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SUPERIOR COURT OF CALIFORNIA
COUNTY OF SAN BERNARDINO
SAN BERNARDINO DISTRICT
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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN BERNARDINO - COMPLEX**

LEE A STEVIE PALMA, as an individual and
on behalf of all others similarly situated,

Plaintiffs,

vs.

HAT WORLD, INC., a Corporation; and
DOES 1 through 100, inclusive,

Defendants.

Case No. CIV SB 2317027

**FIRST AMENDED CLASS ACTION
COMPLAINT FOR DAMAGES:**

- (1) VIOLATION OF LABOR CODE §§
226.7 and 512;**
- (2) VIOLATION OF LABOR CODE §
226.7;**
- (3) FAILURE TO PAY WAGES FOR
ALL HOURS WORKED AT
MINIMUM WAGE IN VIOLATION
OF LABOR CODE SECTIONS 1194
AND 1197;**
- (4) FAILURE TO PAY OVERTIME
WAGES FOR DAILY OVERTIME
WORKED IN VIOLATION OF
LABOR CODE SECTIONS 510 AND
1194;**
- (5) VIOLATION OF LABOR CODE
§226;**
- (6) VIOLATION OF LABOR CODE §§
2800 AND 2802;**
- (7) FAILURE TO TIMELY PAY ALL
EARNED WAGES AND FINAL
PAYCHECKS DUE AT TIME OF
SEPARATION OF EMPLOYMENT
IN VIOLATION OF LABOR CODE
SECTIONS 201, 202, AND 203**

**(8) VIOLATION OF BUSINESS &
PROFESSIONS CODE § 17200, *ET*
*SEQ.***

**(9) VIOLATION OF LABOR CODE
§§2698, *ET SEQ.***

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FIRST AMENDED CLASS ACTION COMPLAINT FOR DAMAGES

1 Plaintiffs LEEA STEVIE PALMA and TAKORI JULIANA COLEMAN (“Plaintiffs”),
2 hereby submits this First Amended Class Action Complaint (“Complaint”) against Defendants
3 HAT WORLD, INC., a Corporation (“Defendant,” or the “Company”), and DOES 1-100
4 (hereinafter collectively referred to as “Defendants”), as individuals and on behalf of a Class of
5 all other similarly situated current and former employees of Defendants for penalties and/or
6 damages for violations of the California Labor Code, including without limitation, failure to
7 provide meal and rest periods and pay the requisite premium wages at the regular rate of pay,
8 failure to provide meal and rest periods; failure to pay wages for all hours worked at minimum
9 wage, failure to pay overtime wages for daily overtime worked, failure to reimburse business
10 expenses, provide employees with accurate itemized wage statements and timely pay wages to
11 terminated employees as follows:

12 **JURISDICTION AND VENUE**

13 1. This Court has jurisdiction over the violations of the California Labor Code §§
14 201-204, 218.5, 226, 226.7, 510, 512, 1194, 1197, 1198, and 2802, and California Business &
15 Professions Code § 17200, *et seq.*

16 2. Venue is proper in this Court because Plaintiff Leea Stevie Palma worked for
17 Defendant in San Bernardino, California.

18 **PARTIES**

19 3. On or about March 19, 2021, Defendant hired Plaintiff Leea Stevie Palma to work
20 as a non-exempt sales associate in San Bernardino, California. On or about September 19, 2022,
21 Plaintiff Leea Stevie Palma’s employment ended.

22 4. Defendants employed Plaintiff Takori Juliana Coleman as an hourly non-exempt
23 employee from in or around March 19, 2021, until on or about May 5, 2023.

24 5. Defendants are engaged in the retail industry and operate in the State of
25 California, including in San Bernardino County.

26 **DOE DEFENDANTS**

27 6. Plaintiffs do not know the true names or capacities, whether individual, partner or
28 corporate, of the Defendants sued herein as Does 1 through 50, inclusive, and for that reason,

1 said Defendants are sued under such fictitious names, and Plaintiffs pray for leave to amend this
2 complaint when the true names and capacities are known. Plaintiffs are informed and believe
3 and, based thereon allege, that each of said fictitious Defendants was responsible in some way
4 for the matters alleged herein and proximately caused Plaintiffs to be subject to the illegal
5 employment practices, wrongs and injuries complained of herein.

6 **AGENCY STATUS OF EACH DEFENDANT**

7 7. At all times herein mentioned, each of said Defendants participated in the doing
8 of the acts hereinafter alleged to have been done by the named Defendants; and furthermore, the
9 Defendants, and each of them, were the agents, servants and employees of each of the other
10 Defendants, as well as the agents of all Defendants, and at all times herein mentioned, were
11 acting within the course and scope of said agency and employment.

12 8. Plaintiffs are informed and believe and, based thereon allege, that at all times
13 material hereto, each of the Defendants named herein was the agent, employee, alter ego and/or
14 joint venturer of, or working in concert with each of the other co-Defendants and was acting
15 within the course and scope of such agency, employment, joint venture, or concerted activity.
16 To the extent said acts, conduct, and omissions were perpetrated by certain Defendants, each of
17 the remaining Defendants confirmed and ratified said acts, conduct, and omissions of the acting
18 Defendants.

19 9. At all times herein mentioned, Defendants, and each of them, were members of,
20 and engaged in, a joint venture, partnership and common enterprise, and acting within the course
21 and scope of, and in pursuance of, said joint venture, partnership and common enterprise.

22 10. At all times herein mentioned, the acts and omissions of various Defendants, and
23 each of them, concurred and contributed to the various acts and omissions of each and all of the
24 other Defendants in proximately causing the injuries and damages as herein alleged. At all times
25 herein mentioned, Defendants, and each of them, ratified each and every act or omission
26 complained of herein. At all times herein mentioned, the Defendants, and each of them, aided
27 and abetted the acts and omissions of each and all of the other Defendants in proximately causing
28 the damages as herein alleged.

1 **CLASS ALLEGATIONS**

2 11. **Class Definition:** The named individual Plaintiffs bring this action individually
3 and on behalf of the following Classes pursuant to Code of Civil Procedure § 382. Plaintiffs
4 propose the following class definition: “all current and former California non-exempt employees
5 of Defendants who, at any time from December 1, 2018, through the present (the “Class”).

6 12. **Numerosity:** The members of the Class are so numerous that joinder of all
7 members would be impractical, if not impossible. The identity of the members of the Class is
8 readily ascertainable by review of Defendant’s records, including payroll records.

9 13. **Adequacy of Representation:** The named Plaintiffs are fully prepared to take all
10 necessary steps to represent fairly and adequately the interests of the Class defined above.
11 Plaintiffs’ attorneys are ready, willing and able to fully and adequately represent the Class and
12 individual Plaintiffs. Plaintiffs’ attorneys have prosecuted and settled wage-and-hour class
13 actions in the past and currently have a number of wage-and-hour class actions pending in
14 California courts.

15 14. **Common Question of Law and Fact:** There are predominant common questions
16 of law and fact and a community of interest amongst Plaintiffs and the claims of the Class
17 concerning Defendants’: failure to provide meal and rest periods and pay the requisite premium
18 wages at the regular rate of pay; failure to reimburse business expenses; failure to pay wages for
19 all hours worked at minimum wage; failure to pay overtime wages for daily overtime worked;
20 provide employees with accurate itemized wage statements; and timely pay wages to terminated
21 employees.

22 15. **Typicality:** The claims of Plaintiffs are typical of the claims of all members of
23 the Class. Plaintiffs are a member of the Class and has suffered the alleged violations of
24 California Labor Code §§ 201-204, 218.5, 226, 226.7, 510, 512, 1194, 1197, 1198, and
25 California Business & Professions Code § 17200, *et seq.*

26 (a) **Failure to provide meal and rest periods and/or pay premium pay at the**
27 **regular rate of pay:** Plaintiffs were denied their off-duty meal and rest periods in accordance
28 with the Labor Code and applicable Wage Orders. Additionally, Plaintiffs earned non-

1 discretionary incentive pay, including without limitation, Bonus wages, which was not factored
2 into the regular rate of pay for purposes of paying meal and rest period premium pay. Instead,
3 during pay periods in which Plaintiffs earned non-discretionary remuneration covering time
4 periods in which Plaintiffs were paid meal and rest period premium pay, Defendants improperly
5 paid the meal and/or rest period premium pay at the base rate of pay in violation of Labor Codes
6 512 and 226.7.

7 **(b) Failure to pay wages for all hours worked at the legal minimum wage:**

8 Defendants employed many of their employees, including Plaintiffs, as hourly non-exempt
9 employees. In California, an employer is required to pay hourly employees for all “hours
10 worked,” which includes all time that an employee is under the control of the employer and all
11 time the employee is suffered and permitted to work. This includes the time an employee spends,
12 either directly or indirectly, performing services which inure to the benefit of the employer.
13 Plaintiffs and similarly situated hourly non-exempt employees worked more minutes per shift
14 than Defendants credited them with having worked. Defendants failed to pay Plaintiff and
15 similarly situated employees all wages at the applicable minimum wage for all hours worked due
16 to Defendants’ policies, practices, and/or procedures including, but not limited to:

17 (1) Requiring Plaintiffs and similarly situated employees who worked closing
18 shifts to secure and lock Defendant’s stores and perform deposit drops after
19 clocking-out for the end of their shifts;

20 (2) Requiring Plaintiffs and similarly situated employees who worked single-
21 employee shifts to remain on-duty during their off-the-clock meal breaks.

22 (3) Plaintiffs and similarly situated employees were not paid for this time
23 resulting in Defendants’ failure to pay minimum wage for all the hours Plaintiff and similarly
24 situated employees worked.

25 (4) Therefore, Defendants suffered, permitted, and required their hourly non-
26 exempt employees to be subject to Defendants’ control without paying wages for that time. This
27 resulted in Plaintiff and similarly situated employees working time for which they were not
28 compensated any wages, in violation of Labor Code sections 1194, 1197, and Wage Order 7.

1 (c) **Failure to pay wages for overtime hours worked at the overtime rate of pay:**

2 Defendants employed many of their employees, including Plaintiff, as hourly non-exempt
3 employees. In California, an employer is required to pay hourly employees for all “hours
4 worked,” which includes all time that an employee is under the control of the employer and all
5 time the employee is suffered or permitted to work. This includes the time an employee spends,
6 either directly or indirectly, performing services which inure to the benefit of the employer.
7 Labor Code sections 1194 and 1197 require an employer to compensate employees for all “hours
8 worked” at least at the minimum wage rate of pay as established by the IWC and the Wage
9 Orders. Plaintiff and similarly situated hourly non-exempt employees worked more minutes per
10 shift than Defendants credited them with having worked. Defendants failed to pay Plaintiff and
11 similarly situated employees all wages at the applicable minimum wage for all hours worked due
12 to Defendants’ policies, practices, and/or procedures including, but not limited to:

13 (1) Requiring Plaintiffs and similarly situated employees who worked closing
14 shifts to secure and lock Defendant’s stores and perform deposit drops after clocking-out for the
15 end of their shifts;

16 (2) Requiring Plaintiffs and similarly situated employees who worked single-
17 employee shifts to remain on-duty during their off-the-clock meal breaks.

18 (3) Plaintiffs and similarly situated employees were not paid for this time
19 resulting in Defendants’ failure to pay minimum wage for all the hours Plaintiff and similarly
20 situated employees worked.

21 Therefore, Defendants suffered, permitted, and required their hourly non-exempt
22 employees to be subject to Defendants’ control without paying wages for that time. This resulted
23 in Plaintiff and similarly situated employees working time for which they were not compensated
24 any wages, in violation of Labor Code sections 1194, 1197, and Wage Order 7.

25 (d) **Failure to Reimburse Business Expenses:** Defendants failed to reimburse
26 Plaintiffs for business expenses in violation of Labor Code §§ 2800 and 2802.

27 (e) **Failure to Timely Pay All Earned Wages and Final Paychecks Due at Time of**
28 **Separation:** Further, as a result of the violations set forth above, the Company violated Labor

Code §§ 201-204 by not paying employees all of their wages upon separation of employment due to the unpaid or underpaid meal and rest break premiums and unpaid minimum and overtime wages. Further, Defendants violated Labor Code § 226 by failing to accurately identifying the accurate rate of pay, and gross and net wages earned. Additionally, Defendant violated Labor Code § 226(a) as to Plaintiff and Class Members whenever Defendant paid “Bonus” wages because Defendant failed to specify the hourly rate at which said wages were paid.

Therefore, Plaintiffs are members of the Class and has suffered the alleged violations of California Labor Code §§ 201-204, 218.5, 226, 226.7, 510, 512, 1194, 1197, 1198, and 2802 and California Business & Professions Code § 17200, *et seq.*

16. The Labor Code and regulations upon which Plaintiffs base these claims are broadly remedial in nature. These laws and labor standards serve an important public interest in establishing minimum working conditions and standards in California. These laws and labor standards protect the average working employee from exploitation by employers who may seek to take advantage of superior economic and bargaining power in setting onerous terms and conditions of employment.

17. The nature of this action and the format of laws available to Plaintiffs and members of the Class identified herein make the class action format a particularly efficient and appropriate procedure to redress the wrongs alleged herein. If each employee were required to file an individual lawsuit, the corporate Defendant would necessarily gain an unconscionable advantage since it would be able to exploit and overwhelm the limited resources of each individual plaintiff with their vastly superior financial and legal resources. Requiring each Class member to pursue an individual remedy would also discourage the assertion of lawful claims by employees who would be disinclined to file an action against their former and/or current employer for real and justifiable fear of retaliation and permanent damage to their careers at subsequent employment.

18. The prosecution of separate actions by the individual Class members, even if possible, would create a substantial risk of (a) inconsistent or varying adjudications with respect to individual Class members against the Defendant and which would establish potentially

1 incompatible standards of conduct for the Defendant, and/or (b) adjudications with respect to
2 individual Class members which would, as a practical matter, be dispositive of the interest of the
3 other Class members not parties to the adjudications or which would substantially impair or
4 impede the ability of the Class members to protect their interests. Further, the claims of the
5 individual members of the Class are not sufficiently large to warrant vigorous individual
6 prosecution considering all of the concomitant costs and expenses.

7 19. Such a pattern, practice and uniform administration of corporate policy regarding
8 illegal employee compensation described herein is unlawful and creates an entitlement to
9 recovery by the Plaintiffs and the Class identified herein, in a civil action for all damages and or
10 penalties pursuant to Labor Code § 226 including interest thereon, applicable penalties,
11 reasonable attorney's fees, and costs of suit according to the mandate of California Labor Code
12 §§ 218.5, 226 and 1194 and Code of Civil Procedure § 1021.5.

13 20. Proof of a common business practice or factual pattern, which the named
14 Plaintiffs experienced and is a representative of, will establish the right of each of the members
15 of the Class to recovery on the causes of action alleged herein. This action is brought for the
16 benefit of the entire Class and will result in the creation of a common fund.

17 **FIRST CAUSE OF ACTION**

18 **VIOLATION OF LABOR CODE §§ 226.7 AND 512**

19 **(BY PLAINTIFFS AND THE CLASS AGAINST ALL DEFENDANTS)**

20 21. Plaintiffs re-allege and incorporate by reference the preceding paragraphs as
21 though fully set forth herein.

22 22. At all relevant times, Defendants failed in their affirmative obligation to ensure
23 that Plaintiff, and other class members, had the opportunity to take and were provided with off-
24 duty meal periods in accordance with the mandates of the California Labor Code and the
25 applicable IWC Wage Order. Plaintiffs and Class Members were suffered and permitted to work
26 through legally required meal breaks and were denied the opportunity to take their full 30-minute
27 off-duty meal breaks. As such, Defendants are responsible for paying premium compensation
28 for missed meal periods pursuant to Labor Code §§ 226.7 and 512 and the applicable IWC Wage

Order. Specifically, Labor Code § 226.7(c) provides that “the employer shall pay the employee one additional hour of pay at the employee’s regular rate of compensation for each workday the meal or rest or recovery period is not provided.”

23. Further, Defendants, as a matter of corporate policy and procedure, regularly failed to pay the meal period premium at the correct rate of pay. Plaintiffs and Class Members earned non-discretionary incentive pay, including without limitation, Bonus wages, which was not factored into the regular rate of pay for purposes of paying meal period premium pay. Instead, during pay periods in which Plaintiff and Class Members earned non-discretionary remuneration, Defendants improperly paid the meal premium pay at the base rate of pay.

24. Plaintiffs are informed and believe and based thereon alleges that Defendants willfully failed to include all remuneration, including non-discretionary remuneration, in the regular rate of pay for purposes of calculating meal period premium pay, as required by Labor Code §§ 226.7 and 512, and the applicable IWC Wage Order. Plaintiffs further allege that Plaintiffs and similarly situated employees are owed wages for the meal period violations set forth above.

25. Plaintiffs are informed and believes, and based thereon allege, that Defendants’ willful failure to provide all meal period premium pay and/or wages due and owing them upon separation from employment results in a continued payment of wages up to thirty (30) days from the time the wages were due. Therefore, Plaintiffs and other members of the Class who have separated from employment are entitled to compensation pursuant to Labor Code § 203. Such a pattern, practice and uniform administration of corporate policy as described herein is unlawful and creates an entitlement to recovery by the Plaintiffs and Class Members identified herein, in a civil action, for the unpaid balance of the unpaid premium compensation pursuant to Labor Code §§ 201-204, 226.7 and 512, and the applicable IWC Wage Order, including interest thereon, penalties, and costs of suit.

SECOND CAUSE OF ACTION

VIOLATION OF LABOR CODE § 226.7

(BY PLAINTIFFS AND THE CLASS AGAINST ALL DEFENDANTS)

1 26. Plaintiffs re-allege and incorporate by reference the preceding paragraphs as
2 though fully set forth herein.

3 27. At all relevant times, Defendants failed in their affirmative obligation to ensure
4 that Plaintiffs, and other class members, were authorized and permitted to take rest periods in
5 accordance with the mandates of the California Labor Code and the applicable IWC Wage
6 Order. Plaintiffs and Class Members were suffered and permitted to work through legally
7 required rest breaks and were denied the opportunity to take their full 10-minute off-duty rest
8 breaks for every 3.5 hours worked. As such, Defendants are responsible for paying premium
9 compensation for missed rest periods pursuant to Labor Code §§ 226.7 and 512 and the
10 applicable IWC Wage Order. Specifically, Labor Code § 226.7(c) provides that “the employer
11 shall pay the employee one additional hour of pay at the employee’s regular rate of
12 compensation for each workday the meal or rest or recovery period is not provided.”
13 Defendants, as a matter of corporate policy and procedure, regularly failed to pay the rest period
14 premium at the correct rate of pay.

15 28. Further, Plaintiffs and Class Members earned non-discretionary incentive pay,
16 including without limitation, Bonus wages, which was not factored into the regular rate of pay
17 for purposes of paying rest period premium pay. Instead, during pay periods in which Plaintiffs
18 and Class Members earned non-discretionary remuneration, Defendants improperly paid the rest
19 premium pay at the base rate of pay.

20 29. Plaintiffs are informed and believe and based thereon alleges that Defendants
21 willfully failed to include all remuneration, including non-discretionary remuneration, in the
22 regular rate of pay for purposes of calculating rest period premium pay, as required by Labor
23 Code § 226.7, and the applicable IWC Wage Order. Plaintiffs further alleges that Plaintiffs and
24 similarly situated employees are owed wages for the rest period violations set forth above.

25 30. Plaintiffs are informed and believes, and based thereon allege, that Defendants’
26 willful failure to provide all rest period premium pay and/or wages due and owing them upon
27 separation from employment results in a continued payment of wages up to thirty (30) days from
28 the time the wages were due. Therefore, Plaintiffs and other members of the Class who have

1 separated from employment are entitled to compensation pursuant to Labor Code § 203.
2 Such a pattern, practice and uniform administration of corporate policy as described herein is
3 unlawful and creates an entitlement to recovery by the Plaintiffs and Class Members identified
4 herein, in a civil action, for the unpaid balance of the unpaid premium compensation pursuant to
5 Labor Code §§ 201-204, 226.7 and 512, and the applicable IWC Wage Order, including interest
6 thereon, penalties, and costs of suit.

7 **THIRD CAUSE OF ACTION**

8 **FAILURE TO PAY WAGES FOR ALL HOURS OF WORK AT THE LEGAL**
9 **MINIMUM WAGE RATE IN**

10 **VIOLATION OF LABOR CODE SECTIONS 1194 AND 1197**

11 **(BY PLAINTIFFS AND THE CLASS AGAINST ALL DEFENDANTS)**

12 31. Plaintiffs re-allege and incorporate by reference the preceding paragraphs as
13 though fully set forth herein.

14 32. At all times relevant to this Complaint, Plaintiffs and the Class were hourly non-
15 exempt employees of Defendants.

16 33. Pursuant to Labor Code sections 1194, 1197, and the Wage Order, Plaintiffs and
17 the Class are entitled to receive wages for all hours worked, i.e., all time they were subject to
18 Defendants' control, and those wages must be paid at least at the minimum wage rate in effect
19 during the time the employees earned the wages.

20 34. Defendants' policies, practices, and/or procedures required Plaintiff and the
21 Minimum Wage Class to be engaged, suffered, or permitted to work without being paid wages
22 for all of the time in which they were subject to Defendants' control.

23 35. Defendants employed policies, practices, and/or procedures including, but not
24 limited to:

25 (a) Requiring Plaintiffs and the Class who worked closing shifts to secure and lock
26 Defendant's stores and perform deposit drops after clocking-out for the end of their shifts; and
27

28 (b) Requiring Plaintiffs and the Class who worked single-employee shifts to remain

1 on-duty during their off-the-clock meal breaks.

2 36. Plaintiffs and the Class were not paid for this time resulting in Defendants' failure
3 to pay minimum wage for all the hours Plaintiff and the Minimum Wage Class worked.

4 37. As a result of Defendants' unlawful conduct, Plaintiffs and the Class have suffered
5 damages in an amount subject to proof, to the extent that they were not paid wages at a minimum
6 wage rate for all hours worked.

7 38. Pursuant to Labor Code sections 1194 and 1194.2, Plaintiffs and the Class are
8 entitled to recover unpaid minimum wage, interest thereon, liquidated damages in the amount of
9 their unpaid minimum wage, and attorneys' fees and costs.

10 **FOURTH CAUSE OF ACTION**

11 **FAILURE TO PAY OVERTIME WAGES IN VIOLATION OF LABOR CODE**

12 **SECTIONS 510 and 1194**

13 **(BY PLAINTIFFS AND THE CLASS AGAINST ALL DEFENDANTS)**

14 39. Plaintiffs re-allege and incorporate by reference the preceding paragraphs as
15 though fully set forth herein.

16 40. At times relevant to this Complaint, Plaintiffs and the Class were hourly non-
17 exempt employees of Defendants, covered by Labor Code sections 510 and 1194 and the Wage
18 Order 7.

19 41. Pursuant to Labor Code sections 510 and 1194 and the Wage Order 7, hourly non-
20 exempt employees are entitled to receive a higher rate of pay for all hours worked in excess of
21 eight (8) hours in a workday, forty (40) hours in a workweek, and on the seventh day of work in
22 a workweek.

23 42. Labor Code section 510, subdivision (a), states in relevant part:

24
25 Eight hours of labor constitutes a day's work. Any work in excess of eight hours in
26 one workday and any work in excess of 40 hours in any one workweek and the first
27 eight hours worked on the seventh day of work in any one workweek shall be
28 compensated at the rate of no less than one and one-half times the regular rate of
pay for an employee. Any work in excess of 12 hours in one day shall be

1 compensated at the rate of no less than twice the regular rate of pay for an employee.
2 In addition, any work in excess of eight hours on any seventh day of a workweek
3 shall be compensated at the rate of no less than twice the regular rate of pay of an
4 employee. Nothing in this section requires an employer to combine more than one
rate of overtime compensation in order to calculate the amount to be paid to an
employee for any hour of overtime work.

5 43. Further, Labor Code section 1198 provides:

6
7 The maximum hours of work and the standard conditions of labor fixed by the
8 commission shall be the maximum hours of work and the standard conditions of
9 labor for employees. The employment of any employee for longer hours than those
fixed by the order or under conditions of labor prohibited by the order is unlawful.

10 44. Despite California law requiring employers to pay employees a higher rate of pay
11 for all hours worked more than eight (8) hours in a workday, more than forty (40) hours in a
12 workweek, and on the seventh day of work in a workweek, Defendants failed to pay all overtime
13 wages to Plaintiffs and the Class for their daily overtime hours worked.

14 45. Specifically, Defendants' employed policies, practices, and/or procedures
15 including, but not limited to:

16 (a) Requiring Plaintiffs and the Class who worked closing shifts to secure and lock
17 Defendant's stores and perform deposit drops after clocking-out for the end of their shifts; and

18 (b) Requiring Plaintiffs and the Class who worked single-employee shifts to remain
19 on-duty during their off-the-clock meal breaks.

20 46. Plaintiffs and the Class were not paid for this time.

21 47. To the extent that the foregoing unpaid time resulted from Plaintiffs and the Class
22 being subject to the control of Defendants when they worked more than eight (8) hours in a
23 workday, more than forty (40) hours in a workweek, and/or seven days in a workweek,
24 Defendants failed to pay them at their overtime rate of pay for all the overtime hours they
25 worked.

26 48. Overtime is based upon an employee's regular rate of pay. "The regular rate at
27 which an employee is employed shall be deemed to include all remuneration for employment
28

1 paid to, or on behalf, of the employee.” See Division of Labor Standards Enforcement –
2 Enforcement Policies and Interpretations Manual, Section 49.1.2.

3 49. In this case, when Plaintiffs and Class Members earned overtime wages,
4 Defendants failed to pay them overtime wages at the proper overtime rate of pay due to
5 Defendants’ failure to include all remuneration when calculating the overtime rate of pay.
6 Specifically, Defendants maintained a policy, practice, and/or procedure of failing to include all
7 remuneration such as “bonus pay,” for example, when calculating Plaintiffs’ and Regular Rate
8 Class Members’ regular rate of pay for the purpose of paying overtime.

9 50. As a result of Defendants’ unlawful conduct, Plaintiffs and the Class have
10 suffered damages in an amount subject to proof, to the extent that they were not paid at their
11 proper overtime rate of pay for all hours worked which constitute overtime.

12 51. Pursuant to Labor Code section 1194, Plaintiff and the Class are entitled to
13 recover the full amount of their unpaid overtime wages, prejudgment interest, and attorneys’ fees
14 and costs.

15 **FIFTH CAUSE OF ACTION**

16 **VIOLATION OF LABOR CODE § 226**

17 **(BY PLAINTIFFS AND THE CLASS AGAINST ALL DEFENDANTS)**

18 52. Plaintiffs re-allege and incorporate by reference the preceding paragraphs as
19 though fully set forth herein.

20 53. Defendants failed in their affirmative obligation to provide accurate itemized
21 wage statements. Specifically, Defendant did not include the correct rate of premium pay for
22 missed meal and/or rest periods on wage statements issued to Plaintiffs and the Class.
23 Additionally, whenever meal and/or rest premium and “Bonus” wages were paid, Defendant
24 failed to list the applicable hourly rate, gross wages and net wages earned, on wage statements
25 furnished to Plaintiffs and Class Members. Therefore, Defendants violated Labor Code § 226 by
26 not providing the requisite itemized wage statements to Plaintiffs and Class Members.

27 54. Such a pattern, practice and uniform administration of corporate policy as
28

described herein is unlawful and creates an entitlement to recovery by the Plaintiffs and the Class identified herein, in a civil action, for all damages or penalties pursuant to Labor Code § 226, including interest thereon, attorneys' fees, and costs of suit according to the mandate of California Labor Code § 226.

SIXTH CAUSE OF ACTION

VIOLATION OF LABOR CODE §§ 2800 AND 2802

(BY PLAINTIFFS AND THE CLASS AGAINST ALL DEFENDANTS)

55. Plaintiffs re-allege and incorporate by reference the preceding paragraphs as though fully set forth herein.

56. This cause of action is brought pursuant to Labor Code §§ 2800 and 2802, which provide that employees are entitled to be indemnified for expenses and losses in discharging the duties of their employers.

57. At all relevant times, Defendants regularly failed to reimburse and indemnify Plaintiffs and the Class members for business expenses incurred in the discharge of their duties.

58. Defendant had a uniform corporate pattern and practice and procedure regarding the above practices in violation of Labor Code §§ 2800 and 2802.

59. Such a pattern, practice and uniform administration of corporate policy regarding Defendant's failure to reimburse employees for their business expenses as described herein is unlawful and creates an entitlement to recovery by Plaintiffs in a civil action, for the unpaid balance of the full amount of damages owed, including interest thereon, penalties, attorneys' fees, and costs of suit according to the mandate of California Labor Code §§ 2800 and 2802.

SEVENTH CAUSE OF ACTION

FAILURE TO TIMELY PAY ALL EARNED WAGES AND FINAL PAYCHECKS DUE AT TIME OF SEPARATION OF EMPLOYMENT IN VIOLATION OF LABOR CODE

SECTIONS 201, 202, AND 203

(BY PLAINTIFFS AND THE CLASS AGAINST ALL DEFENDANTS)

60. Plaintiffs incorporate all paragraphs above as though fully set forth herein.

61. At all times relevant to this Complaint, Plaintiff and the Class members were

1 employees of Defendants, covered by Labor Code sections 201 and 202.

2 62. An employer is required to pay all unpaid wages timely after an employee's
3 employment ends. The wages are due immediately upon termination or within seventy-two (72)
4 hours of resignation. Labor Code sections 201, 202. If an employee gave seventy-two (72) hours
5 previous notice, they were entitled to payment of all wages earned and unpaid at the time of
6 resignation. *Id.*

7 63. Defendants failed to pay Plaintiffs and on information and belief, the Class
8 members, with all wages earned and unpaid prior to separation of employment, in accordance with
9 either Labor Code section 201 or 202. Plaintiffs are informed and believes and thereon alleges that
10 at all relevant times within the limitations period applicable to this cause of action, Defendants
11 maintained a policy or practice of not paying hourly employees all earned wages timely upon
12 separation of employment.

13 64. Defendants' failure to pay Plaintiffs and the Class members with all wages earned
14 prior to separation of employment timely in accordance with Labor Code sections 201 and 202
15 was willful. Defendants had the ability to pay all wages earned by hourly workers prior to
16 separation of employment in accordance with Labor Code sections 201 and 202, but intentionally
17 adopted policies or practices incompatible with the requirements of Labor Code sections 201 and
18 202. Defendants' practices include failing to pay at least minimum wage for all time worked,
19 overtime wages for all overtime hours worked, meal period premium wages, and/or rest period
20 premium wages. When Defendants failed to pay Plaintiffs and the Class members all earned wages
21 timely upon separation of employment, they knew what they were doing and intended to do what
22 they did.

23 65. Pursuant to either Labor Code section 201 or 202, Plaintiffs and the Class members
24 are entitled to all wages earned prior to separation of employment that Defendants have yet to pay
25 them.

26 66. Pursuant to Labor Code section 203, Plaintiffs and the Class members are entitled
27 to continuation of their wages, from the day their earned and unpaid wages were due until paid, up
28

1 to a maximum of thirty (30) days.

2 67. As a result of Defendants' conduct, Plaintiffs and the Class members have suffered
3 damages in an amount, subject to proof, to the extent they were not paid for all wages earned prior
4 to separation of employment.

5 68. As a result of Defendants' conduct, Plaintiffs and the Class members have suffered
6 damages in an amount, subject to proof, to the extent they were not paid all continuation wages
7 owed under Labor Code section 203.

8 69. Plaintiffs and the Class members are entitled to recover the full amount of their
9 unpaid wages, continuation wages under Labor Code section 203, and interest thereon.
10

11 **EIGHTH CAUSE OF ACTION**

12 **VIOLATION OF BUSINESS & PROFESSIONS CODE § 17200, *ET SEQ.***

13 **(BY PLAINTIFFS AND THE CLASS AGAINST ALL DEFENDANTS)**

14 70. Plaintiffs re-allege and incorporate by reference the preceding paragraphs as
15 though fully set forth herein.

16 71. Defendants, and each of them, have engaged and continue to engage in unfair and
17 unlawful business practices in California by practicing, employing and utilizing the employment
18 practices outlined above, include, to wit, by failing to pay all minimum and overtime wages,
19 provide off-duty meal and rest periods, and reimburse business expenses in violation of Labor
20 Code §§ 226.7, 510, 512, 1194, and 2802.

21 72. Defendants' utilization of such unfair and unlawful business practices constitutes
22 unfair, unlawful competition and provides an unfair advantage over Defendants' competitors.

23 73. Plaintiffs seek individually and on behalf of all other members of the Class
24 similarly situated, full restitution of monies, as necessary and according to proof, to restore any
25 and all monies withheld, acquired and/or converted by the Defendants by means of the unfair
26 practices complained of herein.

27 74. Plaintiffs are informed and believes, and based thereon alleges, that at all times
28 herein mentioned Defendants have engaged in unlawful, deceptive and unfair business practices,

1 as proscribed by California Business and Professions Code § 17200, *et seq.*, including those set
2 forth herein above thereby depriving Plaintiffs and other members of the class the minimum
3 working condition standards and conditions due to them under the California laws as specifically
4 described therein.

5 **NINTH CAUSE OF ACTION**

6 **VIOLATION OF LABOR CODE § 2698, *ET SEQ.***

7 **(BY PLAINTIFFS AS PROXIES FOR STATE OF CALIFORNIA**

8 **AGAINST ALL DEFENDANTS)**

9 75. Plaintiffs re-allege and incorporate by reference the preceding paragraphs as
10 though fully set forth herein.

11 76. Plaintiffs bring this cause of action as proxies for the State of California and in
12 this capacity, seek penalties on behalf of all Aggrieved Employees for Defendants' violation of
13 Labor Code §§ 201-204, 218.5, 226, 226.7, 510, 512, 1194, 1197, 1198, 2800 and 2802 from
14 November 18, 2021 through the present. Plaintiffs and other similarly situated non-exempt
15 Aggrieved Employees earned non-discretionary incentive pay, including without limitation,
16 Bonus wages, which was not factored into the regular rate of pay for purposes of paying meal
17 and rest period premium pay. Instead, during pay periods in which Plaintiff and other similarly
18 situated non-exempt Aggrieved Employees earned non-discretionary remuneration covering time
19 periods in which Plaintiff and other similarly situated non-exempt Aggrieved Employees were
20 paid meal and rest period premium pay, Defendants improperly paid the meal and/or rest period
21 premium pay at the base rate of pay. Further, Plaintiffs and other similarly situated non-exempt
22 Aggrieved Employees were not provided compliant with meal and rest periods. In addition,
23 Plaintiffs and other similarly situated non-exempt Aggrieved Employees were not paid proper
24 minimum and overtime wages for all hours worked. Plaintiffs and Aggrieved Employees were
25 also not reimbursed business expenses. As a result of such violations, the Company violated
26 Labor Code §§ 201-204 by not paying employees all of their wages upon separation of
27 employment due to the underpaid meal and rest break premiums and Labor Code § 226 by
28 failing to accurately identifying the accurate rate of pay, and gross and net wages earned.

1 Additionally, Defendant violated Labor Code § 226(a) as to Plaintiffs and other similarly situated
2 non-exempt Aggrieved Employees whenever Defendant paid “Bonus” wages because Defendant
3 failed to specify the hourly rate at which said wages were paid. Therefore, Plaintiffs seek
4 penalties on behalf of the State of California and all similarly situated non-exempt Aggrieved
5 Employees for the alleged violations of California Labor Code §§ 201-204, 218.5, 226, 226.7,
6 510, 512, 1194, 1197, 1198, 2800 and 2802.

7 77. On or about November 18, 2022, Plaintiff Leea Stevie Palma submitted her
8 written notice to the California Labor & Workforce Development Agency (“LWDA”) and to
9 Defendants via certified mail regarding Defendants’ violations of Labor Code §§ 201-203, 226,
10 226.3, 226.7, and 512, pursuant to Labor Code § 2698, *et seq.* Further, on or about _____,
11 2024, Plaintiff Leea Stevie Palma submitted her amendment to her written notice to the LWDA
12 regarding Defendants’ violations of Labor Code §§204, 551, 552, 558, 1174(d), 2800 and 2802
13 and IWC Wage Orders 4-2001 and 7-2001.

14 78. On or about June 1, 2023, Plaintiff Takori Juliana Coleman submitted her written
15 notice to the LWDA and to Defendants via certified mail regarding Defendants’ violations of
16 Labor Code §§ 201-204, 218.5, 226, 226.7, 510, 512, 1194, 1197, and 1198, pursuant to Labor
17 Code § 2698, *et seq.*

18 79. As of the date of the filing of this Complaint, the LWDA has not provided written
19 notice as to whether it intends to investigate the Labor Code violations set forth in Plaintiff’s
20 written notice and, thus, allowing Plaintiff to proceed under PAGA against Defendants for said
21 violations. Therefore, Plaintiff may seek all applicable penalties under the PAGA.

22 80. Pursuant to Labor Code § 2699(a), Plaintiff seeks recovery of any and all
23 applicable remedies under the PAGA for Defendants’ violation of Labor Code §§ 201-204,
24 218.5, 226, 226.7, 510, 512, 551, 552, 558, 1174(d), 1194, 1197, 1198, 2800 and 2802, IWC
25 Wage Order 4-2001 and 7-2001, for the time periods described above on behalf of all other
26 Aggrieved Employees, including without limitation, civil penalties under Labor Code § 2699,
27 any remedies under Labor Code § 226.3, and for costs and attorneys’ fees.

28 ///

1 **PRAYER FOR RELIEF**

2 WHEREFORE, Plaintiffs pray for judgment to be entered in Plaintiffs' favor and against
3 Defendants, and each of them, as follows:

- 4 1. For an order certifying the proposed Class;
- 5 2. For an order appointing Plaintiffs as the representative of the Class;
- 6 3. For an order appointing Counsel for Plaintiffs as Class counsel;
- 7 5. Upon the First Cause of Action, for damages and/or penalties pursuant to Labor
8 Code §§ 201-204, 226, 226.7, and 512, and for costs;
- 9 6. Upon the Second Cause of Action, for damages and/or penalties pursuant to
10 Labor Code §§ 201-204, 226, and 226.7, and for costs;
- 11 7. Upon the Third Cause of Action for damages, according to proof, including but
12 not limited to unpaid wages, all applicable penalties, liquidated damages pursuant to Labor Code
13 §1194.2; pre-judgment interest, including but not limited to that recoverable under Labor Code
14 section 1194, and post-judgment interest; and attorneys' fees and costs of suit, including but not
15 limited to that recoverable under Labor Code section 1194;
- 16 8. Upon the Fourth Cause of Action for damages, according to proof, including but
17 not limited to unpaid overtime wages, all applicable penalties; pre-judgment interest, including
18 but not limited to that recoverable under Labor Code section 1194, and post-judgment interest;
19 and attorneys' fees and costs of suit, including but not limited to that recoverable under Labor
20 Code section 1194;
- 21 9. Upon the Fifth Cause of Action, for penalties and/or damages pursuant to Labor
22 Code § 226, *et seq.*, for interest, costs, and for attorney's fees;
- 23 10. Upon the Sixth Cause of Action, for damages and attorneys' fees and costs
24 pursuant to Labor Code § 2802;
- 25 11. Upon the Seventh Cause of Action, for damages and penalties due to not paying
26 all wages owed upon separation pursuant to Labor Code Sections 201, 202, and 203;
- 27 12. Upon the Eighth Cause of Action, for restitution to Plaintiffs and other similarly
28 effected members of the general public of all funds unlawfully acquired by Defendant by means

1 of any acts or practices declared by this Court to be in violation of Business and Professions
2 Code § 17200 *et seq.*;

3 13. Upon the Ninth Cause of Action, for penalties pursuant to Labor Code §§ 226.3
4 and 2699, and for costs and attorneys' fees;

5 14. On all causes of action, for prejudgment interest at the prevailing legal rate;

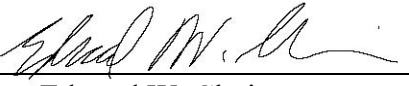
6 15. On all causes of action, for attorney's fees and costs as provided by California
7 Labor Code §218.5, 226, 1194, 2699, 2802, and Code of Civil Procedure § 1021.5 and for such
8 other and further relief the Court may deem just and proper.

9 16. Costs of suit; and

10 17. Such other and further relief as the Court may deem proper.

11
12 Dated: May 8, 2025

LAW OFFICES OF CHOI & ASSOCIATES, P.C.

13
14 By: 
15 Edward W. Choi
16 Attorneys for Plaintiffs and the Class
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PROOF OF SERVICE

I am employed in the County of Los Angeles; I am over the age of 18 years and not a party to the within action; my business address is 515 S. Figueroa St. Suite 1250, Los Angeles, California 90071.

On May 8, 2025, I served the foregoing document(s) described as: **FIRST AMENDED CLASS ACTION COMPLAINT FOR DAMAGES**, on the interested parties in this action by placing a true copy thereof, in a sealed envelope(s) addressed as follows:

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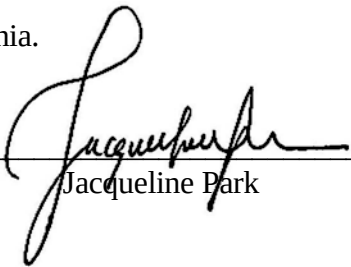
Dennis S. Hyun
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 X **BY ELECTRONIC SERVICE**

I caused such document to be served on the offices of the addressees via electronic mail.

 X **(State)** I declare under penalty of perjury that the foregoing is true and correct.

Executed on May 8, 2025, at Los Angeles, California.



Jacqueline Park