

Assigned for all purposes to: Spring Street Courthouse, Judicial Officer:

Kevin Mahoney (SBN:235367)
kmahoney@mahoney-law.net
Raleigh Dixon (SBN: 340483)
rdixon@mahoney-law.net
MAHONEY LAW GROUP, APC
249 E. Ocean Blvd., Ste. 814
Long Beach, CA 90802
Telephone: (562) 590-5550
Facsimile: (562) 590-8400

Attorneys for Plaintiff, NORA PARADISE, as a representative of the State of California and
Labor and Workforce Development Agency,

SUPERIOR COURT OF THE STATE OF CALIFORNIA

THE COUNTY OF LOS ANGELES

CIVIL COMPLEX CENTER

NORA PARADISE, as a representative of
the State of California and Labor and
Workforce Development Agency,

Plaintiff,

v.

ALTO OPERATIONS CALIFORNIA,
LLC; and DOES 1 through 50, inclusive,

Defendants.

Case No.: **22STCV35933**

1. Violation of the Private Attorneys General Act, Labor Code §2698 et seq. for Recovery of Unpaid Wages and Overtime;
2. Violation of the Private Attorneys General Act, Labor Code §2698 et seq. for Failure to Provide Meal Periods;
3. Violation of the Private Attorneys General Act, Labor Code §2698 et seq. for Failure to Provide Rest Periods;
4. Violation of the Private Attorneys General Act, Labor Code §2698 et seq for Failure to Pay Wages Due Upon Termination of Employment;
5. Violation of the Private Attorneys General Act, Labor Code §2698 et seq for Failure to Keep Accurate Payroll Records and Provide Accurate Itemized Wage Statements;

1 Plaintiff NORA PARADISE (“Plaintiff”), as an individual and on behalf of all similarly
2 situated employees, complains and alleges on information and belief as follows:

3 **INTRODUCTION**

4 1. This is an action brought on behalf of Plaintiff and all similarly-situated employees
5 who were subjected to one or more of the violations alleged herein (“Aggrieved Employees”) by
6 Defendant ALTO OPERATIONS CALIFORNIA, LLC. (“Defendant”). The term “Relevant
7 Time Period” or “Time Period” is defined as one (1) year plus sixty-five (65) days prior to the
8 filing of the complaint. Plaintiff reserves the right to amend this complaint to reflect a different
9 “Time Period” as further discovery is conducted.

10 2. Plaintiff, individually and on behalf of the Aggrieved Employees, seeks relief
11 against Defendant for its: (1) failure to pay all wages due, including regular and overtime wages;
12 (2) failure to provide meal periods or premium compensation in lieu thereof; (3) failure to provide
13 rest periods or premium compensation in lieu thereof; (4) failure to keep accurate payroll records
14 and provide accurate itemized wage statements; and (5) failure to pay wages due upon termination
15 of employment.

16 3. At all relevant times herein, Defendant has consistently maintained and enforced
17 the following unlawful policies and practices against Plaintiff:

- 18 a. Willfully refusing to pay all hours worked, including both regular and overtime
19 wages;
20 b. Willfully refusing to permit off-duty meal periods or providing compensation
21 in lieu thereof;
22 c. Willfully refusing to permit rest periods or providing compensation in lieu
23 thereof;
24 d. Willfully refusing to pay all wages due upon separation of employment; and
25 e. Willfully refusing to furnish accurate itemized wage statements upon payment
26 of wages.

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1 **Defendants**

2 8. Plaintiff is informed and believes, and based thereon alleges, that Defendant
3 ALTO OPERATIONS CALIFORNIA, LLC is a California limited liability company that owns
4 and operates a rideshare business throughout California, including Los Angeles County, and was
5 Plaintiff's employer. On information and belief, and based thereon, Plaintiff alleges that
6 Defendant is conducting business in good standing in California, and at all times herein mentioned
7 has regularly conducted business throughout the State of California.

8 9. Plaintiff is ignorant of the true names, capacities, relationships and extent of
9 participation in the conduct herein alleged of Defendants sued herein as DOES 1 through 50,
10 inclusive, but on information and belief, alleges that said Defendants are legally responsible for
11 the violations alleged herein. Plaintiff will amend this complaint to allege the true names and
12 capacities of the DOE Defendants when that information is ascertained.

13 10. Plaintiff is informed and believes, and based thereon alleges, that each Defendant
14 acted in all respects pertinent to this action as the agent of the other Defendants, carried out a joint
15 scheme, business plan, or policy in all respects pertinent hereto, and the acts of each Defendant
16 are legally attributable to the other Defendants. Furthermore, Defendants operate as a joint
17 venture and/or single business enterprise, integrated enterprise, and/or are agents of one another,
18 are alter egos, joint employers, and conspire with one another to increase profits by engaging in
19 the conduct described in this complaint.

20 11. Plaintiff is informed and believes, and based thereon alleges, that each Defendant
21 acted in all respects as the agent, servant, partner, joint venture, alter-ego, employee, proxy,
22 managing agent, and/or principal of the co-Defendants, and in performing the actions mentioned
23 below was acting, at least in part, within the course and scope of that authority as such agent,
24 proxy, servant, partner, joint venture, employee, alter-ego, managing agent, and/or principal with
25 the permission and consent of the co-Defendants. Plaintiff also alleges the acts of each Defendant
26 are legally attributable to the other Defendants.

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1 pay overtime, provide meal and rest breaks and otherwise pay all wages due to these non-exempt
2 employees as required by law.

3 17. Plaintiff is informed and believes, and based thereon alleges, that Defendant's
4 policies and practices described herein are common across each of Defendant's locations within
5 the State of California.

6 18. Plaintiff is informed and believes, and based thereon alleges, that Defendant knew
7 or should have known that Plaintiff and Aggrieved Employees were entitled to receive wages for
8 all hours worked, including minimum, regular, and overtime wages, and that they were not
9 receiving all wages earned for work that was required to be performed. In violation of the Labor
10 Code and IWC Wage Orders, Defendants failed to pay Plaintiff and Aggrieved Employees'
11 earned wages by failing to pay for all hours worked and failing to pay the proper overtime and
12 double time rates of pay, among other things. Defendant failed to include all remuneration with
13 respect to calculating Plaintiff and Aggrieved Employees' overtime and double-time. *Huntington*
14 *Memorial Hosp. v. Superior Court*, (2005) 131 Cal.App.4th 893, 905. Further, Defendant failed
15 to record and/or pay Plaintiff and Aggrieved Employees for all hours worked in excess of eight
16 (8) hours and/or twelve (12) hours per workday and failed to pay said hours at the proper overtime
17 and double time rates. Additionally, Defendant failed to factor in shift differentials and non-
18 discretionary bonuses in the Plaintiff and Aggrieved Employees' regular rate of pay when
19 calculating overtime and double time rates.

20 19. Plaintiff is informed and believes, and based thereon alleges, that Defendant knew
21 or should have known that Plaintiff and Aggrieved Employees were entitled to receive all required
22 meal periods or payment of one (1) additional hour of pay at Plaintiff and Aggrieved Employees'
23 regular rate of pay when they did not receive a timely, uninterrupted off-duty meal period. In
24 violation of the Labor Code and IWC Wage Orders, Defendant had a pattern, practice, and policy
25 of not providing compliant meal periods. Plaintiff and Aggrieved Employees were regularly
26 unable to take a duty-free meal period or had their meal periods interrupted as a result of
27 understaffing and a busy workload. In addition to having their meal periods interrupted, Plaintiff
28 and Aggrieved Employees were required to return to work before the end of their thirty (30)

1 minute meal periods and continue working when there was a surplus of riders in their geographic
2 area. As a result of Defendants' understaffing and daily work requirements and demands, Plaintiff
3 and Aggrieved Employees did not receive all meal periods or payment of one (1) additional hour
4 of pay at Plaintiff and Aggrieved Employees' regular rate of pay when they did not receive a
5 timely, uninterrupted thirty (30) minute off-duty meal period.

6 20. Plaintiff is informed and believes, and based thereon alleges, that Defendant knew
7 or should have known that Plaintiff and Aggrieved Employees were entitled to receive all paid
8 rest periods or payment of one (1) additional hour of pay at Plaintiff and Aggrieved Employees'
9 regular rate of pay when a rest period was missed, interrupted, or shortened. In violation of the
10 Labor Code and IWC Wage Orders, Defendant had a pattern, practice, and policy of not providing
11 paid rest periods. Defendant instructed Plaintiff and Aggrieved Employees to forego their rest
12 breaks when there was a surplus of customers who needed a ride. As a result of Defendant's
13 understaffing and daily work requirements and demands, Plaintiff and Aggrieved Employees did
14 not receive all paid rest periods or payment of one (1) additional hour of pay at Plaintiff and
15 Aggrieved Employees' regular rate of pay when a paid rest period was missed, truncated, or
16 interrupted.

17 21. Plaintiff is informed and believes, and based thereon alleges, that Defendant knew
18 or should have known that Plaintiff and Aggrieved Employees were entitled to receive itemized
19 wage statements that accurately showed their actual hours worked, total hours worked, number
20 of hours worked at each hourly rate, gross and net wages earned, and premium wages earned per
21 pay period in accordance with California law. In violation of the Labor Code, Plaintiff and
22 Aggrieved Employees were not provided with accurate itemized wage statements.

23 22. Plaintiff is informed and believes, and based thereon alleges, that Defendant knew
24 or should have known that Plaintiff and certain Aggrieved Employees were entitled to timely
25 payment of wages due upon separation of employment. In violation of the Labor Code, Plaintiff
26 and certain Aggrieved Employees did not receive payment of all wages due, within permissible
27 time periods, upon separation of employment.

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23. For at least one (1) year and sixty-five (65) days prior to the filing of this action and through to the present, Plaintiff alleges that Defendant consistently maintained and enforced the following unlawful practices and policies against its employees, in violation of California state wage and hour laws:

- a. Defendant had a consistent policy of not paying Plaintiff and Aggrieved Employees for all hours worked;
- b. Defendant had a consistent policy of requiring Aggrieved Employees within the State of California, including Plaintiff, to work at least five (5) hours without a lawful meal period and work at least ten (10) hours without a second meal period, and failing to pay such employees one (1) hour of pay at the employees' regular rate of compensation for each workday that the meal period was not provided, all in violation of, among others, Labor Code sections 201, 202, 226.7, 512, and applicable Industrial Welfare Commission Wage Orders, in one or more of the following manners:
 - i. Employees were required to work through their daily meal period(s), or work an unlawful "on-duty meal period;" and
 - ii. Employees were restricted in their ability to take an uninterrupted meal period;
- c. Defendant had a consistent policy of failing to provide Aggrieved Employees within the State of California, including Plaintiff, rest periods of at least (10) minutes per four (4) hours worked or major fraction thereof and failing to pay such employees one (1) hour of pay at the employees' regular rate of compensation for each workday that the rest period is not provided, as required by California state wage and hour laws, in one or more of the following manners:
 - i. Employees were required to work without being provided a minimum ten-minute rest period for every four hours, or major fraction thereof, worked and were not compensated with one hour of pay at their regular rate of pay for each workday that a rest period was not provided; and

1 ii. Employees were neither permitted nor authorized to take lawful rest
2 periods.

3 d. With respect to the Aggrieved Employees who either were discharged, laid off, or
4 resigned, Defendant failed to pay them in accordance with the requirements of
5 Labor Code sections 201, 202, and 203;

6 e. Defendant failed to institute policies and procedures that ensured accurate
7 recording of all hours Plaintiff and Aggrieved Employees worked during the
8 Relevant Time Period.

9 24. Plaintiff is informed and believes, and based thereon alleges, that Defendant
10 willfully failed to pay Aggrieved Employees all wages earned, including compensation for missed
11 meal and rest periods, in a timely manner upon or after termination of their employment with
12 Defendant.

13 25. Plaintiff is informed and believes, and based thereon alleges, that Defendant
14 currently employs, and during the relevant liability period has employed hundreds of employees
15 in the State of California in non-exempt positions.

16 26. At relevant times herein, Plaintiff and the Aggrieved Employees were employed
17 by Defendant in non-exempt hourly positions.

18 27. On information and belief, Plaintiff alleges that Defendant's actions as described
19 throughout this complaint were willful.

20 28. On information and belief, Plaintiff alleges that Defendant willfully failed to pay
21 the legal wages, failed to provide legal rest and meal periods, and willfully failed to pay one
22 hour's wages in lieu of rest and meal periods, when each such employee quit or was discharged.

23 29. Plaintiff, on behalf the State of California, and all Aggrieved Employees, brings
24 this action pursuant to Labor Code sections 201, 202, 203, 204, 226, 226.7, 227.3, 510, 512, 1174,
25 and 1194, seeking penalties, injunctive, and other equitable relief, and reasonable attorneys' fees
26 and costs.

27 30. Defendant has failed to comply with Labor Code section 226, subdivision (a) by
28 itemizing in wage statements all deductions from payment of wages and accurately reporting total

1 hours worked by Plaintiff and the Aggrieved Employees. Plaintiff and Aggrieved Employees are
2 therefore entitled to penalties not to exceed four thousand dollars (\$4,000.00) for each employee
3 pursuant to Labor Code section 226, subdivision (b).

4 31. Defendant has failed to comply with section 7 of the California IWC Wage Orders
5 by failing to maintain time records showing when the employee begins and ends each work
6 period, meal periods, wages earned pursuant to Labor Code section 226.7, and total daily hours
7 worked by itemizing in wage statements all deductions from payment of wages and accurately
8 reporting total hours worked by the Aggrieved Employees.

9 **FIRST CAUSE OF ACTION**

10 **VIOLATION OF PAGA FOR RECOVERY OF**
11 **UNPAID MINIMUM WAGE AND OVERTIME**

12 **(Labor Code Sections 226.7 and 512)**

13 **(By Plaintiff against All Defendants)**

14 32. Plaintiff realleges and incorporates by reference all preceding paragraphs herein,
15 as if fully alleged.

16 33. Any employee receiving less than the legal minimum wage or legal overtime
17 compensation is entitled to recover in a civil action the amount of unpaid wages, attorneys' fees
18 and costs of suit. (Lab. Code, § 1194, subd. (a).)

19 34. Labor Code section 1182.12 provides for employers who employed twenty-six
20 (26) or more people from January 1, 2021 to December 31, 2021, the minimum wage rate in
21 California is fourteen dollars (\$14.00) per hour. From January 1, 2022, the minimum wage rate
22 in California, and specifically, in Orange County, is fifteen dollars (\$15.00) per hour. Plaintiff is
23 informed and believes Defendants employed more than twenty-six (26) employees.

24 35. Notwithstanding any other provision of the Labor Code, hourly minimum wage
25 rates are set for all industries according to statute. (Lab. Code, § 1182.12.) Employers must pay
26 employees no less than minimum wage for each hour worked. (Lab. Code, § 1194.)

27 36. Any work in excess of eight (8) hours in any workday and any work in excess of
28 forty (40) hours in a workweek, shall be compensated at a rate of no less than one and one-half

1 times the regular rate of pay for an employee. (Lab. Code, § 510, subd. (a).) Any work in excess
2 of twelve (12) hours in a workday shall be compensated at the rate of twice the regular rate of pay
3 for an employee. (Lab. Code, § 510, subd. (a).)

4 37. All wages earned in employment are due and payable twice during each calendar
5 month on dates designated in advance by the employer. (Lab. Code, § 204.)

6 38. In case of a dispute over wages, the employer shall pay, without condition and
7 promptly under the Labor Code all wages conceded due, leaving to the employee all remedies
8 he/she is otherwise entitled to as to any balance claimed. (Lab. Code, § 206.)

9 39. At all relevant times herein, Plaintiff and Aggrieved Employees were and are paid
10 as non-exempt employees.

11 40. Defendant failed to compensate Plaintiff and Aggrieved Employees for all wages
12 worked. Specifically, Defendant failed to include all remuneration when calculating Plaintiff and
13 Aggrieved Employees overtime and double-time. Where an employee receives a higher wage or
14 rate because of undesirable hours or disagreeable work, such wage represents a shift differential
15 or higher wages because of the character of work done or the time at which he is required to
16 labor.... Such payments enter into the determination of the regular rate of pay.” *Huntington*
17 *Memorial Hosp. v. Superior Court* (2005) 131 Cal.App.4th 893, 910.

18 41. Defendant willfully violated the Labor Code by failing to pay Plaintiff and
19 Aggrieved Employees all wages, including both minimum wage and overtime. Plaintiff and
20 Aggrieved Employees performed work off-the-clock, during overtime periods and during meal
21 and rest periods, when Plaintiff and Aggrieved Employees were ostensibly off-duty. Plaintiff and
22 Aggrieved Employees also regularly and frequently worked beyond the eighth (8th) hour of the
23 shift and/or forty (40) hours per week, but Defendant compensated only for forty (40) hours per
24 week failing to compensate for overtime work in violation of the Labor Code Section 510.

25 42. Since the LWDA has not indicated that it will be investigating more than sixty-
26 five (65) days since Plaintiff provided notice, and because Defendant took no corrective action to
27 remedy the allegations set forth above, Plaintiff, as a representative of the people of the State of
28 California, will seek any and all penalties otherwise capable of being collected by the Labor

Commission, the LWDA and/or the Department of Labor Standards Enforcement (“DLSE”). This includes each of the following, as set forth in Labor Code section 2699.5, which provides that section 2699.3, subdivision (a), applies to any alleged violation of the following provisions: 510 and 1194.

43. Plaintiff is informed and believes that Defendant have violated, and continue to violate, provisions of the Labor Code and applicable Wage Orders related to the payment of minimum wages and overtime

44. Plaintiff, as a personal representative of the general public, will and does seek to recover any and all penalties for each and every violation shown to exist or to have occurred during the Relevant Time Period, in an amount according to proof, as to those penalties that are otherwise only available to public agency enforcement actions. Funds recovered will be distributed in accordance with the PAGA, with at least seventy-five percent (75%) of the penalties recovered being reimbursed to the LWDA.

45. Additionally, Plaintiff and Aggrieved Employees are entitled to attorneys’ fees and costs pursuant to Labor Code sections 2699, subdivision (g)(1), 218.5, 1194, and prejudgment interest.

SECOND CAUSE OF ACTION

VIOLATION OF PAGA FOR FAILURE TO PROVIDE MEAL PERIODS OR COMPENSATION IN LIEU THEREOF

(Lab. Code, §§ 226.7, 512)

(By Plaintiff against All Defendants)

46. Plaintiff realleges and incorporates by reference all preceding paragraphs herein, as if fully alleged.

47. Labor Code sections 226.7, 512, and the applicable IWC Wage Order provide that no employer shall employ any person for a work period of more than five (5) hours without providing a meal period uninterrupted by work duties of not less than thirty (30) minutes, or employ any person for a work period of more than ten (10) hours without a second meal period of not less than thirty (30) minutes.

1 48. Labor Code section 226.7 provides that if an employer fails to provide an
2 employee a meal period in accordance with this section, the employer shall pay the employee one
3 (1) hour of pay at the employee's regular rate of compensation for each workday that the meal
4 period is not provided in accordance with this section. Plaintiff alleges Defendants failed to
5 provide legally compliant meal periods, in addition to impeding, discouraging, dissuading, and/or
6 not relieving employees from all work duties during meal periods thereby preventing employees
7 from taking legally compliant meal periods. Specifically, Plaintiff and Aggrieved Employees
8 frequently did not receive their meal period until after the fifth (5th) hour of work. Plaintiff and
9 Aggrieved Employees also had their lunches constantly interrupted when demand for drivers was
10 high.

11 49. Industrial Welfare Commission (IWC) Wage Order No. 5-2001 (Wage Order 5)
12 section 11(A) states, "Unless the employee is relieved of all duty during a 30-minute meal period,
13 the meal period shall be considered an "on duty" meal period and counted as time worked. An
14 "on duty" meal period shall be permitted only when the nature of the work prevents an employee
15 from being relieved of all duty and when by written agreement between the parties an on-the-job
16 paid meal period is agreed to. The written agreement shall state that the employee may, in writing,
17 revoke the agreement at any time."

18 50. Defendant failed to schedule non-exempt employees in an adequately overlapping
19 manner so as to reasonably ensure Plaintiff and Aggrieved Employees could take and/or receive
20 such meal periods within the statutory timeframe. Further, Defendant obligated Plaintiff and
21 Aggrieved Employees to work through meal periods while off-the-clock. Defendant denied
22 Plaintiff and Aggrieved Employees duty-free meal periods, as a result, Plaintiff and Aggrieved
23 Employees were often forced to forego meal periods and/or work during their meal periods. In so
24 doing, Defendant have intentionally and improperly denied meal periods to Plaintiff and
25 Aggrieved Employees in violation of Labor Code sections 226.7 and 512 and other regulations
26 and statutes.

27 51. At all times relevant hereto, Plaintiff and Aggrieved Employees have worked
28 shifts of more than five (5) hours in a workday.

1 52. Pursuant to Labor Code section 226.7, Plaintiff and Aggrieved Employees are
2 entitled to damages in the amount equal to one (1) hour of wages at their regular rate of pay for
3 each missed meal break, in an amount to be proven at trial.

4 53. At varying times relevant hereto, Plaintiff and Aggrieved Employees have worked
5 shifts more than ten (10) hours in a workday and were regularly denied a legally compliant second
6 meal period.

7 54. Defendant's failure to schedule Plaintiff and Aggrieved Employees in such a way
8 as to provide meal periods, and/or work free meal periods to Plaintiff and Aggrieved Employees,
9 and/or to provide on-duty meal periods in accordance with the applicable IWC Wage Order, has
10 caused Plaintiff and Aggrieved Employees to suffer, and continue to suffer, injury which will be
11 ascertained according to proof at trial.

12 55. Plaintiff individually, and on behalf of the Aggrieved Employees, requests
13 recovery of meal period compensation pursuant to Labor Code sections 226.7 and 558,
14 subdivision (a), which they are owed beginning one (1) year prior to filing this complaint as well
15 as the assessment of any civil penalties against Defendant, and each of them, in a sum as provided
16 by the Labor Code and/or other statutes.

17 56. Since the LWDA has not indicated that it will be investigating and 65 days have
18 passed since Plaintiff mailed his letter, and because Defendant took no corrective action to remedy
19 the allegations set forth above, Plaintiff, as a representative of the people of the State of California,
20 will seek any and all penalties otherwise capable of being collected by the Labor Commission,
21 the LWDA and/or the Department of Labor Standards Enforcement ("DLSE"). This includes each
22 of the following, as set forth in Labor Code section 2699.5, which provides that section 2699.3,
23 subdivision (a), applies to any alleged violation of the following provisions: 510 and 1194.

24 57. Plaintiff, as a personal representative of the general public, will and does seek to
25 recover any and all penalties for each and every violation shown to exist or to have occurred
26 during the Relevant Time Period, in an amount according to proof, as to those penalties that are
27 otherwise only available to public agency enforcement actions. Funds recovered will be
28 distributed in accordance with the PAGA, with at least 75% of the penalties recovered being

1 reimbursed to the LWDA.

2 58. Additionally, Plaintiff and Aggrieved Employees are entitled to attorneys' fees
3 and costs pursuant to Labor Code section 2699, subdivision (g)(1), and prejudgment interest.

4 **THIRD CAUSE OF ACTION**

5 **VIOLATION OF PAGA FOR FAILURE TO PROVIDE REST PERIODS OR**
6 **PREMIUM COMPENSATION IN LIEU THEREOF**

7 **(Lab. Code, § 226.7)**

8 **(By Plaintiff against All Defendants)**

9 59. Plaintiff realleges and incorporates by reference all preceding paragraphs herein,
10 as if fully alleged.

11 60. Labor Code section 226.7 and the applicable Wage Order provide that employers
12 authorize and permit all employees to take rest periods at the rate of ten (10) minutes rest time
13 per four (4) work hours, or major fraction thereof.

14 61. Labor Code section 226.7, subdivision (b), provides that if an employer fails to
15 provide and employee rest periods in accordance with this section, the employer shall pay the
16 employee one (1) hour of pay at the employee's regular rate of compensation for each workday
17 that the rest period is not provided. Plaintiff and Aggrieved Employees consistently worked over
18 four (4) hours per shift with no rest breaks, or otherwise had their rest breaks interrupted or
19 shortened due to Defendant's uniform policies and practices.

20 62. Defendant, and each of them, failed and or refused to implement a relief system
21 by which Plaintiff and Aggrieved Employees could receive rest periods and/or work free rest
22 periods. Defendant denied Plaintiff and Aggrieved Employees duty free rest periods by
23 interrupting Plaintiff and Aggrieved Employees' rest periods. By and through their actions,
24 Defendant intentionally and improperly denied duty free rest periods to the Plaintiff and
25 Aggrieved Employees in violation of Labor Code sections 226.7 and 512.

26 63. Furthermore, Defendant failed to provide Plaintiff and Aggrieved Employees with
27 duty free rest periods or failed to provide Plaintiff and Aggrieved Employees with rest periods all
28 together in violation of Labor Code section 226.7 and 512

1 64. Defendant failed to keep accurate records of the rest periods taken by Plaintiff and
2 Aggrieved Employees.

3 65. At all times relevant hereto, Plaintiff and Aggrieved Employees, have worked
4 more than four (4) hours in a workday.

5 66. By virtue of the Defendant's unlawful failure to provide rest periods to Plaintiff and
6 Aggrieved Employees as a result of their scheduling and shift relief system, Plaintiff and
7 Aggrieved Employees have suffered, and will continue to suffer, damages, in amounts which are
8 presently unknown, but which exceed the jurisdictional limits of this Court and which will be
9 ascertained according to proof at trial.

10 67. Plaintiff, by virtue of Plaintiff's employment with Defendant, Defendant's failure
11 to provide Plaintiff and Aggrieved Employees with rest breaks, and Defendant's policy of
12 requiring employees to work through their rest periods without receiving compensation in lieu
13 thereof, is an aggrieved employee with standing to bring an action under the PAGA. Plaintiff has
14 satisfied all prerequisites to serve as a representative of the general public to enforce California's
15 labor laws, and the penalty provisions identified in Labor Code section 2699.5.

16 68. Plaintiff individually, and on behalf of the Aggrieved Employees, requests
17 recovery of meal period compensation pursuant to Labor Code sections 226.7 and 558,
18 subdivision (a), which they are owed beginning one (1) year prior to filing this complaint as well
19 as the assessment of any civil penalties against Defendant, and each of them, in a sum as provided
20 by the Labor Code and/or other statutes. Plaintiff, as a representative of the people of the State of
21 California, will seek any and all penalties otherwise capable of being collected by the Labor
22 Commission, the LWDA and/or the DLSE. This includes each of the following, as set forth in
23 Labor Code section 2699.5, which provides that section 2699.3, subdivision (a), applies to any
24 alleged violation of the following provisions: 226.7 and 512.

25 69. Plaintiff, as a personal representative of the general public, will and does seek to
26 recover any and all penalties for each and every violation shown to exist or to have occurred
27 during the Relevant Time Period, in an amount according to proof, as to those penalties that are
28 otherwise only available to public agency enforcement actions. Funds recovered will be

distributed in accordance with the PAGA, with at least 75% of the penalties recovered being reimbursed to the LWDA.

70. Additionally, Plaintiff and Aggrieved Employees are entitled to attorneys' fees and costs pursuant to Labor Code section 2699, subdivision (g)(1), and prejudgment interest

FOURTH CAUSE OF ACTION

VIOLATION OF PAGA FOR FAILURE TO PAY ALL WAGES

DUE AT SEPARATION OF EMPLOYMENT

(Lab. Code, §§ 201, 202, 203)

(By Plaintiff against All Defendants)

71. Plaintiff realleges and incorporates by reference all preceding paragraphs herein, as if fully alleged herein.

72. Plaintiff is informed and believes, and thereon alleges, that as part of Defendant's ongoing unfair business practices, Defendant failed to pay all employees all wages earned during their employment at the time of their separation in violation of Labor Code sections 201 and 202.

73. Labor Code section 201 provides that an employer is required to pay an employee whose employment is terminated by the employer all wages earned and unpaid immediately upon termination.

74. Labor Code section 202 requires an employer pay to an employee who quits her or her employment, all wages earned and unpaid no later than seventy-two (72) hours thereafter.

75. Labor Code section 203 provides that an employer who fails to pay all wages earned and due an employee who is discharged or who quits within the timeframe set forth in sections 201 and 202, the wages of the employee shall continue as a penalty from the due date at the same rate of pay until paid, but not more than thirty (30) days. In other words, the employer owes the employee her or her daily rate of pay at their regular rate of pay for each day the full amount of unpaid wages is not paid, for a penalty of up to thirty (30) days' wages.

76. Defendant refused and/or failed to promptly compensate Aggrieved Employees wages owed as a result of Defendant's failure to provide meal and/or rest periods as well as pay both minimum and overtime compensation owed for work performed for Defendant.

77. Plaintiff, by virtue of her employment with Defendant, is an aggrieved employee with standing to bring an action under the PAGA and has suffered injury as to one or more violations committed by Defendant. Plaintiff has satisfied all prerequisites to serve as a representative of the general public to enforce California's labor laws, and the penalty provisions identified in Labor Code section 2699.5.

78. Plaintiff, as a representative of the people of the State of California, will seek any and all penalties otherwise capable of being collected by the Labor Commission and/or the DLSE. This includes each of the following, as set forth in Labor Code section 2699.5, which provides that section 2699.3, subdivision (a), applies to any alleged violation of the following provisions: 201-203, 226, 226.7, 510, 512, 1174, and 1194.

79. Plaintiff, as a personal representative of the general public, will and does seek to recover any and all penalties for each and every violation shown to exist or to have occurred during the Relevant Time Period, in an amount according to proof, as to those penalties that are otherwise only available to public agency enforcement actions. Funds recovered will be distributed in accordance with the PAGA, with at least 75% of the penalties recovered being reimbursed to the LWDA.

80. Additionally, Plaintiff and Aggrieved Employees are entitled to attorneys' fees and costs pursuant to Labor Code section 2699, subdivision (g)(1), and prejudgment interest

FIFTH CAUSE OF ACTION

**VIOLATION OF PAGA FOR FAILURE TO
ISSUE ITEMIZED WAGE STATEMENTS AND
MAINTAIN ACCURATE PAYROLL RECORDS**

(Lab. Code, §§ 226, 226.3, 1174, 1174.5)

(By Plaintiff against All Defendants)

81. Plaintiff realleges and incorporates by reference all preceding paragraphs herein, as if fully alleged herein.

82. Labor Code sections 226, 226.3, 1174, and 1174.5, and applicable IWC Wage Orders provide that employers must keep records and provide employees with itemized wage

1 statements showing all hours worked and each applicable rate of pay in effect during the pay
2 period with the corresponding number of hours worked at each hourly rate.

3 83. Labor Code section 1174, subdivision (d), requires an employer to keep at a central
4 location in California or at the plant or establishment at which the employee is employed, payroll
5 records showing the hours worked daily, and the wages paid to each employee. Labor Code
6 section 226, subdivision (a), requires an employer to provide employees—either as a detachable
7 part of the check, draft, or voucher paying the employee’s wages, or separately when wages are
8 paid by personal check or cash—an accurate itemized wage statement in writing, including
9 specified information, including, but not limited to: “(1) gross wages earned; (2) total hours
10 worked . . . (5) net wages earned... and (9) all applicable hourly rates in effect during the pay
11 period and the corresponding number of hours worked at each hourly rate by the employee.”

12 84. Labor Code section 226, subdivision (e), provides that if an employer knowingly
13 and intentionally fails to provide a statement itemizing, *inter alia*, the gross and net wages earned,
14 the total hours worked by the employee and the applicable hourly overtime rates, causing the
15 employee injury, then the employee is entitled to recover the greater of all actual damages or fifty
16 dollars (\$50.00) for the initial violation and one hundred dollars (\$100.00) for each subsequent
17 violation, up to four thousand dollars (\$4,000.00). Plaintiff is informed and believes that
18 Defendant willfully failed to make or keep accurate records for Plaintiff and Aggrieved
19 Employees.

20 85. The IWC Wage Orders require that every employer shall keep accurate
21 information with respect to each employee, including, but not limited to, time records showing
22 the total daily hours worked by each employee, the total hours worked in each payroll period, and
23 applicable rates of pay. Plaintiff is informed and believes that Defendant willfully and
24 intentionally failed to make and/or keep records which accurately reflect the hours worked by
25 Plaintiff and Aggrieved Employees. Specifically, Plaintiff believes that Defendant’s records fail
26 to include, *inter alia*: (1) actual hours worked; (2) total hours worked; (3) number of hours worked
27 at each hourly rate; (4) gross wages earned; (5) net wages earned; (6) premium wages earned per
28 pay period; and (7) the entity’s legal name and address.

1 86. An employee is deemed to suffer injury if the employer fails to provide an accurate
2 wage statement containing all of the required information set forth in Labor Code section 226,
3 subdivision (a). (Lab. Code, § 226, subd. (e)(2).) In addition, the omission of time worked, proper
4 rates of pay, records of missed meal and rest breaks, and/or premium pay make it difficult for
5 employees to determine whether they were paid all wages due without complicated calculations
6 and/or reconstruction of records required to be maintained by the employer.

7 87. For each employee suffering an injury as a result of Defendant's knowing and
8 intentional failure to provide an accurate, itemized wage statement, the employee is entitled to
9 recover the greater of actual damages or fifty dollars (\$50.00) for the initial pay period in which
10 a violation occurs, and one hundred dollars (\$100.00) per employee for each violation in a
11 subsequent pay period.

12 88. Plaintiff is informed and believes, and based thereon alleges, that Defendant's
13 failure to keep accurate payroll records, as described above, violated Labor Code section 1174,
14 subdivision (d), and section 226, subdivision (a), and the applicable Wage Order. Plaintiff intends
15 on seeking penalties under Labor Code section 2699, subdivision (f)(2), Plaintiff and the
16 Aggrieved Employees are entitled to penalties of one hundred dollars (\$100.00) for the initial
17 violation, and two hundred dollars (\$200.00) for each subsequent violation, for every pay period
18 during which these records and information were not kept by Defendant.

19 89. Plaintiff, as a personal representative of the general public, will and does seek to
20 recover any and all penalties for each and every violation shown to exist or to have occurred
21 during the Relevant Time Period, in an amount according to proof, as to those penalties that are
22 otherwise only available to public agency enforcement actions. Funds recovered will be
23 distributed in accordance with the PAGA, with at least 75% of the penalties recovered being
24 reimbursed to the LWDA.

25 90. Additionally, Plaintiff and Aggrieved Employees are entitled to attorneys' fees
26 and costs pursuant to Labor Code section 2699, subdivision (g)(1), and prejudgment interest.

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WHEREFORE, Plaintiff prays for judgment as follows:

1. For civil penalties for each violation for Plaintiff and each Aggrieved Employee as provided by law, including, but not limited to, those civil penalties provided by statute, provided by PAGA;
2. For costs of suit and expenses incurred herein pursuant to Labor Code section 2699, subdivision (g), and any other statutory basis or pursuant to the California Rules of Court;
3. For reasonable attorneys' fees pursuant to Labor Code section 2699, subdivision (g), and any other statutory basis; and
4. For all such other and further relief as the Court may deem just and proper.

Dated: November 14, 2022

MAHONEY LAW GROUP, APC

Kevin Mahoney, Esq.
Attorney for Plaintiff NORA PARADISE,
as an individual and on behalf of all
similarly situated employees

EXHIBIT A



Raleigh Dixon, Esq.
562.590.5550 phone
562.590.8400 facsimile
rdixon@mahoney-law.net

September 6, 2022

Via Certified Electronic Mail

LABOR AND WORKFORCE DEVELOPMENT AGENCY
PAGAfiling@dir.ca.gov

VIA CERTIFIED MAIL #7019 2970 0000 2983 3352

Return Receipt Requested

Alto Operations California LLC
900 Dragon Street, Suite 100
Dallas, TX 75207

VIA CERTIFIED MAIL #7019 2970 0000 2983 3345

Return Receipt Requested

CORPORATION SERVICE COMPANY dba LAWYERS INCORPORATING SERVICE
(C1592199) – Agent for Service of Process
2710 Gateway Oaks Drive, Suite 150N
Sacramento, CA 95833

Re: *Nora Paradise v. Alto Operations California LLC*

**NOTICE OF LABOR CODE VIOLATIONS PURSUANT TO
LABOR CODE SECTION 2698 ET SEQ.**

To: Labor and Workforce Development Agency; Alto Operations California,
LLC("Employer")

From: Nora Paradise, on behalf of herself and all aggrieved employees who were subject to the
employer's wage and hour policies set forth below.

Factual Statement

Please note that this firm, Mahoney Law Group, APC, represents Nora Paradise ("Ms. Paradise"), who intends to file a complaint alleging various Labor Code violations and seeking civil penalties under the Private Attorneys General Act of 2004, Labor Code sections 2698 et seq. ("PAGA"), on behalf of herself and all other aggrieved employees.

Theories of Labor Code Violations and Remedies

Alto Operations California, LLC is a California Company conducting business throughout California, and was the employer of Ms. Paradise. Alto Operations California, LLC is a ridesharing company that prides itself on its luxury service and its drivers being employees instead of independent contractors. For purposes of this notice, Alto Operations California, LLC, is referred to as “Employer”.

Ms. Paradise is a former employee of Employer and worked for employers as a Driver from on or around April 27, 2021 until on or around October 29, 2021.

Ms. Paradise alleges that Employers violated various sections of the Labor Code, including sections 201, 202, 203, 226, 226.7 510, 512, 1174, and 1194, by:

- a) Failing to pay Ms. Paradise and aggrieved employees for all hours worked;
- b) Failing to provide Ms. Paradise and aggrieved employees with meal periods or premium compensation in lieu thereof;
- c) failing to provide Ms. Paradise and aggrieved employees with rest periods or premium compensation in lieu thereof;
- d) failing to provide Ms. Paradise and aggrieved employees with accurate itemized wage statements; and
- e) failing to pay Ms. Paradise and aggrieved employees all wages earned and owed at separation of employment.

Ms. Paradise and the similarly aggrieved employees are identifiable current, and/or former hourly non-exempt employees who worked for Employers in California during the liability period of one year prior to the filing of a complaint alleging a PAGA cause of action.

A. Employers failed to pay Ms. Paradise and aggrieved employees for all hours worked

Pursuant to Labor Code section 1194, subdivision (a), “any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney’s fees, and costs of suit.”

Labor Code section 510, subdivision (a), provides that “[a]ny work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek ... shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee.”

Employers failed to compensate Ms. Paradise and aggrieved employees at the legally mandated wage rates for all hours worked in violation of California law. Specifically, Ms. Paradise and aggrieved employees frequently had meal periods that were late, interrupted, or that didn’t happen at all. Employer failed or refused to provide premium compensation to Ms. Paradise and aggrieved employees for all late meal periods and all missing meal periods. Due to this failure,

Employer did not factor in all meal premiums that Ms. Paradise and aggrieved employees were owed when calculating overtime pay.

Employers' failure to pay Ms. Paradise and aggrieved employees for all hours worked, including applicable overtime rates, as detailed above is actionable under PAGA as a violation of Labor Code sections 510 and 1194.

B. Employers failed to provide Ms. Paradise and aggrieved employees with meal periods or premium compensation in lieu thereof

Labor Code sections 226.7 and 512 provide that no employer shall employ a person for a work period of more than five hours without providing an uninterrupted meal period of at least thirty minutes. Further, when an employer fails to provide an employee a required meal period, the employer must pay the employee one hour of pay at the employee's regular rate of pay for each workday that a required meal period is not provided.

Frequently, Ms. Paradise and aggrieved employees did not receive their meal period until after the fifth (5th) hour of work. Ms. Paradise and aggrieved employees also had their lunches constantly interrupted when demand for drivers was high. Often, when Ms. Paradise and aggrieved employees worked shifts of ten (10) hours or longer, they did not receive a second meal break.

Employer failed or refused to provide premium compensation to Ms. Paradise and aggrieved employees for all late meal periods and all missing meal periods.

Employers' conduct in failing to provide compliant meal periods or premium compensation in lieu thereof is actionable under PAGA as violations of Labor Code sections 226.7 and 512.

C. Employers failed to provide Ms. Paradise and aggrieved employees with rest periods or premium compensation in lieu thereof

Labor Code section 226.7 requires that employers permit all employees to take a ten-minute rest period for every four hours, or major fraction thereof worked. Further, when an employer fails to provide an employee with required rest periods, the employer must pay the employee one hour of pay at the employee's regular rate of pay for each workday that a required rest period is not provided.

At times, Ms. Paradise and aggrieved employees were not permitted to take a rest period when they were busy. At times, Ms. Paradise and aggrieved employees were required to work for six (6) hours before being permitted to take a rest period. When they worked six (6) to eight (8) hours in a workday, Ms. Paradise and aggrieved employees sometimes only received one rest period instead of the two required by law. Further, when Ms. Paradise and aggrieved employees worked more than ten (10) hours in a workday, they seldom received the requisite third rest period.

Employers failed or refused to provide premium compensation to Ms. Paradise and aggrieved employees for missing or late rest periods.

Employers' conduct in failing to provide compliant rest periods or premium compensation in lieu thereof is actionable under PAGA as violations of Labor Code sections 226.7.

D. Employers failed to provide Ms. Paradise and aggrieved employees with accurate itemized wage statements

Labor Code section 226, subdivision (a), requires employers to furnish employees with accurate itemized wage statements reflecting the total hours worked, gross and net wages, applicable hourly rates, the corresponding number of hours worked at each hourly rate, and the name and address of the legal entity that is the employer. Labor Code section 1174 further requires employers to keep accurate payroll records that include "the hours worked daily" by employees.

By failing to pay Ms. Paradise and aggrieved employees for all hours worked, including the applicable overtime rates, Employers provided wage statements that were incomplete and inaccurate. Specifically, Employers provided wage statements with an inaccurate corresponding number of hours worked at each hourly rate which resulted in inaccurate gross and net wages.

Employer's conduct is not compliant with Labor Code sections 226 and 1174 and is therefore actionable under PAGA.

E. Employers failed to pay Ms. Paradise and aggrieved employees all wages earned and owed upon separation of employment

Pursuant to Labor Code section 201, subdivision (a), "[i]f an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately."

Labor Code section 202, subdivision (a) provides, "[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."

At the time that Ms. Paradise and aggrieved employees resigned or were terminated, Employers failed to compensate them for all wages earned and owed at the applicable overtime rate as well as premiums for missed rest periods.

Labor Code section 203, subdivision (a), states that "[i]f an employer willfully fails to pay ... any wages of an employee who is discharged or who quits, the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until an action therefor is commenced; but the wages shall not continue for more than 30 days." Accordingly, Ms. Paradise and aggrieved employees are entitled to thirty days of waiting time penalties.

F. Reservation of Rights

The facts and claims contained herein are based on the information available at the time of this writing. Therefore, if through discovery and/or expert review, Ms. Paradise becomes aware

September 6, 2022

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of additional compensation owed or losses incurred by Ms. Paradise or by any other aggrieved employee of the Employers, Ms. Paradise expressly reserves the right to revise these facts and/or add any new claims by amending the claim letter or by adding applicable causes of action to the complaint which will relate back to the date of this letter.

If the Labor and Workforce Development Agency intends to investigate the allegations set forth herein, please provide notice via certified mail to:

Mahoney Law Group, APC
Raleigh Dixon, Esq.
249 E. Ocean Blvd., Ste. 814
Long Beach, CA 90802
Tel: (562) 590-5550
Email: rdixon@mahoney-law.net

Sincerely,

A handwritten signature in blue ink that reads "Raleigh Dixon". The signature is fluid and cursive, with the first name "Raleigh" and the last name "Dixon" clearly distinguishable.

Raleigh Dixon, Esq.
MAHONEY LAW GROUP, APC