

Brian J. Mankin, Esq. [CSB No. 216228]
brian@lmlfirm.com
Peter J. Carlson, Esq. [CSB No. 295611]
peter@lmlfirm.com
Luke Wagner, Esq. [CSB No. 350346]
luke@lmlfirm.com
LAUBY, MANKIN & LAUBY LLP
5198 Arlington Avenue, PMB 513
Riverside, CA 92504
Tel: (951) 320-1444 | Fax: (951) 320-1445

Electronically FILED by
Superior Court of California,
County of Los Angeles
7/17/2025 6:18 PM
David W. Slayton,
Executive Officer/Clerk of Court,
By C. Nava, Deputy Clerk

Attorneys for Plaintiff, on behalf of the State of California as the Real Party in Interest

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

PHILIP PAUL, on behalf of the State of
California as the Real Party in Interest;

Plaintiff,

vs.

KNEEDLER FAUCHERE SOUTHERN
CALIFORNIA, a California Corporation;
GREGORIUS/PINEO, INC., a California
Corporation; and DOES 1 through 20,
inclusive;

Defendants.

Case No.: **25TRCV02372**

**REPRESENTATIVE ENFORCEMENT
ACTION COMPLAINT [Private
Attorneys General Act of 2004 (“PAGA”),
Lab. Code § 2698, *et seq.*]**

- (1) Failure to Pay Minimum Wages;
- (2) Failure to Pay for Rest Periods and Nonproductive Time;
- (3) Failure to Pay Overtime Wages;
- (4) Failure to Provide Meal Periods;
- (5) Failure to Provide Rest Breaks;
- (6) Failure to Reimburse Bus. Expenses;
- (7) Failure to Pay Vested Vacation;
- (8) Failure to Timely Pay Final Wages; and
- (9) Failure to Provide Accurate Itemized Wage Statements

Plaintiff Philip Paul (“Plaintiff”) brings this Private Attorneys General Act (“PAGA”) Representative Action Complaint (“Complaint”), on behalf of the State of California as the real party in interest,¹ against Defendants as follows.

¹ Because a PAGA action is aimed at deterring and punishing violations of the Labor Code, the State of California “is always the real party in interest in the suit.” *Iskanian v. CLS Transp. of*

1 **I. INTRODUCTION AND GENERAL ALLEGATIONS**

2 1. Plaintiff brings this action against his former employer(s), Kneedler Fauchere
3 Southern California, Gregorius/Pineo, Inc., and DOES 1 through 20, inclusive, (collectively,
4 “Defendants”) on behalf of the State of California, seeking civil penalties under PAGA for Labor
5 Code violations committed against all current and former nonexempt employees employed by
6 Defendants in California within the last one year and 65 days prior to the filing of this action
7 (hereinafter, the “Aggrieved Employees”). Such violations include, but are not limited to,
8 Defendants’ failure to pay all wages owed, including minimum, regular, and overtime wages,
9 failure to provide meal periods, failure to provide rest breaks, failure to reimburse business
10 expenses, failure to timely pay wages each period, and failure to provide accurate itemized wage
11 statements.

12 2. Plaintiff was employed by Defendants from approximately October 2021 through
13 October 2024 and alleges that the Aggrieved Employees were subjected to the same policies,
14 working conditions, and corresponding wage and hour violations to which Plaintiff was
15 subjected during employment.

16 3. Plaintiff and the Aggrieved Employees were not provided all minimum, regular,
17 and overtime wages due to Defendants’ failure to accurately record and compensate for all hours
18 worked, which led to frequent and recurring unpaid compensable time. For example, Defendants
19 frequently required Plaintiff and the Aggrieved Employees to perform pre- and post-shift work
20 without recording such time – leading to unpaid wages – such as when being required by
21 Defendants to conduct off-the-clock work tasks such as composing and sending emails outside of
22 work hours. The Ninth Circuit confirmed that this is illegal and such tasks must be compensated.
23 *Cadena v. Customer Connexx LLC* (9th Cir. 2022) 51 F.4th 831 (booting up and shutting down
24 computers is compensable under the FLSA [and therefore the Labor Code]); *Troester v.*
25 *Starbucks Corporation* (2018) 5 Cal.5th 829 (California law “do[es] not allow employers to
26 require employees to routinely work for minutes off the clock without compensation”); *Frlekin v.*
27
28

Los Angeles, LLC (2014) 59 Cal.4th 348, 360; *ZB, N.A. v. Superior Court* (2019) 8 Cal.5th 175,
185 (all PAGA claims “are brought on the state’s behalf”).

1 *Apple Inc.* (2020) 8 Cal.5th 1038 (tasks are compensable when employee is under company's
2 control and where the tasks served the employer's interests).

3 4. Defendants also utilized a rounding policy and practice that routinely
4 undercompensated the Aggrieved employees and resulted in a net benefit to Defendants and a net
5 loss for the Aggrieved employees. In other words, Defendants' rounding policy is not neutral
6 and results in systematic undercompensation for the Aggrieved employees, in violation of
7 California law. *See's Candy Shops, Inc. v. Superior Court* (2012) 210 Cal.App.4th 889, 903
8 (rounding policy is illegal where it is not "neutral, both facially and as applied"). Moreover, all
9 underpayments caused by this rounding policy violate California law and lead to minimum,
10 regular, and overtime wage violations under *Camp v. Home Depot U.S.A. Inc.*, (2022) 84 Cal.
11 App. 5th 638, 660 (if an employer "can capture and has captured the exact time an employee has
12 worked during a shift, the employer must pay the employee for 'all the time' worked").

13 5. Additionally, Plaintiff and the Aggrieved Employees often worked more than 8
14 hours per day and/or 40 hours per week yet did not receive all required overtime compensation
15 on such occasions. Also, at all relevant times, Plaintiff and the Aggrieved Employees were
16 compensated on an hourly basis plus additional earned compensation (including commissions
17 and bonuses). However, when the Aggrieved Employees worked overtime hours and received
18 earned additional compensation during the same workweek, Defendants failed to properly
19 include these amounts in the calculations for the regular rate of pay – in violation of California
20 law.

21 6. Defendants also paid employees on a piece-rate and/or commission basis, but
22 failed to pay separate hourly compensation at no less than the minimum wage for nonproductive
23 time where commission and piece-rate wages could not be earned, such as preparatory/post
24 work, meetings, maintenance/downtime, cleanup, scheduling, and for rest and recovery periods.
25 Also, the piece-rate and/or commission plan paid to Plaintiff and the Aggrieved Employees often
26 resulted in a payment of wages at less than the required California minimum wage for all hours
27 worked. Thus, Defendants' pay policy violated California law by failing to provide separate
28 hourly compensation to piece-rate and commission employees for rest and recovery periods and

1 other nonproductive time.

2 7. Plaintiff and the Aggrieved Employees were also denied 30-minute off-duty meal
3 periods, as mandated by California law. As a result of Defendants' policies and practices, the
4 Aggrieved Employees were subjected to meal period violations when they were: (1) unable to
5 take a meal period due to workload, (2) forced to take an on-duty meal period while under the
6 control of Defendants, (3) forced to take a shortened meal period, (4) forced to take a meal
7 period after the 5th hour of work, and (5) not provided mandated second meal periods for shifts
8 in excess of 10 hours. Plaintiff and many other employees could not functionally take
9 uninterrupted meal periods due to the task demands from Defendants. Defendants discouraged
10 employees from taking proper meal periods, which often resulted in Plaintiff and other similarly
11 situated employees staying on the premises and otherwise not exercising their right to leave the
12 workplace, and taking short lunches, if any lunch was provided at all.

13 Defendants also failed to provide Plaintiff and the Aggrieved Employees with 10 minutes
14 of net rest break time for every 4 hours worked, or major fraction thereof, as mandated by
15 California law. Defendants did not schedule rest breaks for Plaintiff and the Aggrieved
16 Employees, and Plaintiff and the Aggrieved Employees were often not authorized and/or
17 permitted to take mandated rest breaks due to being overwhelmed by their hectic workload.
18 Furthermore, on occasions when Plaintiff and the Aggrieved Employees worked longer shifts,
19 Defendants failed to authorize and/or permit additional mandated rest breaks. Furthermore,
20 employees working on a piece-rate or commission-only basis were not compensated for rest breaks.
21 The Aggrieved Employees could not earn income during a rest break since they could not
22 simultaneously rest and perform commission and/or piece-rate work. This violates California law,
23 which requires employers paying on a commission and/or piece-rate basis to provide separate *hourly*
24 compensation for mandated paid rest breaks. *See e.g.* Labor Code § 226.2; *Bluford v. Safeway Stores,*
25 *Inc.* (2013) 216 Cal.App.4th 864, 872 (employers are required to separately compensate employees
26 for paid rest periods where the employer uses an "activity-based compensation system" that does not
27 directly compensate for rest periods).

1 8. Moreover, at all relevant times, Defendants required Plaintiff and the Aggrieved
2 Employees to incur necessary business-related expenses and costs without reimbursement,
3 including, but not limited to, home internet for remote work and home office equipment costs.

4 9. Defendants utilized a policy and practice through which Plaintiff and the
5 Aggrieved Employees accrued vacation and/or paid time off hours (collectively, “vacation
6 hours”). California law, specifically Labor Code § 227.3, requires Defendants to pay all accrued
7 and unused vacation hours upon separation of employment at the final rate of pay. However,
8 Defendants’ policy and practice violated Labor Code § 227.3, as detailed below.

9 10. Plaintiff further alleges that he and the Aggrieved Employees were not paid all
10 wages due and owing each pay period (Labor Code § 204) and upon separation of employment
11 within the time required by Labor Code §§ 201 – 203. Plaintiff also alleges that Defendants
12 failed to provide accurate itemized wage statements that fully complied with the requirements of
13 Labor Code § 226(a).

14 11. At all material times, Defendants and DOES 1 through 20 were and/or are the
15 Aggrieved Employees’ employers or persons acting on behalf of the Aggrieved Employees’
16 employer, within the meaning of California Labor Code § 558, who violated or caused to be
17 violated, a section of Part 2, Chapter 1 of the California Labor Code or any provision regulating
18 hours and days of work in an IWC Wage Order and, as such, are subject to penalties for each
19 underpaid employee as set forth in Labor Code § 558 and under California law.

20 12. Plaintiff brings this lawsuit on behalf of the State of California, as the real party in
21 interest, to recover all applicable and available PAGA remedies for violations of the California
22 Labor Code committed against the Aggrieved Employees as alleged herein, as well as attorneys’
23 fees, costs, and/or other damages as permitted by PAGA. Plaintiff reserves the right to name
24 additional representatives throughout the State of California.

25 **II. JURISDICTION**

26 13. This Court has jurisdiction over the claims for relief of Plaintiff and the
27 Aggrieved Employees pursuant to the Labor Code and the IWC Wage Orders.

28 ///

1 **III. VENUE**

2 14. Venue as to each Defendant is proper in this Court pursuant to Code of Civil
3 Procedure § 395(a) because: Defendants transact business in Los Angeles County, the unlawful
4 acts alleged herein have a direct effect on the Aggrieved Employees in Los Angeles County,
5 Defendants employed or employ the Aggrieved Employees Los Angeles County, and the alleged
6 violations occurred in Los Angeles County. *Crestwood Behavioral Health, Inc. v. Superior Court*
7 (2021) 60 Cal.App.5th 1069, 1075 (“venue is proper in any county in which an aggrieved
8 employee worked and Labor Code violations allegedly occurred.”).

9 **IV. PARTIES**

10 **Plaintiff**

11 15. Plaintiff and PAGA Representative Philip Paul was employed by Defendants and
12 performed work for Defendants during the relevant periods herein.

13 **Defendants**

14 16. Plaintiff alleges that Defendant Kneedler Fauchere Southern California is a
15 California corporation authorized to and doing business in Los Angeles County and is or was the
16 legal employer of Plaintiff and the Aggrieved Employees during the applicable periods.

17 17. Plaintiff alleges that Defendant Gregorius/Pineo, Inc. is a California corporation
18 authorized to and doing business in Los Angeles County and is or was the legal employer of
19 Plaintiff and the Aggrieved Employees during the applicable periods.

20 18. Plaintiff is ignorant of the true names, capacities, relationships, and extent of
21 participation in the conduct herein alleged, of Defendants sued herein as DOES 1 through 20,
22 inclusive, but on information and belief alleges that those Defendants are legally responsible for
23 the payment of penalties and damages to Plaintiff and all Aggrieved Employees by virtue of
24 Defendants’ unlawful actions and practices and therefore sue these Defendants by such fictitious
25 names. Plaintiff will amend this complaint to allege the true names and capacities of the DOE
26 Defendants when ascertained.

27 19. Plaintiff is informed and believes and thereon alleges that he and the Aggrieved
28 Employees worked under the joint direction and control of Defendants and that Defendants, and

1 each of them, acted in all respects pertinent to this action as the agent of the other Defendants,
2 carried out a joint scheme, business plan or policy in all respect pertinent hereto, and the acts of
3 each Defendant are legally attributable to the other Defendants. On information and belief, a
4 unity of interest and ownership between each Defendant exists such that all Defendants acted as
5 a single employer of Plaintiff and other Aggrieved Employees.

6 20. Furthermore, Plaintiff is informed and believes and thereon alleges that
7 Defendants, and each of them, are an integrated enterprise and should be treated as a single
8 employer because these entities share an interrelation of operations, with common human
9 resources and personnel policies and shared common offices and facilities. Additionally,
10 Defendants also have a shared website, common management, a centralized control of labor
11 operations, and common ownership or financial control.

12 21. Plaintiff is informed and believes and thereon alleges that, in conducting
13 themselves in the manner described herein, Defendants, and each of them, were acting in active
14 concert with one another such that the acts of each were and are fully attributable to the others in
15 all material respects. Plaintiff is further informed and believes that at all relevant times
16 Defendants and each of them are now, and at all material times herein mentioned were, the
17 agents, servants, employees, partners, affiliates, and/or representatives of each of their remaining
18 co-Defendants, and were, at all times herein mentioned, acting within the course, scope, and
19 purpose of such relationship(s) and with the knowledge, consent and/or ratification of each of
20 their remaining co-Defendants.

21 22. Plaintiff is further informed and believes that at all relevant times, Defendants
22 have been inadequately capitalized to conduct business, have failed to follow appropriate
23 corporate formalities, and have simply been a shell and instrumentality through which
24 Defendants DOES 11 through 20, inclusive, have conducted their personal affairs. Accordingly,
25 the corporate veil should be pierced, and any liability attached to Defendants should be imposed
26 jointly and severally against Defendants DOES 11 through 20. Adherence to the fiction of the
27 separate existence of these corporate entities would permit abuse of the corporate privilege,
28 thereby sanctioning fraud and promoting injustice.

1 **V. PAGA CAUSES OF ACTION (Labor Code §§ 2698 – 2699.5)**

2 23. Plaintiff is an “aggrieved employee” under the PAGA as he was employed by
3 Defendants during the applicable statutory period and suffered one or more of the Labor Code
4 violations alleged herein. As such, Plaintiff may recover the remedies described herein in a civil
5 action filed on behalf of the State of California and for violations committed against the
6 Aggrieved Employees.

7 24. Plaintiff seeks to recover all applicable and available PAGA remedies pursuant to
8 Labor Code § 2699, as well as attorneys’ fees, costs, and/or other damages as permitted by
9 PAGA through a representative action pursuant to the PAGA and the California Supreme Court
10 in *Arias v. Superior Court* (2009) 46 Cal. 4th 969. Therefore, Plaintiff is not required to, nor
11 does he, seek class certification of the PAGA claims under Code of Civil Procedure § 382.

12 25. Pursuant to Labor Code § 2699.3(a), Plaintiff gave written notice by online filing
13 to the Labor and Workforce Development Agency (“LWDA”) and by certified mail to
14 Defendants of the specific provisions of the Labor Code alleged to have been violated, including
15 the facts and theories to support the alleged violations. Sixty-five (65) days have elapsed since
16 Plaintiff provided notice of the claims alleged herein without the LWDA assuming jurisdiction,
17 so Plaintiff has fully satisfied his administrative prerequisites for bringing suit under the PAGA.

18 **FIRST CAUSE OF ACTION**

19 **PAGA ASSESSMENT FOR FAILURE TO PAY MINIMUM WAGES**

20 (Labor Code §§ 200, 1194, 1194.2, 1197; IWC Wage Order § 4)

21 *Against All Defendants*

22 26. Plaintiff incorporates the preceding paragraphs of the Complaint as if fully
23 alleged herein.

24 27. Plaintiff and the Aggrieved Employees were not exempt from the requirement to
25 be paid at least the applicable California minimum wage throughout the statutory period for each
26 hour worked.

27 28. Plaintiff and the Aggrieved Employees were not provided proper minimum and
28 regular wages due to the allegations herein. As a result of these policies and practices, Plaintiff

1 and the Aggrieved Employees were required to perform off-the-clock work that Defendants
2 either knew or should have known they were performing.

3 29. Consequently, Defendants violated California Labor Code laws and minimum
4 wage laws, *inter alia*, Labor Code §§ 200, 221, 222, 223, 1197, IWC Wage Order 9, § 4, and
5 Cal. Code Regs., tit. 8, section 11090, subds. 1 and 4(B).

6 30. Plaintiff is informed and believes and thereon alleges that Defendants
7 intentionally, willfully, and improperly failed to pay wages to Plaintiff and the Aggrieved
8 Employees for each hour worked in violation of Labor Code §§ 221-223, 1194 and 1197.

9 31. Defendants' conduct was willful, as Defendants knew that Plaintiff and the
10 Aggrieved Employees were entitled to be paid wages throughout the statutory period for each
11 hour worked, including proper minimum and regular wages, yet Defendants chose not to pay
12 them in accordance thereto.

13 32. As a result of the unlawful employment practices alleged herein, Plaintiff, on
14 behalf of the State of California, seeks the assessment of all applicable and available PAGA
15 remedies pursuant to Labor Code § 2699, and seeks to recover all attorneys' fees, costs, and/or
16 any other damages permitted under PAGA.

17 **SECOND CAUSE OF ACTION**

18 **PAGA ASSESSMENT FOR FAILURE TO PROVIDE SEPARATE PAYMENT FOR**
19 **REST AND RECOVERY PERIODS AND OTHER NONPRODUCTIVE TIME**

20 (Labor Code § 226.2)

21 Labor Code § 226.2 requires employers paying their employees on a piece-rate basis to
22 provide separate payment for rest and recovery periods and other nonproductive time. The
23 Aggrieved Employees are and/or were employees of Defendants who were paid on a piece-rate
24 basis, yet the Defendants did not comply with the requirements of Labor Code § 226.2 for its
25 piece-rate employees. As a result of these violations, penalties may be assessed pursuant to
26 Labor Code § 2699, among possibly other sections.

27 ///

28 ///

1 **THIRD CAUSE OF ACTION**

2 **PAGA ASSESSMENT FOR FAILURE TO PAY OVERTIME WAGES**

3 (Labor Code §§ 204 and 510; IWC Wage Order § 3(A))

4 *Against All Defendants*

5 33. Plaintiff incorporates the preceding paragraphs of the Complaint as if fully
6 alleged herein.

7 34. Plaintiff and the Aggrieved Employees were employees of Defendants who did
8 not receive proper protections and benefits of the laws governing payment of overtime wages.

9 35. Labor Code § 204 requires that the employer timely pay all overtime wages to its
10 employees. Labor Code § 510(a) and the applicable IWC Wage Order § 3(A) provide that any
11 work performed in excess of eight (8) hours in one workday or in excess of forty (40) hours in
12 any one workweek shall be compensated at the rate of no less than one and one-half times the
13 regular rate of pay for an employee. Furthermore, any work performed in excess of twelve (12)
14 hours in one workday shall be compensated at twice the regular rate of pay for an employee.

15 36. At all relevant times, Plaintiff and the Aggrieved Employees were required by
16 Defendants to work hours in excess of 8 and/or 12 per day and/or 40 per week. However, as a
17 result of the policies and practices described in this Complaint, Defendants failed to pay Plaintiff
18 and the Aggrieved Employees for all overtime hours worked.

19 37. As a result of these policies and practices, Defendants failed to pay Plaintiff and
20 the Aggrieved Employees for all overtime hours worked.

21 38. Defendants violate Labor Code §§ 204 and 510 and the applicable IWC Wage
22 Order § 3(A) every pay period with respect to Plaintiff and the Aggrieved Employees because
23 Defendants required their employees to work hours in excess of 8 and/or 12 per day and/or 40
24 per week without proper overtime compensation.

25 39. Plaintiff is informed and believes and thereon alleges that Defendants
26 intentionally, willfully, and improperly failed to pay proper overtime wages to Plaintiff and the
27 Aggrieved Employees in violation of Labor Code §§ 204, 221-223, 510, 1194 and 1197.
28

1 40. Defendants' conduct was willful, as Defendants knew that Plaintiff and the
2 Aggrieved Employees were entitled to be paid proper overtime wages throughout the statutory
3 period, yet Defendants chose not to pay them in accordance thereto.

4 41. As a result of the unlawful employment practices alleged herein, Plaintiff, on
5 behalf of the State of California, seeks the assessment of all applicable and available PAGA
6 remedies pursuant to Labor Code § 2699, and seeks to recover all attorneys' fees, costs, and/or
7 any other damages permitted under PAGA.

8 **FOURTH CAUSE OF ACTION**

9 **PAGA ASSESSMENT FOR FAILURE TO PROVIDE MEAL PERIODS**

10 (Labor Code §§ 226.7 and 512; IWC Wage Order § 11, 12)

11 *Against All Defendants*

12 42. Plaintiff incorporates the preceding paragraphs of the Complaint as if fully
13 alleged herein.

14 43. Plaintiff and the Aggrieved Employees are and/or were employees of Defendants
15 who did not receive proper protections and benefits of laws governing mandatory meal periods.

16 44. Labor Code § 226.7 requires employers, including Defendants, to provide
17 employees with meal periods as mandated by the Industrial Welfare Commission.

18 45. Labor Code § 512(a), in part, provides that employers, including Defendants, may
19 not employ an employee for a work period of more than five hours per day without providing an
20 employee the opportunity to take an uninterrupted meal period of not less than 30 minutes,
21 except that if the total work period per day of the employee is no more than six hours, the meal
22 period may be waived by mutual consent of both the employer and the employee. Employers
23 may not employ an employee for a work period of more than 10 hours per day without providing
24 the employee with a second meal period of not less than 30 minutes.

25 46. Pursuant to Labor Code § 226.7(b) and the applicable IWC Wage Order § 11(B),
26 Defendants shall pay an employee one additional hour of pay at the employee's regular rate of
27 pay for each meal period that is missed.

1 47. At all relevant times, and as a result of the policies and practices described in this
2 Complaint, Plaintiff and the Aggrieved Employees were denied the 30-minute meal periods to
3 which they were entitled.

4 48. Defendants violated Labor Code §§ 226.7, 512, and the applicable IWC Wage
5 Order every pay period because Plaintiff and the Aggrieved Employees were not provided with
6 all mandatory meal periods and Defendants failed to pay Plaintiff and the Aggrieved Employees
7 one additional hour of compensation at the regular rate of pay in lieu thereof.

8 49. On information and belief, Plaintiff and the Aggrieved Employees did not
9 voluntarily or willfully waive the mandated meal periods. Any expressed or implied waivers
10 obtained from Plaintiff and the Aggrieved Employees were not willfully obtained, were not
11 voluntarily agreed to, were a condition of employment, or were a part of a contract of an
12 unlawful adhesion. Defendants did not permit or authorize Plaintiff and the Aggrieved
13 Employees to take meal periods in accordance with California law.

14 50. As a result of the unlawful employment practices alleged herein, Plaintiff, on
15 behalf of the State of California, seeks the assessment of all applicable and available PAGA
16 remedies pursuant to Labor Code § 2699, and seeks to recover all attorneys' fees, costs, and/or
17 any other damages permitted under PAGA.

18 **FIFTH CAUSE OF ACTION**

19 **PAGA ASSESSMENT FOR FAILURE TO PROVIDE REST BREAKS**

20 (Labor Code §§ 226.7 and 512; IWC Wage Order § 12)

21 *Against All Defendants*

22 51. Plaintiff incorporates the preceding paragraphs of the Complaint as if fully
23 alleged herein.

24 52. Plaintiff and the Aggrieved Employees are and/or were employees of Defendants
25 who did not receive proper protections and benefits of the laws governing mandatory rest breaks.

26 53. Labor Code § 226.7 requires employers, including Defendants, to provide rest
27 breaks to their employees as mandated by Order of the Industrial Welfare Commission.
28

1 54. The IWC Wage Order § 12 states, in part, that every employer shall authorize and
2 permit all employees to take rest periods, which insofar as practicable shall be in the middle of
3 each work period. Employees shall receive a 10-minute rest period every four hours or major
4 fraction thereof that they are required to work. Authorized rest period time shall be counted, as
5 hours worked, for which there shall be no deduction from wages.

6 55. Pursuant to Labor Code § 226.7(b) and Section 12(B) of the applicable Wage
7 Order, Defendants shall pay Plaintiff and the Aggrieved Employees one additional hour of pay at
8 their regular rate of compensation for each day that the rest period is not provided.

9 56. At all relevant times, and as a result of the policies and practices described in this
10 Complaint, Plaintiff and the Aggrieved Employees were denied mandated rest breaks.

11 57. Defendants violated Labor Code §§ 226.7, 512, and the applicable IWC Wage
12 Order every pay period because Plaintiff and the Aggrieved Employees were not provided with
13 all mandatory rest periods and Defendants failed to pay Plaintiff and the Aggrieved Employees
14 one additional hour of compensation in lieu thereof.

15 58. As a result of the unlawful employment practices alleged herein, Plaintiff, on
16 behalf of the State of California, seeks the assessment of all applicable and available PAGA
17 remedies pursuant to Labor Code § 2699, and seeks to recover all attorneys' fees, costs, and/or
18 any other damages permitted under PAGA.

19 **SIXTH CAUSE OF ACTION**

20 **PAGA ASSESSMENT FOR FAILURE TO REIMBURSE BUSINESS EXPENSES**

21 (Labor Code § 2802)

22 *Against All Defendants*

23 59. Plaintiff incorporates the preceding paragraphs of the Complaint as if fully
24 alleged herein.

25 60. Plaintiff and the Aggrieved Employees are and/or were employees of Defendants
26 who did not receive proper protections and benefits of the laws governing reimbursement of
27 business expenses.
28

61. Labor Code § 2802(a) requires that the employer indemnify its employees for expenses and losses incurred while discharging their duties or in obedience to the directions of their employer.

62. At all relevant times herein mentioned, Defendants violated Labor Code § 2802(a) when they failed to reimburse Plaintiff and the Aggrieved Employees for expenses incurred as a direct consequence of employment with Defendants and/or under the direction of Defendants.

63. As a result of the unlawful employment practices alleged herein, Plaintiff, on behalf of the State of California, seeks the assessment of all applicable and available PAGA remedies pursuant to Labor Code § 2699, and seeks to recover all attorneys' fees, costs, and/or any other damages permitted under PAGA.

SEVENTH CAUSE OF ACTION

PAGA ASSESSMENT FOR FAILURE TO PAY VESTED VACATION

(Labor Code § 227.3)

Against All Defendants

64. Plaintiff incorporates the preceding paragraphs of the Complaint as if fully alleged herein.

65. Plaintiff and the Aggrieved Employees were employees of Defendants who did not receive proper protections and benefits of the laws governing the payment of vested vacation time and/or paid time off upon separation of employment.

66. Pursuant to Labor Code § 227.3, an employer that has implemented a paid vacation, paid time off, or compensated time off policy must, upon an employee's separation from employment, pay to the employee all vested but unused vacation and/or paid time off at his final rate of pay.

67. At all relevant times, Defendants utilized a policy and practice through which Plaintiff and the Aggrieved Employees accrued vacation and/or PTO hours (collectively, “vacation hours”). However, Defendants’ policy and practice violated Labor Code § 227.3 because Plaintiff and the Aggrieved Employees did not receive compensation for all accrued but unused vacation hours and did not receive compensation for the same at the “final rate”, as

1 required by Labor Code § 227.3.

2 68. At all relevant times herein, Defendants failed to pay the Aggrieved Employees,
3 including Plaintiff, all vested but unused vacation time and/or paid time off upon separation from
4 employment, thereby receiving an economic benefit.

5 69. Plaintiff is informed and believes and thereon alleges that Defendants, and each of
6 them, knowingly refused to perform their obligations to compensate the Aggrieved Employees
7 for all vested but unused vacation time and/or paid time off upon separation from employment.

8 70. As a result of Defendants' violations of Labor Code § 227.3, Plaintiff and the
9 Aggrieved Employees seek to recover the unpaid vacation hours, as well as penalties, interest,
10 attorneys' fees, and costs as permitted under California law.

11 **EIGHTH CAUSE OF ACTION**

12 **PAGA ASSESSMENT FOR FAILURE TO TIMELY PAY FINAL WAGES**

13 (Labor Code §§ 201–203)

14 *Against All Defendants*

15 71. Plaintiff incorporates the preceding paragraphs of the Complaint as if fully
16 alleged herein.

17 72. Plaintiff and the Aggrieved Employees are and/or were employees of Defendants
18 who did not receive proper protections and benefits of the laws governing the timing and
19 payment of wages.

20 73. Labor Code § 201 requires that the employer immediately pay any wages, without
21 abatement or reduction, to any employee who is discharged.

22 74. Labor Code § 202 requires that the employer pay all wages earned and unpaid,
23 without abatement or reduction, no later than 72 hours of receiving an employee's notice of
24 intent to quit or immediately at the time of quitting if at least a 72-hour notice was provided.

25 75. Labor Code §§ 201-203 cause the unpaid wages of the employee to continue as a
26 penalty from the due date thereof at the same rate until paid or until an action therefore is
27 commenced, but the wages shall not continue for more than thirty (30) days.

1 76. At all relevant times, Defendants employed a policy and practice whereby
2 Plaintiff and the Aggrieved Employees were not paid all wages due and owing upon separation
3 of employment within the time required by Labor Code §§ 201 and 202.

4 77. Also, at all relevant times, Defendants engaged in the practice of failing to pay all
5 wages due and owing to Plaintiff and the Aggrieved Employees upon separation of employment,
6 including, but not limited to, minimum, regular, and overtime wages, vacation wages, as well as
7 meal and rest period premiums.

8 78. Additionally, at all relevant times, Defendants failed to pay all mandated sick
9 wages owed to the Aggrieved Employees at the proper rate of pay.

10 79. Labor Code § 246(l)(1) provides that paid sick time for non-exempt employees
11 must be “calculated in the same manner as the regular rate of pay for the workweek in which the
12 employee uses paid sick time, whether or not the employee actually works overtime in that
13 workweek.” Additionally, Labor Code § 246(l)(2) states that the paid sick time must be
14 “calculated by dividing the employee’s total wages, not including overtime premium pay, by the
15 employee’s total hours worked in the full pay periods of the prior 90 days of employment.”

16 80. Here, Plaintiff and the Aggrieved Employees were compensated on an hourly
17 basis plus additional compensation in the form of shift differentials and/or nondiscretionary
18 compensation. However, on the occasions that the Aggrieved Employees took sick time and
19 received paid sick leave, Defendants only paid sick time at the base rate of pay (not factoring in
20 the additional compensation as required by Labor Code §§ 246(l)(1-2)), leading to unpaid wages
21 at the time of separation of employment.

22 81. Plaintiff alleges that, at all times material to this action, Defendants had a planned
23 pattern and practice of failing to timely pay Plaintiff and the Aggrieved Employees all wages due
24 and owing upon separation of employment as required by Labor Code §§ 201 and 202.

25 82. As a result of the unlawful employment practices alleged herein, Plaintiff, on
26 behalf of the State of California, seeks the assessment of all applicable and available PAGA
27 remedies pursuant to Labor Code § 2699, and seeks to recover all attorneys’ fees, costs, and/or
28 any other damages permitted under PAGA.

1 **NINTH CAUSE OF ACTION**

2 **PAGA ASSESSMENT FOR**

3 **FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS**

4 (Labor Code § 226)

5 *Against All Defendants*

6 83. Plaintiff incorporates the preceding paragraphs of the Complaint as if fully
7 alleged herein.

8 84. Plaintiff and the Aggrieved Employees are and/or were employees of Defendants
9 who did not receive proper protections and benefits of the laws governing the provision of
10 accurate itemized wage statements.

11 85. Labor Code § 226(a) requires an employer to provide its employees with itemized
12 wage statements accurately stating gross wages earned, all deductions, net wages earned, the
13 inclusive dates of the pay period, the employee's name and the last four digits of his or her
14 Social Security number (or employee identification number), the name and address of the legal
15 entity that is the employer, and all applicable hourly rates in effect during the pay period and the
16 corresponding number of hours worked at each hourly rate by the employee.

17 86. Defendants violate Labor Code § 226(a) every pay period with respect to Plaintiff
18 and the Aggrieved Employees due to violations including: failure to accurately state total hours
19 worked (for example, the wage statements failed to accurately reflect the compensable hours
20 worked); failure to accurately state gross wages earned; failure to accurately state all deductions;
21 failure to accurately state net wages earned; failure to state the applicable hourly rates (including
22 the accurate overtime rate of pay); and failure to accurately state the corresponding number of
23 hours worked at each hourly rate.

24 87. Moreover, Defendants' wage statements directly violated Labor Code § 226(a)
25 each period due to the failure to pay and report premium wages for denied meal periods and rest
26 breaks under § 226.7.

27 88. Therefore, Defendants violate Labor Code § 226(a) every pay period with respect
28 to Plaintiff and the Aggrieved Employees because Defendants failed to provide a wage statement

1 to Plaintiff and the Aggrieved Employees that complied with the requirements of § 226(a).

2 89. Unlike class action claims, a PAGA plaintiff need not meet the “injury” and
3 “knowing and intentional” violation requirements of Labor Code § 226(e). See *Lopez v. Friant*
4 & Associates, LLC (2017) 15 Cal.App.5th 773, 788 (“a plaintiff seeking civil penalties under
5 PAGA for a violation of section 226(a) does not have to satisfy the “injury” and “knowing and
6 intentional” requirements of section 226(e)(1)”)”; see also, *Lawson v. ZB, N.A.* (2017) 18
7 Cal.App.5th 705, 722 (“the scienter requirement [of § 226(e)] has no application in a PAGA
8 claim for violation of [§ 226(a)]”).

9 90. As a result of the unlawful employment practices alleged herein, Plaintiff, on
10 behalf of the State of California, seeks the assessment of all applicable and available PAGA
11 remedies pursuant to Labor Code § 2699, and seeks to recover all attorneys’ fees, costs, and/or
12 any other damages permitted under PAGA.

13 **VI. PRAYER FOR RELIEF**

14 WHEREFORE, Plaintiff, on behalf of the State of California as the real party in interest,
15 prays for judgment and relief against Defendants, jointly and severally, as follows:

- 16 1. For the assessment of all remedies and/or penalties available under the PAGA;
17 2. For reasonable attorneys’ fees and costs of suit to the extent permitted by law; and
18 3. For such other and further relief as the Court deems just and proper.

19 Dated: July 14, 2025

LAUBY, MANKIN & LAUBY LLP

20 BY: 
21 _____
22 Brian J. Mankin, Esq.
23 Peter J. Carlson, Esq.
24 Luke Wagner, Esq.
25 Attorneys for Plaintiff
26
27
28