

Assigned for all purposes to: Stanley Mosk Courthouse, Judicial Officer: Mel Red Recana

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8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
9 **FOR THE COUNTY OF LOS ANGELES**

10 DAMARYS ALVARADO, an individual, on
11 behalf of herself and all other aggrieved
12 employees,

13 Plaintiff,

14 vs.

15 HIGHLY SPOKEN INC., a California
16 corporation; ALPHA BRIGHT INC., a
17 California corporation; LEONID GONCHAR, an
18 individual; BORIS GONCHAR, an individual;
19 and DOES 1 through 10 inclusive,

20 Defendants.
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Case No. 22STCV38656

COMPLAINT FOR:

1. **Failure to Pay All Wages;**
2. **Meal Period Violations;**
3. **Rest Period Violations;**
4. **Failure to Reimburse Business Expenses;**
5. **Waiting Time Penalties;**
6. **Wage Statement Violations;**
7. **Unfair Business Practices;**
8. **PAGA Civil Penalties (Labor Code § 2698 *et seq.*).**

1 Plaintiff DAMARYS ALVARADO (“Plaintiff”), as an individual and as a representative under
2 the Private Attorneys General Act, California Labor Code Sections 2698, *et seq.* (“PAGA”), hereby
3 brings this Complaint against Defendants HIGHLY SPOKEN INC., a California corporation
4 (“HIGHLY SPOKEN”); ALPHA BRIGHT INC., a California corporation (“ALPHA BRIGHT”);
5 LEONID GONCHAR, an individual; BORIS GONCHAR, an individual; and DOES 1 through 10
6 inclusive (collectively, “Defendants”), and hereby alleges with knowledge with respect to her own
7 acts and on information and belief as to other matters as follows:

8 **INTRODUCTION**

9 1. Plaintiff brings individual claims to recover unpaid wages, liquidated and statutory
10 damages, treble damages, restitution, interest, reasonable attorneys’ fees, costs and other sums that
11 Defendants owe to her under the California Labor Code (“Labor Code”), the Industrial Welfare
12 Commission (“IWC”) Wage Orders, the California Business and Professions Code (“Business and
13 Professions Code”), and the California Penal Code (“Penal Code”).

14 2. Plaintiff further brings a claim under the Private Attorneys General Act of 2004,
15 codified as Labor Code § 2698 *et seq.*, to recover civil penalties, reasonable attorneys’ fees, costs,
16 wages and other recoverable sums in his representative capacity as an “aggrieved employee” on behalf
17 of all other current and former aggrieved employees of Defendants.

18 3. Plaintiff also brings an individual and representative claim under the Private Attorneys
19 General Act of 2004, pursuant to Labor Code Sections 2698, *et seq.*, to recover civil penalties,
20 reasonable attorneys’ fees, costs, wages, and other recoverable sums in her representative capacity as
21 an “aggrieved employee” on behalf of all other current and former aggrieved employees of
22 Defendants. The “Aggrieved Employees” for purposes of the representative claim for PAGA penalties
23 include all current and former non-exempt employees of Defendants during the PAGA Period. The
24 term “PAGA Period” is defined as commencing from one year prior to the submission of Plaintiff’s
25 notice of Labor Code violations to the Labor and Workforce Development Agency (“LWDA”) and
26 Defendants through the date of trial.

27 4. Defendants operate the urban marijuana dispensary known as “LA Wonderland.” They
28 offer a large selection of flowers, pre-rolls, vape cartridges, disposable cartridges, concentrates,

1 edibles, drinks, capsules, topicals, tinctures, and accessories to their customers.

2 5. During the PAGA Period, Plaintiff and Aggrieved Employees were employed by
3 Defendants and performed work for Defendants at Defendants' dispensary at 150 Venice Boulevard,
4 Los Angeles, California 90015.

5 6. Defendants have engaged in a systematic pattern of wage and hour violations under the
6 California Labor Code ("Labor Code"). During the PAGA Period, Defendants maintained a consistent
7 practice and policy of violating state wage and hour laws by, among other things, failing to pay all
8 wages (including minimum, regular, overtime, and double time wages), failing to provide compliant
9 meal and rest periods or compensation in lieu thereof, failing to timely pay all wages due upon
10 separation of employment, failing to provide accurate itemized wage statements, failing to maintain
11 accurate records of hours worked, failing to reimburse business expenses, failing to comply with
12 California's equal pay laws, and retaliating against employees for engaging in quintessential protected
13 activity.

14 7. Plaintiff's representative PAGA action is brought under, *inter alia*, the California
15 Industrial Welfare Commission ("IWC") Wage Orders and applicable provisions of the California
16 Code of Regulations, California Code of Civil Procedure Section 1021.5, and Labor Code Sections
17 201, 202, 203, 204, 206, 210, 222, 226, 226.2, 226.3, 226.7, 510, 512, 558, 558.1, 1174, 1174.5, 1194,
18 1197, 1197.1, 1198, 2800, and 2802.

19 **JURISDICTION AND VENUE**

20 8. This Court has jurisdiction over all causes of action alleged in this Complaint under the
21 California Constitution, Article VI, Section 10. The monetary damages, restitution, penalties, and
22 other amounts sought by Plaintiff exceed the minimal jurisdictional limit of this Court and will be
23 established according to proof at trial.

24 9. This Court has general personal jurisdiction over HIGHLY SPOKEN and ALPHA
25 BRIGHT because they are California corporations. This Court has general personal jurisdiction over
26 LEONID GONCHAR and BORIS GONCHAR because they are individuals domiciled in California.

27 10. Venue in Los Angeles County is proper under California Business & Professions Code
28 Section 17203 and California Code of Civil Procedure Section 395.5 because a substantial part of

1 Defendants' unlawful conduct, acts, and omissions alleged in this Complaint occurred in this County,
2 Defendants operate a dispensary in this County, and thus conduct substantial business in this County,
3 and/or Defendants' liability arose in this County.

4 **PARTIES**

5 11. Plaintiff DAMARYS ALVARADO is an individual residing in Los Angeles County,
6 California. Defendants employed Plaintiff as a non-exempt employee during the PAGA Period and
7 Plaintiff's employment with Defendants ended within one (1) year of the filing of this action.
8 Plaintiff's primary job duties consisted of, *inter alia*, packaging cannabis projects.

9 12. Plaintiff is an "aggrieved employee" within the meaning of the PAGA since she
10 suffered one or more of the Labor Code violations alleged in this Complaint. Plaintiff brings a claim
11 for civil penalties and other recoverable sums under the PAGA as a representative aggrieved employee
12 on behalf of all current and former employees of Defendants during the PAGA Period.

13 13. Defendant HIGHLY SPOKEN is a California corporation, having its principal place of
14 business in Los Angeles County. HIGHLY SPOKEN is, and at all relevant times was, an employer
15 subject to California state wage and hour laws. HIGHLY SPOKEN's practices and policies described
16 in this Complaint were implemented and/or maintained during the PAGA Period. Plaintiff performed
17 work at HIGHLY SPOKEN's dispensary in Los Angeles, California during the PAGA Period.

18 14. Defendant ALPHA BRIGHT is a California corporation, having its principal place of
19 business in Los Angeles County. ALPHA BRIGHT is, and at all relevant times was, an employer
20 subject to California state wage and hour laws. ALPHA BRIGHT's practices and policies described
21 in this Complaint were implemented and/or maintained during the PAGA Period.

22 15. Plaintiff is informed, believes, and thereon alleges that LEONID GONCHAR is a
23 director and/or officer of HIGHLY SPOKEN and ALPHA BRIGHT. LEONID GONCHAR is, and at
24 all relevant times was, an employer subject to California state wage and hour laws. Plaintiff is
25 informed, believes, and thereon alleges that the practices and policies of LEONID GONCHAR that
26 are complained of by way of this Complaint were implemented during the four years preceding the
27 filing of this Complaint and during the PAGA Period in violation of Labor Code Sections 203, 226,
28 2267, 1194, and 2802 and is therefore directly liable under Labor Code Sections 558 and 558.1.

1 16. Plaintiff is informed, believes, and thereon alleges that BORIS GONCHAR is a director
2 and/or officer of HIGHLY SPOKEN and ALPHA BRIGHT. BORIS GONCHAR is, and at all relevant
3 times was, an employer subject to California state wage and hour laws. Plaintiff is informed, believes,
4 and thereon alleges that the practices and policies of BORIS GONCHAR that are complained of by
5 way of this Complaint were implemented during the four years preceding the filing of this Complaint
6 and during the PAGA Period in violation of Labor Code Sections 203, 226, 2267, 1194, and 2802 and
7 is therefore directly liable under Labor Code Sections 558 and 558.1.

8 17. Defendants continue to employ non-exempt employees within California.

9 18. Plaintiff is unaware of the true names and capacities of those Defendants identified as
10 DOES 1 through 10. Therefore, Plaintiff identifies those Defendants fictitiously. Each DOE
11 Defendant was a parent, sister, or related corporate entity of Defendants, or an owner, employee or
12 agent of Defendants, and each related entity, and was acting with the knowledge and authorization of
13 each of the other Defendants. Plaintiff will seek to amend this Complaint to allege the true names and
14 capacities of each DOE Defendant when their names have been ascertained and identified. Each of the
15 Defendants sued as DOES 1 through 10 participated in, received the benefit of, or was in some way
16 responsible for one or more of the wrongful acts and omissions and some portion of the damages
17 alleged herein.

18 19. At all times relevant hereto, each defendant acted in all respects pertinent to this action
19 as the agent of the other defendants, carried out a joint scheme, business plan or policy in all respects
20 pertinent hereto, and the acts of each defendant are legally attributable to the other defendants.
21 Furthermore, Defendants in all respects acted as the employer and/or joint employer of Plaintiff and
22 the Aggrieved Employees.

23 20. Defendants, each and all of them, at all times relevant, were the joint employers, parent
24 companies, successor companies, predecessors in interest, affiliates, agents, employees, servants, joint
25 venturers, directors, fiduciaries, representatives, and/or co-conspirators of each of the remaining
26 Defendants. Defendants, unless otherwise alleged, at all times relevant, performed all acts and
27 omissions alleged herein within the course and scope of said relationship(s), and are a proximate cause
28 of Plaintiff's damages alleged herein.

21. There exists a unity of interest in ownership between Defendants and DOES 1 through 10, inclusive, such that any individuality and separateness between the individual and the corporation does not exist, as Defendants, and DOES 1 through 10, inclusive, are alter egos, in that: (a) Defendants are and at all times mentioned herein were mere shells, instrumentalities and conduits through which DOES 1 through 10, inclusive, carried out their business in the business name, exercising complete control and dominance over such business; (b) that Defendants were conceived, intended and used by DOES 1 through 10, inclusive, as devices to avoid individual liability and in place of Defendants, and DOES 1 through 10, inclusive, and were without the financial solvency and responsibility required by law; and (c) that all of the assets of the Defendants have been transferred to DOES 1 through 10, inclusive, or some other individual or entity which he or she owns or controls, with the intent to hinder, delay or defraud creditors of Defendants, leaving Defendants with no assets. Further, there exists a principal-agency relationship between and among Defendants.

22. At all relevant times, Defendants were agents of each other and acting within the course and scope of their agency.

FACTUAL ALLEGATIONS

23. At all relevant times, Defendants employed Plaintiff and other Aggrieved Employees as non-exempt employees.

24. Plaintiff began working for Defendants in approximately June 2017 as a non-exempt hourly employee at Defendants' dispensary LA Wonderland in Los Angeles, California. Plaintiff's primary job duties was packaging cannabis products. Defendants terminated Plaintiff's employment on or about July 14, 2022.

25. At all relevant times, Defendants were advised by skilled lawyers, employees and other professionals who were knowledgeable about California wage and hour law, employment and personnel practices, and the requirements of California.

26. Through this action, Plaintiff alleges Defendants have consistently maintained and enforced unlawful employment practices and policies against Plaintiff and other Aggrieved Employees which violate the Labor Code and IWC Wage Orders.

27. Defendants knew or should have known they had a duty to compensate Plaintiff and

1 other Aggrieved Employees, and Defendants had the financial ability to pay such compensation but
2 willfully, knowingly, and/or intentionally failed to do so to increase Defendants' profits.

3 28. Through this action, Plaintiff alleges that Defendants have engaged in a systematic
4 pattern of wage and hour violations under the Labor Code and IWC Wage Orders.

5 29. Defendants committed the violations set forth in this Complaint against all Aggrieved
6 Employees, continuing through the present date. Defendants maintained non-compliant employment
7 policies and practices which were applied to Plaintiff and all other Aggrieved Employees.

8 30. **Unpaid Wages:** Defendants knew or should have known that Plaintiff and other
9 Aggrieved Employees were entitled to receive at least minimum wages, wages at their regular rate of
10 pay, and overtime wages, and that they were not receiving minimum, regular, and overtime wages for
11 all work that was required to be performed. On information and belief, during the PAGA Period,
12 Plaintiff and/or Aggrieved Employees regularly worked more than 8 hours, 10 hours, and/or 12 hours
13 per workday and/or over 40 hours per workweek. In violation of the Labor Code, Defendants failed to
14 pay the minimum, regular, overtime, and double time rate of pay to Plaintiff and/or other Aggrieved
15 Employees for all hours worked.¹ For example, Defendants forced Plaintiff and other Aggrieved
16 Employees to clock out and then continue to work to avoid paying Plaintiff and other Aggrieved
17 Employees overtime wages. In addition, Defendants rounded Plaintiff and other Aggrieved
18 Employees' hours worked, thereby depriving them of wages for all hours worked at the legally
19 mandated rates. Defendants also failed to compensate Plaintiff and other Aggrieved Employees for
20 time spent performing tasks other than tasks paid on a piece-rate basis. Furthermore, Employer failed
21 to compensate Plaintiff and other Aggrieved Employees at the legally mandated overtime rates
22 because Defendants did not include Plaintiff and other Aggrieved Employees' nondiscretionary
23 bonuses in their calculation of "regular rate" for overtime purposes. Finally, Defendants failed to
24 compensate Plaintiff and other Aggrieved Employees for all hours worked because Plaintiff and other
25 Aggrieved Employees were regularly on-duty during their meal and/or rest periods.

26 31. **Meal Period Violations:** Defendants knew or should have known that Plaintiff and/or
27

28 ¹ During the PAGA Period, Defendants did not compensate Plaintiff and other Aggrieved Employees with an hourly rate of at least thirty percent (30%) more than California's minimum wage.

1 other Aggrieved Employees were entitled to receive a timely, off-duty, uninterrupted 30-minute meal
2 period for every five hours of work, or payment of one additional hour of pay at their regular rate of
3 pay when they did not receive a compliant meal period. Plaintiff and other Aggrieved Employees did
4 not receive compliant meal periods due to Defendants' practices and policies. For example, due to
5 understaffing and Defendants' fast-paced environment, Plaintiff and other Aggrieved Employees were
6 often required to take their meal periods late or work through their meal periods. Additionally,
7 Defendants failed to provide second meal periods when Plaintiff and other Aggrieved Employees
8 worked over 10 hours. Furthermore, Defendants rounded Plaintiff and other Aggrieved Employees'
9 time punches for meal periods. Accordingly, Defendants failed to provide Plaintiff and other
10 Aggrieved Employees with timely, uninterrupted off-duty meal periods for at least 30 minutes when
11 they worked more than five (5) hours and/or 10 hours in a workday, and failed to compensate Plaintiff
12 and other Aggrieved Employees with an additional hour of pay at their regular rate of pay for every
13 day in which they were denied a compliant meal period.

14 **32. Rest Period Violations:** Defendants knew or should have known that Plaintiff and
15 other Aggrieved Employees were entitled to receive a 10-minute, off-duty, uninterrupted rest period
16 for every four (4) hours worked, or major fraction thereof, or payment of one additional hour of pay
17 at their regular rate of pay when they were not permitted to take a compliant rest period. Plaintiff and
18 other Aggrieved Employees did not receive compliant rest periods due to Defendants' practices and
19 policies. Specifically, Plaintiff and other Aggrieved Employees regularly missed their rest breaks or
20 had them interrupted or governed by Defendants' practices and policies. Further, Defendants failed to
21 compensate Plaintiff and other Aggrieved Employees with an additional hour of pay at their regular
22 rate of pay for every day in which they suffered a rest period violation.

23 **33. Failure to Compensate for Rest and Recovery Periods and Other Nonproductive**
24 **Time:** During the PAGA Period, Defendants failed to compensate all Aggrieved Employees, including
25 Plaintiff, who were compensated on a piece-rate basis separately for rest and recovery periods and
26 other nonproductive time at the legally mandated rate.

27 **34. Unreimbursed Business Expenses:** Defendants knew or should have known that
28 Plaintiff and other Aggrieved Employees were entitled to reimbursement for their necessary work-

1 related business expenses. For example, Plaintiff and other Aggrieved Employees incurred out-of-
2 pocket expenses to perform their job duties without reimbursement, including cell phone expenses
3 incurred for communicating with Defendants. Moreover, Plaintiff and other Aggrieved Employees
4 were not reimbursed for clothing that was destroyed as a result of Defendants' failure to provide
5 Plaintiff and other Aggrieved Employees with personal protective equipment, lab coats, and masks
6 when working with cannabis. Finally, Plaintiff and other Aggrieved Employees were not reimbursed
7 for COVID tests required by Defendants to be taken outside of working hours.

8 **35. Waiting Time Penalties:** Defendants knew or should have known that Plaintiff and
9 other Aggrieved Employees who separated from their employment with Defendants during the
10 statutory period were entitled to timely payment of all wages due. In violation of the Labor Code,
11 Plaintiff and other Aggrieved Employees did not receive payment of all wages owed upon separation
12 within the permissible time period due to, *inter alia*, Defendants' failure to pay all wages, meal and
13 rest period premiums, and reimburse expenses.

14 **36. Wage Statement Violations:** Defendants knew or should have known that Plaintiff
15 and/or other Aggrieved Employees were entitled to receive complete and accurate wage statements.
16 In violation of the Labor Code and IWC Wage Orders, Plaintiff and other Aggrieved Employees were
17 not furnished with complete and accurate wage statements that show all information required by Labor
18 Code Section 226, including, but not limited to, the gross and net wages earned, the total hours worked,
19 all applicable hourly rates in effect during the pay period, and the corresponding number of hours
20 worked at each hourly rate.

21 **37. Failure to Keep Accurate Records:** Defendants knew or should have known that
22 Defendants were required to keep accurate records of the hours worked by Plaintiff and/or other
23 Aggrieved Employees. In violation of the Labor Code, Defendants failed to maintain accurate records
24 of hours worked by Plaintiff and other Aggrieved Employees as a result of Defendants' conduct, acts,
25 and/or omissions described throughout this Complaint.

26 **38.** Defendants' conduct, acts, and/or omissions described throughout this Complaint were
27 willful.
28

FIRST CAUSE OF ACTION
FAILURE TO PAY ALL WAGES
(Against All Defendants)

39. Plaintiff incorporates by reference the allegations in all paragraphs in this Complaint as though fully set forth herein.

40. At all relevant times, Defendants had a duty to comply with Labor Code Sections 204, 206, 510, 1182.12, 1194, 1194.2, 1197, 1198, and the applicable IWC Wage Orders and California Code of Regulations.

41. Labor Code Section 204 and the IWC Wage Orders require timely payment of all wages owed on regularly scheduled paydays at least twice during each calendar month, on days designated in advance by the Defendants as the regular paydays. All wages earned in excess of the normal work period must be paid no later than the payday for the next regular payroll period.

42. Labor Code Section 206 provides that in case of a dispute over wages, the Defendants shall pay, without condition and promptly under the Labor Code all wages conceded due, leaving to the employee all remedies he/she is otherwise entitled to as to any balance claimed.

43. At all times relevant, Labor Code Section 510, and applicable sections of the California Code of Regulations and the IWC Wage Orders applied to Plaintiff's work with Defendants and continued to apply to her employment with Defendants. Labor Code Section 510 and applicable provisions of the California Code of Regulations and IWC Wage Orders state that any work performed in excess of eight hours in a workday and/or 40 hours in a workweek must be paid at one and one-half times the employee's regular rate of pay. Any work performed in excess of 12 hours in a workday must be compensated at the rate of no less than twice the regular rate of pay for an employee.

44. Labor Code Section 1182.12 sets forth the minimum hourly wage that must be paid to all employees in California for all hours worked. Local minimum wage ordinances, may provide for higher minimum wage rates that must be paid to employees for all hours worked in those locales where each local ordinance is in effect. Labor Code Section 1197 affirms that it is unlawful to pay less than the state or local minimum wage, whichever is higher, for any hour of work.

45. Labor Code Section 1194 provides that any employee receiving less than the legal

1 minimum wage or the legal overtime compensation applicable to the employee is entitled to recover
2 in a civil action the unpaid balance of the full amount of the minimum wage or overtime compensation,
3 including interest thereon, reasonable attorney's fees, and costs of suit.

4 46. Labor Code Section 1194.2 authorizes the recovery of liquidated damages in an amount
5 equal to the wages unlawfully unpaid and interest thereon for unpaid wage violations.

6 47. Labor Code Section 1198 prohibits Defendants from employing for longer hours or less
7 favorable conditions than those set forth in the Labor Code, IWC Wage Orders, or as otherwise set by
8 the Labor Commissioner.

9 48. Plaintiff is informed, believes, and thereon alleges that at all relevant times, Plaintiff
10 regularly worked more than eight (8) hours, 10, and/or 12 hours per workday, more than 40 hours per
11 workweek, and/or more than eight (8) hours on the seventh consecutive day of work.

12 49. Plaintiff is informed, believes, and thereon alleges that at all relevant times, Defendants
13 failed to pay Plaintiff all wages for hours worked (including minimum, regular, overtime, and double
14 time wages), failed to pay overtime and double time wages at the proper rates of pay, auto-deducted
15 and rounded meal periods, unlawfully deducted wages, and required off-the-clock work without
16 compensation, among other things.

17 50. Plaintiff is informed, believes, and thereon alleges that, during the relevant time period,
18 Defendants failed to compensate Plaintiff for rest and recovery periods and other nonproductive time
19 separate from any piece-rate compensation at the legally mandate rate.

20 51. As a direct and proximate result of Defendants' unlawful conduct, as set forth herein,
21 Plaintiff has sustained and continues to sustain damages, including loss of earnings including
22 minimum, regular, overtime, and double time compensation due, in an amount to be established at
23 trial, plus prejudgment interest, attorneys' fees, and costs pursuant to statute.

24 52. Plaintiff is informed, believes, and thereon alleges that Defendants, through their
25 conduct described herein, have committed an "intentional theft of wages in an amount greater than
26 nine hundred fifty dollars (\$950) from any one employee, or two thousand three hundred fifty dollars
27 (\$2,350) in the aggregate from two or more employees...in any consecutive 12-month period" within
28 the meaning of California Penal Code Section 487m. Specifically, Defendants have intentionally

1 deprived Plaintiff of wages, as defined in Section 200 of the Labor Code, gratuities, as defined in
2 Section 350 of the Labor Code, benefits, or other compensation, by unlawful means, with the
3 knowledge that the wages, gratuities, benefits, or other compensation is due to Plaintiff under the law.
4 Plaintiff is thus entitled to recover from Defendants treble damages and costs, including reasonable
5 attorneys' fees, pursuant to California Penal Code Section 496(c).

6 53. WHEREFORE, Plaintiff requests relief as described herein and below.

7 **SECOND CAUSE OF ACTION**

8 **MEAL PERIOD VIOLATIONS**

9 **(Against All Defendants)**

10 54. Plaintiff incorporates by reference the allegations in all paragraphs in this Complaint
11 as though fully set forth herein.

12 55. Labor Code § 512(a) prohibits employers from employing any person for a work period
13 of more than five (5) hours without a meal period of not less than thirty (30) uninterrupted minutes.
14 Further, employers may not employ an employee for a work period of more than ten (10) hours per
15 day without providing the employee with a second meal period of not less than thirty (30) minutes.

16 56. At all relevant times, Plaintiff regularly worked more than five (5) hours and 10 hours
17 per workday without being provided an uninterrupted, off-duty 30-minute meal period since Plaintiff's
18 meal periods were late, interrupted, short, and/or on-duty.

19 57. During the relevant time period, Defendants failed to pay Plaintiff meal period
20 premiums for noncompliant meal periods pursuant to Labor Code Section 226.7(b) and the applicable
21 IWC Wage Order.

22 58. Defendants have willfully, unfairly, fraudulently or unlawfully failed to allow Plaintiff
23 to take meal breaks pursuant to Labor Code § 512(a). As a result, Defendants are liable to Plaintiff
24 for premium compensation of one hour of pay at the employee's regular rate for each workday that
25 the meal period was not provided pursuant to Labor Code § 226.7, in an amount to be established at
26 trial.

27 59. Plaintiff is informed, believes, and thereon alleges that Defendants, through their
28 conduct described herein, have committed an "intentional theft of wages in an amount greater than

1 nine hundred fifty dollars (\$950) from any one employee, or two thousand three hundred fifty dollars
2 (\$2,350) in the aggregate from two or more employees...in any consecutive 12-month period” within
3 the meaning of California Penal Code Section 487m. Specifically, Defendants have intentionally
4 deprived Plaintiff of wages, as defined in Section 200 of the Labor Code, gratuities, as defined in
5 Section 350 of the Labor Code, benefits, or other compensation, by unlawful means, with the
6 knowledge that the wages, gratuities, benefits, or other compensation is due to Plaintiff under the law.
7 Plaintiff is informed, believes, and thereon alleges that meal period premiums are wages, gratuities,
8 benefits, or other compensation within the meaning of California Penal Code Section 487m. Plaintiff
9 is thus entitled to recover from Defendants treble damages and costs, including reasonable attorneys’
10 fees, pursuant to California Penal Code Section 496(c).

11 **THIRD CAUSE OF ACTION**

12 **REST PERIOD VIOLATIONS**

13 **(Against All Defendants)**

14 60. Plaintiff incorporates by reference the allegations in all paragraphs in this Complaint
15 as though fully set forth herein.

16 61. California law and applicable Wage Orders require employers to authorize and permit
17 all employees to take uninterrupted rest periods. The rest period time shall be based on the total hours
18 worked daily at the rate of 10 minutes net rest time per four hours or major fraction thereof.

19 62. During the relevant time period, Defendants failed to provide compliant rest breaks.
20 Specifically, Plaintiff had her rest breaks on-duty, interrupted, missed, or shortened. Consequently,
21 Plaintiff did not receive a 10-minute rest period for every four (4) hours worked or major fraction
22 thereof.

23 63. During the relevant time period, Defendants failed to pay Plaintiff rest period premiums
24 for noncompliant rest periods pursuant to Labor Code Section 226.7(b) and the applicable IWC Wage
25 Order.

26 64. Defendants have willfully, unfairly, fraudulently or unlawfully failed to allow Plaintiff
27 to take rest periods pursuant to California law. As a result, Defendants are liable to Plaintiff for
28 premium compensation of one hour of pay at the employee’s regular rate for each workday that the

1 rest period was not provided pursuant to Labor Code § 226.7, in an amount to be established at trial.

2 65. Plaintiff is informed, believes, and thereon alleges that Defendants, through their
3 conduct described herein, have committed an “intentional theft of wages in an amount greater than
4 nine hundred fifty dollars (\$950) from any one employee, or two thousand three hundred fifty dollars
5 (\$2,350) in the aggregate from two or more employees...in any consecutive 12-month period” within
6 the meaning of California Penal Code Section 487m. Specifically, Defendants have intentionally
7 deprived Plaintiff of wages, as defined in Section 200 of the Labor Code, gratuities, as defined in
8 Section 350 of the Labor Code, benefits, or other compensation, by unlawful means, with the
9 knowledge that the wages, gratuities, benefits, or other compensation is due to Plaintiff under the law.
10 Plaintiff is informed, believes, and thereon alleges that rest period premiums are wages, gratuities,
11 benefits, or other compensation within the meaning of California Penal Code Section 487m. Plaintiff
12 is thus entitled to recover from Defendants treble damages and costs, including reasonable attorneys’
13 fees, pursuant to California Penal Code Section 496(c).

14 **FOURTH CAUSE OF ACTION**

15 **FAILURE TO REIMBURSE BUSINESS EXPENSES**

16 **(Against All Defendants)**

17 66. Plaintiff hereby re-alleges and incorporates by reference the allegations in all
18 paragraphs in this Complaint as though fully set forth herein.

19 67. At all relevant times, Defendants had a duty to comply with Labor Code Sections 2800
20 and 2802. Defendants failed to comply with these indemnification and reimbursement requirements
21 with respect to Plaintiff.

22 68. Labor Code Section 2800 requires employers to indemnify employees for losses caused
23 by the employer’s want of ordinary care. To the extent Defendants claim that Plaintiff failed to request,
24 demand, notify or otherwise seek reimbursement for their expenses and losses, Defendants were
25 obligated to nevertheless indemnify Plaintiff due to their own negligence.

26 69. Labor Code Section 2802(a) requires that employers indemnify and reimburse
27 employees for all business expenses, which are defined as all necessary expenditures or losses incurred
28 by the employee in direct consequence of the discharge of the employee’s duties or otherwise incurred

1 based on the employee's obedience to the employer's directions. Labor Code Section 2802(b)
2 authorizes employees to recover in a court action interest which shall accrue from the date on which
3 the employee incurred the necessary expenditure or loss. Labor Code Section 2802(c) authorizes
4 employees, who to enforce their right to reimbursements under Labor Code Section 2802, to also
5 recover attorneys' fees and costs.

6 70. During the relevant time period, Defendants required Plaintiff to incur out-of-pocket
7 expenses without reimbursement. For example, Plaintiff incurred out-of-pocket expenses to perform
8 her job duties without reimbursement, including cell phone expenses incurred for communicating with
9 Defendants. Moreover, Plaintiff was not reimbursed for clothing that was destroyed as a result of
10 Defendants' failure to provide Plaintiff with personal protective equipment, lab coats, and masks when
11 handling cannabis. Finally, Plaintiff was not reimbursed for COVID tests required by Defendants.

12 71. As a result of Defendants' failure to indemnify and reimburse Plaintiff for all business
13 and work-related costs, expenditures, losses and expenses in accordance with Labor Code Sections
14 2800 and 2802, Plaintiff is entitled to recover the full unreimbursed balance of reimbursements,
15 expenditures and losses, prejudgment interest, and statutory penalties, along with attorneys' fees and
16 costs in amounts that will be established at trial.

17 **FIFTH CAUSE OF ACTION**

18 **WAGE STATEMENT VIOLATIONS**

19 **(Against All Defendants)**

20 72. Plaintiff incorporates by reference the allegations in all paragraphs in this Complaint
21 as though fully set forth herein.

22 73. Labor Code § 226(a) requires employers, at the time of each payment of wages, to
23 furnish each employee with an accurate statement itemizing, among other things: (1) gross wages
24 earned; (2) the total hours worked by the employee; (3) all deductions; (4) net wages earned; (5) the
25 inclusive dates of the period for which the employee is paid; (6) the name of the employee and his or
26 her social security number (last four digits); (7) the name and address of the legal entity that is the
27 employer; and (8) all applicable hourly rates in effect during the pay period and the corresponding
28 number of hours worked at each hourly rate by the employee. Labor Code § 1174 further requires that

1 such payroll records be kept in a central location.

2 74. Labor Code § 226(e) further provides that if an employer knowingly and intentionally
3 fails to provide a statement itemizing, among other things, the total hours worked by the employee,
4 then the employee is entitled to recover the greater of all actual damages or fifty dollars (\$50) for the
5 initial violation and one hundred dollars (\$100) for each subsequent violation, up to four thousand
6 dollars (\$4,000).

7 75. As alleged herein, Defendants failed to pay all wages, reimbursements, and premiums.
8 Thus, Defendants have knowingly and intentionally failed to comply with the Labor Code on each and
9 every wage statement that should have been provided to Plaintiff by failing to provide itemized wage
10 statements to Plaintiff that accurately reported, among other things, the gross and net wages earned,
11 the total hours worked, all applicable hourly rates in effect during the pay period, and the
12 corresponding number of hours worked at each hourly rate.

13 76. By failing to keep accurate records and provide such records to Plaintiff as required by
14 Labor Code §§ 226(a) and 1174, Defendants have injured Plaintiff and made it difficult to calculate
15 the unpaid wages earned and due to Plaintiff. Moreover, Defendants' failure to comply with Labor
16 Code § 1174 is unlawful pursuant to Labor Code § 1175.

17 77. Because of Defendants' willful failure to provide Plaintiff with accurate records as
18 required by Labor Code § 226(a), Plaintiff is entitled to damages pursuant to Labor Code § 226(e) in
19 an amount to be established at trial.

20 **SIXTH CAUSE OF ACTION**

21 **WAITING TIME PENALTIES**

22 **(Against All Defendants)**

23 78. Plaintiff incorporates by reference the allegations in all paragraphs in this Complaint
24 as though fully set forth herein.

25 79. Labor Code § 201 requires that if an employer discharges an employee, the wages
26 earned and unpaid at the time of discharge are due and payable immediately. Labor Code § 203
27 provides that if an employer willfully fails to pay compensation promptly upon discharge as required
28 pursuant to Labor Code § 201, the employer is liable to the employee for penalties.

1 80. At the time of Plaintiff's termination of employment, Plaintiff had unpaid wages,
2 reimbursements, and premium pay for missed meal and rest periods outstanding.

3 81. Defendants have willfully, unfairly, fraudulently, or unlawfully failed to pay Plaintiff
4 compensation owed upon termination of employment pursuant to Labor Code § 201. Plaintiff's
5 employment with Defendants terminated but Defendants failed to pay her any of the unpaid wages,
6 reimbursements, and premiums due and owing to her at the time of her termination. As a result,
7 Defendants are liable to Plaintiff for waiting time penalties pursuant to Labor Code § 203 in an amount
8 to be determined at trial, according to proof.

9 **SEVENTH CAUSE OF ACTION**

10 **UNFAIR BUSINESS PRACTICES**

11 **(Against All Defendants)**

12 82. Plaintiff incorporates by reference the allegations in all paragraphs in this Complaint
13 as though fully set forth herein.

14 83. The Unfair Competition Law as codified in California Business and Professions Code
15 §17200, et seq. ("UCL") defines unfair business competition to include any "unlawful, unfair or
16 fraudulent" act or practice.

17 84. A business act or practice is "illegal" under the UCL if it violates any statute,
18 regulation, or ordinance

19 85. A business practice is "unfair" under the UCL if the reasons, justifications, and motives
20 of the alleged wrongdoer are outweighed by the gravity of the harm to the alleged victims.

21 86. A business act or practice is "fraudulent" under the UCL if it is "likely to deceive"
22 members of the general public.

23 87. Plaintiff is informed and believes that Defendants' unlawful failure to timely pay
24 wages, meal and rest periods or compensation, provide accurate itemized wage statements, reimburse
25 expenses, among other things, constitute violations of the UCL.

26 88. Defendants' failure to pay Plaintiff in a lawful manner as set forth above and below is
27 fraudulent and deceptive and constitutes an ongoing and continuous unfair business practice within
28 the meaning of the UCL. Members of the public have been deceived in the past, and will be in the

1 future continue to be deceived, by these continuous unfair business practices.

2 89. The illegal conduct alleged in this Complaint is continuing, and there is no indication
3 that Defendants will not continue such activity in the future. Plaintiff alleges that if Defendants are not
4 enjoined from their illegal conduct, they will continue to fail to provide rest periods and meal breaks
5 or provide appropriate compensation in-lieu thereof.

6 90. A request for injunctive relief, restitution and for the disgorgement of unlawfully
7 earned profits is specifically authorized by the UCL. Thus, on behalf of herself and the general public,
8 Plaintiff seeks injunctive relief, restitution, and the disgorgement of all unlawfully earned profits as a
9 result of Defendants' alleged acts or omissions described in this Complaint. Furthermore, Plaintiff
10 requests attorneys' fees and costs pursuant to Code of Civil Procedure § 1021.5.

11 91. Plaintiff is informed and believes, and thereon allege, that unless restrained and ordered
12 to pay restitution and disgorge profits derived from said unfair and unlawful business practices,
13 Defendants will continue to engage in the alleged acts and/or omissions described in this Complaint.

14 **EIGHTH CAUSE OF ACTION**

15 **VIOLATION OF THE PRIVATE ATTORNEYS GENERAL ACT OF 2004**

16 **(CAL. LAB. CODE §§ 2698, *ET SEQ.*)**

17 **(Against All Defendants)**

18 92. Plaintiff incorporate by reference all previous paragraphs of this Complaint as though
19 fully set forth herein.

20 93. Under Labor Code Section 2699(a), any provision of the Labor Code that provides for
21 a civil penalty to be assessed and collected by the LWDA or any of its departments, divisions,
22 commissions, boards, agencies or employees for violation of the code may, as an alternative, can be
23 recovered through a civil action brought by an aggrieved employee on behalf of himself or herself and
24 other current or former employees pursuant to the procedures specified in Labor Code Section 2699.3.

25 94. Under Labor Code Section 2699.3(a), a plaintiff may bring a cause of action under
26 PAGA only after giving the LWDA and the employer notice of the Labor Code Sections alleged to
27 have been violated, and after receiving notice from the LWDA of its intention not to investigate or
28 after 65 days have passed without notice from the LWDA.

1 95. On September 27, 2022, Plaintiff gave written notice of the specified provisions alleged
2 to have been violated, including the facts and theories to support the alleged violations, as required by
3 Labor Code Section 2699.3. This written notice was provided via certified mail to Defendants and to
4 the LWDA by electronically filing the notice via the Department of Industrial Relations' website.
5 More than 65 days have passed since Plaintiff submitted his PAGA notice to the LWDA without notice
6 from the LWDA. Accordingly, Plaintiff has exhausted the procedural requirements under Labor Code
7 Section 2699.3 as to Defendants and is therefore able to pursue a claim for penalties on behalf of
8 herself and all other Aggrieved Employees under PAGA.

9 96. For all provisions of the Labor Code except those for which a civil penalty is
10 specifically provided, Labor Code Section 2699(f) imposes upon Defendants a penalty of one hundred
11 dollars (\$100) for each aggrieved employee per pay period for the initial violation and two hundred
12 dollars (\$200) for each aggrieved employee per pay period for each subsequent pay period in which
13 Defendants violated these provisions of the Labor Code.

14 97. Pursuant to Labor Code Sections 2699.3 and 2699.5, Plaintiff may seek civil penalties
15 for any alleged violation of the following provisions: subdivision (k) of Section 96, Sections 98.6, 201,
16 201.3, 201.5, 201.7, 202, 203, 203.1, 203.5, 204, 204a, 204b, 204.1, 204.2, 205, 205.5, 206, 206.5,
17 208, 209, and 212, subdivision (d) of Section 213, Sections 221, 222, 222.5, 223, and 224, paragraphs
18 (1) to (5), inclusive, (7), and (9) of subdivision (a) of Section 226, Sections 226.7, 227, 227.3, 230,
19 230.1, 230.2, 230.3, 230.4, 230.7, 230.8, and 231, subdivision (c) of Section 232, subdivision (c) of
20 Section 232.5, Sections 233, 234, 351, 353, and 403, subdivision (b) of Section 404, Sections 432.2,
21 432.5, 432.7, 435, 450, 510, 511, 512, 513, 551, 552, 601, 602, 603, 604, 750, 751.8, 800, 850, 851,
22 851.5, 852, 921, 922, 923, 970, 973, 976, 1021, 1021.5, 1025, 1026, 1101, 1102, 1102.5, and 1153,
23 subdivisions (c) and (d) of Section 1174, Sections 1194, 1197, 1197.1, 1197.5, and 1198, subdivision
24 (b) of Section 1198.3, Sections 1199, 1199.5, 1290, 1292, 1293, 1293.1, 1294, 1294.1, 1294.5, 1296,
25 1297, 1298, 1301, 1308, 1308.1, 1308.7, 1309, 1309.5, 1391, 1391.1, 1391.2, 1392, 1683, and 1695,
26 subdivision (a) of Section 1695.5, Sections 1695.55, 1695.6, 1695.7, 1695.8, 1695.9, 1696, 1696.5,
27 1696.6, 1697.1, 1700.25, 1700.26, 1700.31, 1700.32, 1700.40, and 1700.47, Sections 1735, 1771,
28 1774, 1776, 1777.5, 1811, 1815, 2651, and 2673, subdivision (a) of Section 2673.1, Sections 2695.2,

1 2800, 2801, 2802, 2806, and 2810, subdivision (b) of Section 2929, and Sections 3073.6, 6310, 6311,
2 6399.7, 6400, 6401, 6401.7, 6402, and 6403.

3 98. Labor Code Section 558(a) provides “[a]ny employer or other person acting on behalf
4 of an employer who violates, or causes to be violated, a section of this chapter or any provision
5 regulating hours and days of work in any order of the Industrial Welfare Commission shall be subject
6 to a civil penalty as follows: (1) For any initial violation, fifty dollars (\$50) for each underpaid
7 employee for each pay period for which the employee was underpaid . . . (2) For each subsequent
8 violation, one hundred dollars (\$100) for each underpaid employee for each pay period for which the
9 employee was underpaid.”

10 99. Labor Code Section 1197.1 provides “[a]ny employer or other person acting either
11 individually or as an officer, agent, or employee of another person, who pays or causes to be paid to
12 any employee a wage less than the minimum fixed by an applicable state or local law, or by an order
13 of the commission shall be subject to a civil penalty . . . as follows: (1) For any initial violation that is
14 intentionally committed, one hundred dollars (\$100) for each underpaid employee for each pay period
15 for which the employee is underpaid . . . (2) For each subsequent violation for the same specific
16 offense, two hundred fifty dollars (\$250) for each underpaid employee for each pay period for which
17 the employee is underpaid regardless of whether the initial violation is intentionally committed.”

18 100. Labor Code Section 226.3 provides: “[a]ny employer who violates subdivision (a) of
19 Section 226 shall be subject to a civil penalty in the amount of two hundred fifty dollars (\$250) per
20 employee per violation in an initial citation and one thousand dollars (\$1,000) per employee for each
21 violation in a subsequent citation, for which the employer fails to provide the employee a wage
22 deduction statement or fails to keep the records required in subdivision (a) of Section 226. The civil
23 penalties provided for in this section are in addition to any other penalty provided by law.”

24 101. Labor Code Section 1174.5 provides a \$500 penalty for an employer’s failure to
25 maintain accurate and complete payroll records showing the hours worked daily by and the wages paid
26 to employees.

27 102. Defendants’ conduct with respect to Plaintiff and other Aggrieved Employees violates
28 numerous Labor Code sections including, but not limited to, the following:

1 (a) Violation of Labor Code Sections 201-204, 206, 210, 510, 558, 1194, 1197,
2 1197.1, and 1198 for failure to timely and unconditionally pay all earned wages (including minimum,
3 regular, and overtime wages) owed to Plaintiff and other Aggrieved Employees during employment
4 and upon separation of employment;

5 (b) Violation of Labor Code Sections 226.7 and 512 for failure to provide meal
6 periods to Plaintiff and/or other Aggrieved Employees and failure to pay premium wages for missed
7 meal periods;

8 (c) Violation of Labor Code Sections 226.7 for failure to permit rest breaks to
9 Plaintiff and/or other Aggrieved Employees and failure to pay premium wages for missed rest periods;

10 (d) Violation of Labor Code Section 226.2 for failure to compensate Plaintiff
11 and/or other Aggrieved Employees separately for rest and recovery periods and other nonproductive
12 time;

13 (e) Violation of Labor Code Sections 226 and 226.3 for failure to provide accurate
14 itemized wage statements to Plaintiff and/or other Aggrieved Employees;

15 (f) Violation of Labor Code Sections 1174 and 1174.5 for failure to maintain
16 accurate records regarding the employment of Plaintiff and/or other Aggrieved Employees;

17 (g) Violation of Labor Code Sections 2800 and 2802 for failure to reimburse
18 business expenses to Plaintiff and other Aggrieved Employees;

19 (h) Violation of Labor Code Section 222 for willfully, unlawfully, and/or with
20 intent to defraud Plaintiff and/or other Aggrieved Employees, a competitor, or any other person,
21 withholding from Plaintiff and/or other Aggrieved Employees any part of their wages;

22 103. As set forth above, Defendants have violated numerous provisions of the Labor Code
23 regulating hours and days of work as well as the IWC Wage Orders.

24 104. Pursuant to Labor Code Sections 2699(a), 2699.3, and 2699.5, Plaintiff is entitled to
25 recover civil penalties, in addition to other remedies, for violations of the Labor Code Sections cited
26 above.

27 105. Pursuant to Labor Code Sections 2699(g) and 2802(c) and California Code of Civil
28 Procedure Section 1021.5, Plaintiff is entitled to attorneys' fees and costs incurred herein.

1 **PRAYER FOR RELIEF**

2 WHEREFORE, Plaintiff prays for judgment against Defendants, jointly and severally, as
3 follows:

4 1. For compensatory damages and general damages according to proof with interest
5 thereon;

6 2. For economic and/or special damages, and/or liquidated damages according to proof
7 with interest thereon;

8 3. For other damages, monetary relief, wages, premiums, reimbursements, benefits and
9 penalties, including interest thereon;

10 4. For prejudgment interest on all sums recovered pursuant to other compensatory
11 damages at the legal rate from the date of injury or pursuant to California Code of Civil Procedure
12 Sections 3287 and 3289, and Labor Code Section 218.6;

13 5. For all damages and penalties available for violations of the Labor Code;

14 6. For waiting time penalties pursuant to Labor Code Section 203;

15 7. For liquidated damages pursuant to Labor Code Section 1194.2;

16 8. For statutory penalties to the extent permitted by law, including those pursuant to the
17 Labor Code and IWC Wage Orders;

18 9. For treble damages pursuant to Penal Code Section 496(c);

19 10. For injunctive relief, disgorgement, and restitution of all money and property
20 unlawfully acquired by Defendants through unfair or unlawful business practices pursuant to Business
21 and Professions Code Sections 17200 *et seq.*;

22 11. For attorneys' fees pursuant to Labor Code Sections 226, 1194, 2802, Code of Civil
23 Procedure Section 1021.5, Penal Code Section 496(c), and any other applicable provisions of law;

24 12. For costs of suit incurred; and

25 13. For any other and further relief as the Court deems just and proper.

26 WHEREFORE, Plaintiff, on behalf of herself and the Aggrieved Employees, prays for
27 judgment against Defendants, jointly and severally, as follows:
28

1 14. For civil penalties against Defendants on behalf of all Aggrieved Employees pursuant
2 to, *inter alia*, Labor Code Sections 210, 226.3, 558, 1174.5, 1197.1, and 2698, *et seq.*;

3 15. For reasonable attorneys' fees and costs of suit to the extent permitted by law, including
4 pursuant to Labor Code Sections 2699(g), 2802(c) and California Code of Civil Procedure Section
5 1021.5; and

6 16. For such other relief as the Court deems just and proper.

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8 ALAMI LAW GROUP

9
10 By  _____

David Alami

Attorney for Plaintiff DAMARYS ALVARADO

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