarily and customarily:

- i) substantially invest other than personal services in the business;
- ii) hold out to be in business for themselves;
- iii) bargain for contracts to serve patients for compensation;
- iv) control the time and place their work is performed;
- v) supply tools and instrumentalities used in the work other than those normally and customarily provided by employees;
- vi) hire employees;
- vii) perform work that is not ordinarily in the course of the principal's work;
- viii) perform work that requires a particular skill;
- x) intend a work relationship of an Independent Contractor status; and/or
- xi) intend a work relationship that is not severable or terminable at will by the

principal but gives rise to an action for the breach of contract.

Defendants' pattern, practice and uniform administration of corporate policy regarding illegal employment classification as described herein is unlawful and creates an entitlement to recovery by the members of the Aggrieved Employees, in a civil action, for reimbursement of the appropriate withholding of federal, state, and local income taxes based upon a flat withholding rate for supplemental wage payments in accordance with Treas. Reg. § 31.3402(g)-1(a)(2) as amended or supplemented, and any corresponding state or local law, and the Aggrieved Employees members' share of FICA, Medicare, and state and local employment taxes that were improperly not paid by Defendants as a result of the independent contractor classification.

Labor Code § 226.8(a)(1) states "It is unlawful for any person or employer to engage in any of the following activities:

- (1) Willful misclassification of an individual as an independent contractor.
- (2) Charging an individual who has been willfully misclassified as an independent contractor a fee, or making any deductions from compensation, for any purpose, including for goods, materials, space rental, services, government licenses, repairs, equipment maintenance, or fines arising from the individual's employment where any of the acts described in this paragraph would have violated the law if the individual had not been misclassified."

"Willful misclassification" is defined by Labor Code § 226.8(i)(4) as "avoiding employee status for an individual by voluntarily and knowingly misclassifying that individual as an independent contractor."

Labor Code § 226.8(b) provides that if a court issues a determination that Defendants have violated Labor Code § 226.8(a), Defendants shall be subject to a civil penalty: between \$ 5,000 and \$ 15,000 for each violation, in addition to any other penalties or fines permitted by law.

Further, Labor Code § 226.8(c) provides that if a court issues a determination that Defendants have violated Labor Code § 226.8(a) and has engaged or is engaging in a pattern or practice of these violations, Defendants shall be subject to a civil penalty between \$ 10,000 and \$ 25,000 for each violation, in addition to any other penalties or fines permitted by law.

Labor Code §§ 2800, 2802, and 2804:

Labor Code §2802 requires an employer to indemnify its employees for all necessary expenditures or losses incurred by employees in direct consequence of the discharge of their duties, or of their obedience to the directions of their employer. Defendants engaged and continue to engage in a policy and practice that require Plaintiffs and Aggrieved Employees to pay for their business related expenses to carry out Defendants' business including but not limited to cellphone, malpractice insurance, and medical supplies. Defendants willfully and intentionally failed and continue to fail to indemnify Plaintiffs and Aggrieved Employees for all necessary expenditures incurred by Plaintiffs and Aggrieved Employees in direct consequences and discharge of their duties and/or their obedience to Defendants' directions

Labor Code §§ 510, 1198, 558 Payment for Overtime: Labor Code sections 510 and 1198 requires employers to pay employees time and half (1.5) the employees' hourly rate for all hours worked in excess of eight hours per day and in excess of 40 hours per week; and double times the hourly rate for hours worked in excess of 12 hours per day, and eight hours on the seventh day worked in a week. Defendants engaged in a policy and practice of suffering their employees to work more than 8 hours per day and/or forty hours in a work week by failing to compensate them overtime and double time as required by law because Defendants misclassified their employees as independent contractors. Therefore, Plaintiffs and other Aggrieved Employees were entitled to receive certain wages for overtime compensation but were not paid any overtime hours.

Defendants' policy and practice of misclassifying their employees caused Plaintiffs and other Aggrieved Employees to be underpaid for all hours worked, including overtime wages beyond 8 hours per day and 40 hours per week.

Labor Code §§ 226.7 and 512: Defendants violated Labor Code § 226.7 which requires employers to provide a ten-minute rest period during each four-hour of work or major fraction thereof. Defendants further violated Labor Code § 226.7 and 512 by failing to provide Plaintiffs and all other similarly situated and Aggrieved Employees with a meal period of not less than 30 minutes for each work period more than 5 hours per day and a second meal period of not less than 30 minutes for a work period of more than 10 hours-day. The meal period must be provided prior to the 5th hour of work.

California Labor Code sections 226.7 and 512 require employers to pay an employee one additional hour of pay at the employee's regular rate for each work day that a meal or rest period is not provided. Defendants required Plaintiffs and other Aggrieved Employees to work during meal and rest periods and failed to compensate them properly for missed meal and rest periods, including but not limited to, failing to pay them any premium pay, additional wages, and/or penalties.

Labor Code §§ 201, 202, 203: California Labor Code section 201 provides that if an employer discharges an employee, the employee's wages that have been earned and are unpaid at the time of discharge shall be paid immediately.

Labor Code § 202 provides that if an employee quits, his or her wages become due no later than 72 hours thereafter or if an employee gives 72-hours previous notice of his or her intention to quit, the employees' wages are due at the time of quitting.

Labor Code §203 provides that if the employer willfully fails to pay any wages of an employee who is discharged or who quits, the employee's wages shall continue as a penalty from the due date of the payment of wages, at the same rate, until such wages paid, or an action commenced, but not more than 30 days. Defendants willfully failed to provide Plaintiffs and Aggrieved Employees with all wages due and owing, including all regular and overtime wages,

and meal and rest period premium wages, and reimbursement for necessary business expenses, as specified by Labor Code §§ 201 and 202, as alleged herein.

Defendants did not pay Plaintiffs and Aggrieved Employees' wages were due when Defendants terminated their employment. Defendants willfully failed and refused, and continue to willfully fail and refuse, to timely pay compensation and wages, including overtime payments, premiums for meal and rest periods, and indemnification for business expenses as described above. As a result, Defendants are liable for wages due, interest, and waiting time penalties, any other statutory penalties, other damages together with attorneys' fees and costs.

Labor Code §§ 226, and 226.3: Labor Code 226 requires employers to maintain accurate records for each employee's hours of work and to provide each employee with an accurate wage statements in writing setting forth, among other things: gross wages earned; total hours worked by the employee; net wages earned; all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee, all deductions made, and the name and address of the legal entity of the employer

Defendants engage in a policy and practice of willfully and intentionally failing to furnish their employees with accurate itemized wage statements in compliance with the statutory requirement of §226(a). During the Relevant Time Period, Defendants knowingly and intentionally failed to provide to Plaintiffs and Aggrieved Employees, the above described writing required by Labor Code § 226 through actions alleged herein, including a complete failure to provide any wage statements.

Labor Code §§ 558, 1174, 1174.5, 274.5(a): Labor Code section 1174(d) requires Defendants to maintain and preserve in 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 employees employed at the respective plants or establishments. These records shall be kept on file for not less than three years.

Defendants engaged in a policy and practice of failing to maintain payroll records, and records pertaining to current and former employees in a central location in the state. Defendants failed to comply with California Labor Code section 1174. Defendants' failure to comply with California Labor Code section 1174 is a violation of California Labor Code section 1175.

Labor Code Labor Code § 1174.5 provides that any person employing labor who willfully fails to maintain the records required by Labor Code § 1174(d), shall be subject to civil penalty in the amount of \$500.00.

Furthermore, Labor Code Labor Code § 247.5(a) requires an employer to keep for at least three yeas records documenting the hours worked and paid sick days accrued and used by an employee. An employer shall make these records available to an employee in the same manner as described in Section 226.

Upon information and belief, Defendants also failed to comply with section 247.5(a) in the same manner as Defendants' failed to provide Plaintiffs and Aggrieved Employees with the records reflecting accrued and used paid sick days.

Labor Code §§ 1197, 1194, 1194.2, 1197.1: Cal. Lab. Code §1197 provides that: "the minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a less wage than the minimum so fixed is unlawful."

Cal. Lab. Code §1194 provides in relevant part that any employee receiving less than the legal minimum wage applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage, including interest thereon, reasonable attorneys' fees, and costs of suit.

Cal. Lab. Code §1194.2 provides in relevant part that: "in any action under ... Section 1194 to recover wages because of a payment of wage less than the minimum wage fixed by an order of the commission, an employee shall be entitled to recover liquidated damages in an amount equal to the wage unlawfully unpaid and interest thereon."

Plaintiffs and the Aggrieved Employees were non-exempt employees of Defendants that were voluntarily and intentionally misclassified by Defendants as independent contractors to avoid employee status. Defendants failed to satisfy minimum wage requirements as they failed to pay workers for all hours worked.

Labor Code §§ 245.5 -249: California Labor Code sections 245.5, 246, 246.5, 247, 247.5, 248.5, and 249 provide employees who have worked in California for 30 or more days from the commencement of employment with paid sick days, to be accrued at least one hour for every 30 hours worked. Pursuant to California Labor Code section 246(b)(4), "An employer may satisfy the accrual requirements of this section by providing not less than 24 hours or 3 days of paid sick leave that is available to the employee to use by the completion of the employee's 120th calendar day of employment, and no less than 40 hours or 5 days of paid sick leave that is available to the employee to use by the completion of the employee's 200th calendar day of employment."

Defendants systematically failed to provide Plaintiffs and Aggrieved Employees paid sick leave as provided by section 246(b)(4). Plaintiffs and the Aggrieved Employees are therefore entitled to recover civil penalties pursuant to Labor Code sections 248.5.

Labor Code § 2810.5: The California Wage Theft Prevention Act of 2011 ("WTPA") became effective on January 1, 2012. Among other provisions, the WTPA adds section 2810.5 to the California Labor Code. The act requires that all employers provide each employee with a written notice containing specified information. The notice must be in the language the employer normally uses to communicate employment-related information to the employee. Specifically, employers are required to provide each employee, at the time of hiring, with a written notice containing the following information: (1) the rate or rates of pay "and basis thereof," whether paid by the hour, shift, day, week, salary, piece, commission, or otherwise, including any rates for overtime, as applicable; (2) allowances, if any, claimed as part of the minimum wage, including

meal or lodging allowances; (3) the regular payday designated by the employer in accordance with the requirements of the Labor Code; (4) the name of the employer, including any “doing business as” names used by the employer; (5) the physical address of the employer's main office or principal place of business, and a mailing address, if different; (6) the telephone number of the employer; (7) the name, address, and telephone number of the employer's workers' compensation insurance carrier; and (8) any other information the Labor Commissioner deems material and necessary.

Plaintiffs began their employment with Defendants when Cal. Lab. Code § 2810.5 was in full force and effect. Plaintiffs were non-exempt employee, misclassified as an independent contractor, entitled to notice pursuant Cal. Lab. Code § 2810.5. Cal. Labor Code § 2810.5 is aimed at informing employees about such fundamental and material information concerning their pay and rates of pay under an employment relationship. Defendants willfully, and intentionally failed to comply with the requirements of Cal. Lab. Code § 2810.5. Specifically, Defendants completely failed to provide Plaintiffs and Aggrieved Employees with a Notice to Employee.

Labor Code § 1102.5: (a) An employer, or any person acting on behalf of the employer, shall not make, adopt, or enforce any rule, regulation, or policy preventing an employee from disclosing information to a government or law enforcement agency, to a person with authority over the employee, or to another employee who has authority to investigate, discover, or correct the violation or noncompliance, or from providing information to, or testifying before, any public body conducting an investigation, hearing, or inquiry, if the employee has reasonable cause to believe that the information discloses a violation of state or federal statute, or a violation of or noncompliance with a local, state, or federal rule or regulation, regardless of whether disclosing the information is part of the employee's job duties.

(b) An employer, or any person acting on behalf of the employer, shall not retaliate against an employee for disclosing information, or because the employer believes that the employee disclosed or may disclose information, to a government or law enforcement agency, to a person with authority over the employee or another employee who has the authority to investigate, discover, or correct the violation or noncompliance, or for providing information to, or testifying before, any public body conducting an investigation, hearing, or inquiry, if the employee has reasonable cause to believe that the information discloses a violation of state or federal statute, or a violation of or noncompliance with a local, state, or federal rule or regulation, regardless of whether disclosing the information is part of the employee's job duties.

(c) An employer, or any person acting on behalf of the employer, shall not retaliate against an employee for refusing to participate in an activity that would result in a violation of state or federal statute, or a violation of or noncompliance with a local, state, or federal rule or regulation.

(d) An employer, or any person acting on behalf of the employer, shall not retaliate against an employee for having exercised his or her rights under subdivision (a), (b), or (c) in any former employment.

Labor Code §98.6 provides: “an employer may not discharge an employee or in any manner discriminate, retaliate, or take any adverse action against an employee engaged in any conduct described in subdivision (k) of section 96, or because the employee has made a written or

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oral complaint that he is owed unpaid wages, or because of exercise by the employee on behalf of himself, herself, or others of any rights afforded him or her.”

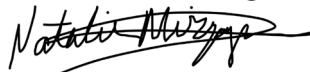
In violation of Lab. Code §§ 1102.5, 6410, 98.6, Defendants have retaliated against the Plaintiffs and terminated their employment. Specifically, Plaintiffs were terminated because they opposed, complained, and exercised their rights afforded to them under California law for Defendants blatant workplace violations as stated above.

Each of the following Labor Codes and Regulations were violated as a result of Defendants practices stated above. Plaintiffs are informed and believes, and thereupon allege, that Defendants continue to engage in these violations of law to this very day, with no intention of correction or cessation, such that the violations are ongoing and continuous.

The purpose of this letter is to satisfy the requirements created by California Labor Code section 2699 prior to seeking penalties allowed by law for the aforementioned violations. If the your agency does not intend to investigate the alleged violations, we specifically and respectfully request that our office is notified.

We look forward to determining whether the agency intends to take any action in reference to these violations.

With the kindest regards,

A handwritten signature in black ink, appearing to read "Natalie Mirzayan", with a long horizontal flourish extending to the right.

Natalie Mirzayan, Esq.