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SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SAN DIEGO-CENTRAL DIVISION

WILLIAM S. HERNANDEZ, an individual, on behalf of himself, the State of California as its designated proxy under the Private Attorneys General Act (PAGA), and on behalf of Aggrieved Employees,

Plaintiffs,

vs.

247 - DELIVERY SERVICES LLC, a California limited liability company; GUILLERMO FIGUEROA, an individual; TYLER SMITH, an individual; MAX D. BAILEY JR., an individual; and DOES 1-100

Defendants.

Case No.: 25CU055526C

Judge: Hon. Michael T. Smyth
Dept.: 67

REPRESENTATIVE ACTION FIRST AMENDED COMPLAINT PURSUANT TO THE PAGA ONLY FOR:

1. **Failure to Pay State Minimum/Regular/Local Wages;**
2. **Failure to Pay State Overtime;**
3. **Meal and Rest Break Labor Code Violations;**
4. **Failure to Make Payments Within the Required Time;**
5. **Failure to Provide Accurate Wage Statements;**
6. **Failure to Maintain Records;**
7. **Failure to Reimburse Work Related Expenses;**
8. **Failure to Properly Pay Sick Pay;**
9. **Misclassification;**
10. **Failure to Maintain Workers' Compensation Insurance; and**
11. **Claim for miscellaneous Labor Code Violations via the PAGA.**

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Plaintiff WILLIAM S. HERNANDEZ, an individual, on behalf of himself, the State of California as its designated proxy under the Private Attorneys General Act and on behalf of Aggrieved Employees (collectively the "Plaintiffs"), alleges the following:

NATURE OF THE ACTION

1. Plaintiff brings this action in his individual capacity[1] and proceeding herein under the Private Attorneys General Act (PAGA) of 2004, as amended, Labor Code §§ 2698, *et seq*., seeking civil penalties on behalf of the State of California and for all Aggrieved Employees. *Adolph v. Uber Technologies, Inc*., 14 Cal. 5th 1104 (2023).

2. This individual and representative action under the Private Attorneys General Act (PAGA) of 2004, as amended, Labor Code §§ 2698, *et seq*., is against the named Defendants, active participants in the rising "gig economy."

3. Defendants are generally in the delivery business that employed, directly or indirectly, the named Plaintiff and untold scores of Aggrieved Employees statewide to perform to deliver their customer's goods.

4. Using online tools provided by Defendants' partners, such as a smartphone application software program (one called the "WorkMarket app"), among other online tools provided by its partners, Defendants hired, paid, and managed

[1] Plaintiff reserves the right to pursue nonindividual PAGA claims within the meaning of *Balderas v. Fresh Start Harvesting*, 101 Cal. App. 5th 533 (2024); *Rodriguez v. Packers Sanitation Servs., Inc*., 95 Cal. App. 5th 682 (2025).

Plaintiff and Aggrieved Employees.

5. During all times relevant, Defendants 247 - DELIVERY SERVICES LLC and DOES 1-100 maintained an unfair competitive advantage by misclassifying so-called "contractors" as independent contractors and evading long-established worker protections under California law.

6. During all times relevant, Defendants have and continue to unlawfully classify its so-called contractors as independent contractors instead of employees.

7. Through this misclassification, Defendants 247 - DELIVERY SERVICES LLC and DOES 1-100 avoided paying Plaintiff and Aggrieved Employees a lawful wage and unlawfully deferred substantial expenses to Plaintiff and Aggrieved Employees, including the cost of equipment, car registration, insurance, gas, maintenance, parking fees, and cell phone data usage.

8. Defendants also maintained an unfair advantage over its law-abiding competitors because, due to the misclassification of Plaintiff and Aggrieved Employees, it contributed less to California's unemployment insurance, disability insurance, and other state and federal taxes.

9. Defendants cannot meet its burden of showing Plaintiff and Aggrieved Employees are independent contractors under California law, as clarified by the California Supreme Court in *Dynamex Operations West, Inc. v. Superior Court*, 4 Cal. 5th 903 (2018), because it cannot show (a) Aggrieved Employees are free from the control and direction of Defendants in connection with the performance of the work, both under the contract for the performance of such work and in fact; (b) Aggrieved Employees perform work that is outside the usual course of Defendants' business; and (c) that Aggrieved Employees are customarily engaged in an independently established trade, occupation, or business of the same nature as the work performed for Defendants. *Id*. at 916-917.

10. Because Plaintiff and Aggrieved Employees were Defendants' employees, they had various entitlements under the California Labor Code, including,

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but not limited to, the right to receive minimum wage, overtime, meal breaks, paid rest breaks, and reimbursement for work related expenses, yet Defendants failed to provide its contractors with any of these entitlements.

11. This is not a case of whether Defendants' misclassification of Plaintiff and Aggrieved Employees as independent contractors and accompanying failure to comply with numerous provisions of the California Labor Code is and was unlawful -- of course it is --but rather how long the Defendants thought they could get away with this illegal activity before a court orders them to stop?

12. By this action, Plaintiffs seek civil penalties on behalf of Plaintiff and Aggrieved Employees as proxies for the State of California pursuant to the PAGA for Defendants' violations of the California Labor Code.

JURISDICTION AND VENUE

13. Pursuant to Article VI, § 10 of the California Constitution, subject matter jurisdiction is proper in the Superior Court of California because Plaintiffs allege claims arising under California law.

14. This Court has jurisdiction over the Defendants because each is an association, corporation, business entity, or individual that conducts substantial business in the State of California, County of San Diego.

15. Pursuant to § 395 of the California Code of Civil Procedure, venue is proper in the Superior Court of California for the County of San Diego because this is where the misconduct occurred and a plaintiff is not limited to the county in which he or she performed work. *Crestwood Behavioral Health, Inc. v. Superior Court,* 60 Cal. App. 5th 1069, 1075 (2021).

THE PARTIES

16. The State of California is the real party in interest in a PAGA action. *Kim v. Reins Int'l California, Inc.,* 9 Cal. 5th 73, 81 (2020) (the "government entity on whose behalf the plaintiff files suit is always the real party in interest.").

17. Plaintiff WILLIAM S. HERNANDEZ is an individual that resides in the

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County of San Diego, California.

18. Defendant 247 - DELIVERY SERVICES LLC is a California limited liability company.

19. Defendant GUILLERMO FIGUEROA is an individual and, upon information and belief, is and/or was Defendant 247 - DELIVERY SERVICES LLC's corporate officer/managing agent and, as such, this Defendant is believed to be an "other person acting on behalf of an employer" within the meaning of Labor Code §§ 558 and 558.1.

20. Defendant TYLER SMITH is an individual and, upon information and belief, is and/or was Defendant 247 - DELIVERY SERVICES LLC's corporate officer/managing agent and, as such, this Defendant is believed to be an "other person acting on behalf of an employer" within the meaning of Labor Code §§ 558 and 558.1.

21. Defendant MAX D. BAILEY JR. is an individual and, upon information and belief, is and/or was Defendant 247 - DELIVERY SERVICES LLC's corporate officer/managing agent and, as such, this Defendant is believed to be an "other person acting on behalf of an employer" within the meaning of Labor Code §§ 558 and 558.1.

22. The true names and capacities, whether individual, corporate, associate, or otherwise of the Defendants named herein as DOES 1 through 50, are unknown to Plaintiffs at this time. Plaintiffs therefore sue said Defendants by such fictitious names pursuant to § 474 of the California Code of Civil Procedure. Plaintiffs will seek leave to amend this Complaint to allege the true names and capacities of DOES 1 through 50 when the correct identities are ascertained. Plaintiffs are informed and believe, and based thereon allege, that each of the DOE Defendants is in some manner liable to Plaintiffs for the events and actions alleged herein. All named Defendants and DOES 1 through 50 are collectively referred to as "Defendants."

23. Plaintiffs are informed and believe, and based thereon allege that at all

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times relevant herein each Defendant was acting as an agent, joint venture, or as an integrated enterprise and/or alter ego for each of the other Defendants, and each was a co-conspirator with respect to the acts and the wrongful conduct alleged herein, so that each is responsible for the acts of the other in connection with the conspiracy and in proximate connection with the other Defendants.

24. Plaintiffs are informed and believe, and based thereon allege that each Defendant was acting partly within and partly without the scope and course of their employment, and was acting with the knowledge, permission, consent, and ratification of every other Defendant.

25. Plaintiffs are informed and believe, and based thereon allege that each of the Defendants was an agent, managing general partner, managing member, owner, co-owner, partner, employee, and/or representative of each of the Defendants, and were at all times material hereto, acting within the purpose and scope of such agency, employment, contract and/or representation, and that each of them are jointly and severally liable to Plaintiffs for the acts alleged herein

26. Plaintiffs are informed and believe, and based thereon allege that each of the Defendants are liable to Plaintiffs under legal theories and doctrines including but not limited to (1) joint employer; (2) integrated enterprise; (3) agency; and/or (4) alter ego, based in part, on the facts set forth below.

27. Plaintiffs are informed and believe, and based thereon allege that each of the named Defendants are part of an integrated enterprise and have acted or currently act as the employer and/or joint employer of Plaintiffs, making each of them liable for the wage and hour violations alleged herein.

28. Plaintiffs are informed and believe, and based thereon allege, that DOES 1-100 were a "Client employer" within the meaning of Labor Code § 2810.3(a)(1)(A) and, as such, are jointly liable pursuant to Labor Code §§ 2753 and 2810.3.

29. By this Complaint, Plaintiffs provide notice to DOES 1-100 and the above-named Defendants pursuant to Labor Code § 2810.3(b).

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30. Plaintiffs further demand that Defendants provide all facts in support of the contention that Defendants are not liable under Labor Code §§ 2753 and 2810.3.

31. Thus, Plaintiffs have the legal basis to file this Complaint to pursue the claims alleged in this Complaint against the abovementioned Defendants pursuant to Labor Code § 2810.3, *et seq.*

GENERAL ALLEGATIONS

32. Defendants are a staffing agency whose focus is generally in the delivery business.

33. Defendants' website states, "We specialize in same-day delivery across the West Coast - built to move with speed, flexibility, and reliability. From our tech stack to our dispatch operations, every part of 24x7 Delivery is optimized to handle unpredictable demand with precision and control." https://www.24x7delivery.com as of 11/14/25.

34. Defendants' website further states, "Our drivers are STA-certified, HazMat trained, and HIPAA compliant. Each delivery is tracked in real time with GPS, digital PODs, and proactive communication from pickup to proof of delivery." *Ibid*.

35. During all times relevant, Defendants entered partnership agreements with various companies and employed Plaintiff and an untold number of Aggrieved Employees statewide to provide deliveries for the Defendants and its partners.

Defendants Misclassify Plaintiff and Aggrieved Employees as Independent Contractors.

36. Defendants affirmatively represented to the named Plaintiff and Aggrieved Employees that Defendants would pay them (e.g., an hourly rate and/or a flat rate, and/or commissions) for each open shift the Defendants posted using their partners' online personnel management system that Plaintiff and/or Aggrieved Employees successfully completed.

37. Using online tools created by Defendants' partners, Defendants

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described the general nature of the jobs they had available to the Plaintiff and Aggrieved Employees and what they could earn once they successfully completed the shift.

38. Using online tools created by Defendants' partners, Defendants offered these open positions, normally broken up into shifts, to the Plaintiff and Aggrieved Employees.

39. If Plaintiff and/or Aggrieved Employees wanted to perform the assignment the Defendants posted, they were required to accept the open position using their smartphones.

40. Defendants have and continue to misclassify Plaintiff and Aggrieved Employees as independent contractors instead of employees.

41. Defendants cannot meet its burden of proving Plaintiff and Aggrieved Employees are independent contractors.

42. Defendants exercise significant control over the work performed by Plaintiff and Aggrieved Employees.

43. Defendants, for example, performed background checks on Plaintiff and Aggrieved Employees before allowing them to work for its customers (co-Defendants).

44. Using online tools created by Defendants' partners, Defendants required Plaintiff and Aggrieved Employees to complete an online application and provide onboarding documents, such as a W-9, a photo ID, among other things.

45. Once onboarded, using online tools created by Defendants' partners, Defendants paid contractors and filled out 1099-NEC tax forms for the work performed by Plaintiff and Aggrieved Employees.

46. Using online tools created by Defendants' partners, Defendants exercised control over the work Plaintiff and Aggrieved Employees performed by providing Plaintiff and Aggrieved Employees instructions, directions, locations of job assignments, and scheduling of work assignments, among other things.

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47. Using online tools created by Defendants' partners, Defendants also managed Plaintiff and Aggrieved Employees' work in the field by requiring Plaintiff and Aggrieved Employees to check-in and checkout once they were on the jobsite and upload photos of packages and accompanying documents they delivered.

48. Using online tools created by Defendants' partners, Defendants also chose workers from so-called "Labor Clouds"—pre-vetted pools of contractors sorted by skills, location, certifications, etc. created by Defendants' partners—for Defendants to quickly find suitable workers.

49. During each work assignment, Defendants managed and continue to manage Aggrieved Employees' work in the field by providing online support to communicate directly with Aggrieved Employees using a smartphone application.

50. The online support system Defendants used served as the liaison between Plaintiff and Aggrieved Employees by which Defendants could answer work-related questions that Plaintiff and Aggrieved Employees had while performing work for the Defendants (often using AI via a smartphone application believed to be called the "WorkMarket" application).

51. Using online tools created by Defendants' partners, Defendants also managed Plaintiff and Aggrieved Employees' work assignments by assigning, tracking, and overseeing both virtual and on-site work from a centralized dashboard to ensure work by Plaintiff and Aggrieved Employees was performed on time.

52. Using online tools created by Defendants' partners, Defendants also kept audit trails of Plaintiff and Aggrieved Employees' work assignments, managed client-imposed requirements, and attempted to mitigate regulatory risks.

53. Using online tools created by Defendants' partners, once Plaintiff and Aggrieved Employees accepted a job assignment, Defendants provided Plaintiff and Aggrieved Employees with the exact location of the job assignment.

54. Using online tools created by Defendants' partners, when arriving at the client end-user's job location, Plaintiff and Aggrieved Employees were required to

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identify themselves as a worker being sent from Defendants.

55. Using online tools created by Defendants' partners, Plaintiff and Aggrieved Employees then reported their worktime using their smartphones by checking in and checking out for pay purposes.

56. Defendants' partners (DOES 1-100) handled all aspects of Plaintiff and Aggrieved Employees' pay, but Defendants were responsible for making the payment to Plaintiff and Aggrieved Employees.

57. Using online tools created by Defendants' partners, Defendants told Plaintiff and Aggrieved Employees what work to do, where to do work, how to do their work, and provided the tools (normally, packages) for them to perform their work.

58. Using online tools created by Defendants' partners, Defendants required Plaintiff and Aggrieved Employees and Defendants continue to require Aggrieved Employees to appear for work at specified times.

59. Using online tools created by Defendants' partners, Plaintiff and Aggrieved Employees were required to notify Defendants of when they arrived, and when they left their job assignments.

60. Defendants used and continue to use a rating system to assess Aggrieved Employees' performance, which information is created by online tools managed by Defendants' partners.

61. Using online tools created by Defendants' partners, Defendants, for example, chose to employ Plaintiff and Aggrieved Employees based on ratings that included factors like overall satisfaction, quality of work, professionalism, and communication.

62. Using online tools created by Defendants' partners and during all times relevant, Aggrieved Employees could also rate the Defendants.

63. Using online tools created by Defendants' partners and during all times relevant, these ratings appeared on Plaintiff's and Aggrieved Employees' profiles as

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part of their overall scorecard.

64. During all times relevant, Defendants reduced working hours and terminated Aggrieved Employees with low ratings.

65. During all times relevant, Defendants also terminated Aggrieved Employees for violating one or more of the rules that Defendants unilaterally imposed, or with no cause at all.

66. Plaintiff and Aggrieved Employees lacked business autonomy.

67. Plaintiff and Aggrieved Employees were not engaged in an independently-established business.

68. Plaintiff and Aggrieved Employees could not provide temporary services to Defendants or Defendants' customers without using online tools created by Defendants' partners.

69. During all times relevant, Plaintiff and Aggrieved Employees' overall livelihood was dependent on Defendants to provide them work.

70. Plaintiff and Aggrieved Employees were not required to possess any special skills or unique licenses, other than, for example, to have and maintain a valid driver's license and suitable vehicle.

71. When working for Defendants, Plaintiff and Aggrieved Employees did not independently make the decision to go into business for themselves.

72. Instead, Defendants unilaterally determined that Plaintiff and Aggrieved Employees were independent contractors.

73. Defendants also prohibited Plaintiff and Aggrieved Employees from setting their rates of pay for their own services, and instead, Plaintiff and Aggrieved Employees accepted pay arrangements unilaterally set by the Defendants through its online tools created by Defendants' partners.

74. Defendants were obligated to pay Plaintiff and Aggrieved Employees based on, in many cases, their hourly rate of pay and the number of hours Plaintiff and Aggrieved Employees worked.

75. The work performed by Plaintiff and Aggrieved Employees was within Defendants' usual course of business.

76. Accordingly, Plaintiff and Aggrieved Employees were an essential part in providing the service the Defendants promise to its customers.

The Plaintiffs' Work Experience was Typical of Other Aggrieved Employees.

77. During all times relevant, Plaintiff and Aggrieved Employees were not customarily engaged in an independently established trade, occupation, or business.

78. During all times relevant, Defendants employed the named Plaintiff to perform package delivery services on a quasi-hourly, commission and/or flat fee basis in various locations in California.

79. Package delivery is not a distinct trade.

80. Package delivery services do not require a special license, education, specialized training, or skill.

81. Furthermore, Plaintiffs and similar Aggrieved Employees did not take steps to establish and promote themselves as an independent business, such as "incorporation, licensure, advertisements, routine offerings to provide the services of the independent business to the public or to a number of potential customers[.]" *Dynamex Operations West, Inc. v. Superior Court*, 4 Cal. 5th 903, 962 (2018).

82. Despite failing to meet each prong of *Dynamex,* Defendants unilaterally mischaracterized the named Plaintiff and continue to characterize Aggrieved Employees as independent contractors to evade the requirements under the California Labor Code.

83. Defendants agreed to pay the named Plaintiff and Aggrieved Employees money (normally a flat rate) but did not guarantee the named Plaintiff and does not guarantee Aggrieved Employees minimum wage, overtime pay, sick pay, paid leave, health insurance, meal and rest breaks, which are normal requirements under state and local laws for employees.

84. Defendants did not reimburse the named Plaintiff and Aggrieved

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Employees for mileage, personal cell phones, and cell phone data usage even though Defendants required Aggrieved Employees to keep and maintain a smartphone to communicate with management.

85. Defendants denied the named Plaintiff and continue to deny Aggrieved Employees the benefits and protections of employees.

86. The named Plaintiff is an "aggrieved employee" because Defendants employed Plaintiff in California and Plaintiff experienced one or more of the alleged Labor Code violations committed against the named Plaintiff, and therefore the named Plaintiff is properly suited to act on behalf the state, and collect civil penalties for all violations committed against the Aggrieved Employees as defined by Labor Code § 2699(c).

87. California law provides that an aggrieved employee may file a representative action under the PAGA against an employer for civil penalties in connection with violations of the Labor Code and Wage Order.

88. Plaintiffs allege that Defendants caused Plaintiff and Aggrieved Employees to suffer the Labor Code violations alleged herein.

Wage Claims.

89. During all times relevant and continuing to the present, and pursuant to company policy and/or practice and/or direction, Defendants failed to pay Plaintiff and Aggrieved Employees all wages, e.g., overtime, minimum wages, local wages, etc., as required by law.

90. For example, during the timeframe alleged above, Defendants sent the named Plaintiff and Aggrieved Employees to work at various locations in California and sometimes out of California crossing state lines (e.g., one such trip was to Arizona).

91. Some of the deliveries made by Plaintiff—and presumably by similarly situated Aggrieved Employees—were more than 50 miles.

92. Defendants paid Plaintiff and Aggrieved Employees a flat fee for the

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deliveries they made; however, that fee was lower than the California minimum wage when taking into account all hours Plaintiff and Aggrieved Employees worked.

93. The named Plaintiff and Aggrieved Employees brought no tools, other than a vehicle and a smartphone, and instead used the tools, supplies, and products Defendants provided (normally, packages with instructions on where to drop them off).

94. The named Plaintiff's and Aggrieved Employees' shifts were sometimes fixed or semi-fixed shifts, but invariably their first task was to report to a manager and tell him/her that Defendants sent them.

95. Invariably, the Plaintiff's and Aggrieved Employees' last task was to tell Defendants they completed the job.

96. Due to the flaws in Defendants' smartphone application, however, the Plaintiff and Aggrieved Employees were sometimes prevented from being able to enter their time, which caused the Plaintiff and Aggrieved Employees to work longer in order to wait for the application and/or to resolve the problem with the Defendants.

97. Plaintiff and Aggrieved Employees reported the above problem to Defendants, who offered little help to the Plaintiff and Aggrieved Employees or were slow to respond.

98. The above problems caused Plaintiff and Aggrieved Employees to spend uncompensated time in an amount to be proven at trial.

99. Plaintiffs' unpaid wage claim is also premised on Plaintiffs' allegations that Defendants failed to pay reporting time pay.

100. Section 5 of all applicable IWC Wage Orders, provides, "(A) Each workday an employee is required to report for work and does report, but is not put to work or is furnished less than half said employee's usual or scheduled day's work, the employee shall be paid for half the usual or scheduled day's work, but in no event for less than two (2) hours nor more than four (4) hours, at the employee's regular rate of pay, which shall not be less than the minimum wage. (B) If an employee is required to

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report for work a second time in any one workday and is furnished less than two (2) hours of work on the second reporting said employee shall be paid for two hours at the employee's regular rate of pay, which shall not be less than the minimum wage."

101. Sometimes Plaintiff accepted one of Defendants' jobs and traveled to a worksite but when reporting for work, the manager would tell Plaintiff there was no work available.

102. In these cases, Defendants did not pay the Plaintiff and Aggrieved Employees reporting time pay despite its requirement per the Labor Code for reporting for work and being sent home early.

103. Plaintiffs' overtime wage claim is premised generally on the same facts alleged above, but when Plaintiff and/or Aggrieved Employees worked more than eight hours in a day or 40 in a workweek, Defendants failed to pay overtime correctly.

104. These are just a few examples of many Labor Code violations Defendants committed concerning wages.

Wage Statement Claims.

105. During all times relevant and continuing to the present, and pursuant to company policy and/or practice and/or direction, Defendants failed to issue Plaintiff and Aggrieved Employees wage and earning statements.

Failure to Pay Meal and Rest Break Premiums.

106. During all times relevant and continuing to the present, and pursuant to company policy and/or practice and/or direction, Defendants deprived Plaintiff and Aggrieved Employees from taking lawful meal and rest periods and did not pay and refused to pay premium pay to Aggrieved Employees despite knowing Aggrieved Employees involuntarily missed their meal and rest breaks.

Unreimbursed Work-Related Expense Claims.

107. During all times relevant and continuing to the present, and pursuant to company policy and/or practice and/or direction, Defendants failed to reimburse Plaintiff and Aggrieved Employees for all work-related expenses.

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Untimely Pay Claims.

108. During all times relevant and continuing to the present, and pursuant to company policy and/or practice and/or direction, the named Plaintiff and Aggrieved Employees did not receive their pay in a timely manner or their final paychecks immediately upon involuntary termination or within 72 hours of voluntary separation, were not paid final wages at the location of employment, and said final paychecks did not include all wages due to the employee.

109. Further, under Labor Code § 201.3(b)(1), temporary services employers (i.e., the Defendants) must pay workers at the end of each day's assignment, unless the worker continues with the same client the following day.

110. Defendants, operating as a staffing intermediary through its partners' online application, unlawfully withheld earned wages by failing to make these required daily payments to Plaintiff and Aggrieved Employees, thereby violating § 201.3 and the applicable Industrial Welfare Commission Wage Orders.

111. To date, Plaintiff alleges that Defendants have not paid the named Plaintiff and Aggrieved Employees all wages due and payable in an amount to be proven at trial.

Failure to Provide Records Claims.

112. On or about September 9, 2025, Plaintiff, via counsel, sent correspondence to Defendants requesting to obtain access to Plaintiff's payroll records and employee personnel file.

113. Notwithstanding the foregoing, Defendants failed to provide Plaintiff's records within the statutory deadline.

114. On or about October 10, 2025, Plaintiff, via counsel, sent another letter to Defendants (this time via its counsel) requesting to obtain access to Plaintiff's payroll records and employee personnel file.

115. To date, Defendants have refused to provide Plaintiff's payroll records and employee personnel file.

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116. Based on the foregoing, Plaintiff seeks the remedies set forth in this Complaint.

<u>REPRESENTATIVE ACTION (PAGA) CLAIMS</u>

117. This representative action filed pursuant to PAGA, §§ 2698, 2699 generally consists of the following group:

> **All current or former people Defendants characterized and employed as independent contractors in California from September 12, 2024 to the present.**

118. All members of the represented group are referred to as the "Aggrieved Employees."

119. The "Representative Period" means from **September 12, 2024 to the present**.

120. California law provides that an employee may file an action against an employer for penalties in connection with violations of the Labor Code and Wage Orders provided the aggrieved employee files an action on behalf of him or herself and similarly situated current and former employees.

121. At all material times, Defendants and DOES 1 through 50 were and/or are Aggrieved Employees' employers or persons acting on behalf of Aggrieved Employees' employer, within the meaning of California Labor Code § 558, who violated or caused to be violated, a section of Part 2, Chapter 1 of the California Labor Code or any provision regulating hours and days of work in any Order of the Industrial Welfare Commission and, as such, are subject to penalties for each underpaid employee as set for in Labor Code § 558.

122. As set forth in further detail below, because of the analysis and investigation of the Plaintiffs' claims, Plaintiffs' attorneys sent the required correspondence to the California Labor and Workforce Development Agency (LWDA) and to Defendants informing Defendants of Plaintiffs' claims and Plaintiffs' intent to pursue litigation.

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EXHAUSTION OF ADMINISTRATIVE REMEDIES

123. Pursuant to the PAGA, on **September 12, 2025**, Plaintiffs, via counsel, sent correspondence to the LWDA and Defendants via certified U.S. Mail indicating that Plaintiffs are pursuing the claims alleged in this Complaint.

124. The statutory waiting period for the above referenced letter Plaintiffs expired and the LWDA did not serve Plaintiffs with notice of intent to assume jurisdiction over the applicable penalty claims and did not provide notice as set forth in Labor Code § 2699.3(a)(2)(A) within the statutory period.

125. Therefore, Plaintiffs have exhausted Plaintiffs' administrative remedies to pursue claims and remedies as authorized by the PAGA, yet.

126. The Causes of Action alleged herein are appropriately suited for a representative action under the PAGA (Labor Code § 2698, *et seq*.) because:

a. This action involves allegations of violations of provisions of the California Labor Code that provide for a civil penalty to be assessed and collected by the LWDA or any departments, divisions, commissions, boards, agencies, or employees;

b. Plaintiffs are "aggrieved employees" because Defendants employed the named Plaintiff and Plaintiff is the victim of one or more of the Labor Code violations alleged in this Complaint committed by the Defendants; and

c. Plaintiffs have satisfied the procedural requirements of Labor Code § 2699.3, as set forth above.

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FIRST CAUSE OF ACTION

Individual and Representative Claim via the PAGA for Failure to Pay State Minimum/Regular/Local Wages in Violation of California Labor Code §§ 200, 218, 218.5, 1182.12, 1194, 1197, 1197.1, 1811, 1815, and 1198 via the applicable Wage Order

(Against all Defendants)

127. Plaintiffs reallege and incorporate by reference the foregoing allegations as though set forth herein.

128. Pursuant to California law, including but not limited to Labor Code §§ 200, 218, 218.5, 1194, 1197, 1197.1, 1811, 1815, 1198, and depending on the local jurisdiction, such as the Cities of Los Angeles, San Diego, San Francisco, etc., it is unlawful for a California employer to suffer or permit an employee to work without paying wages for all hours worked, as required by the applicable Industrial Welfare Commission (IWC) Wage Order and/or local law.

129. Plaintiffs are informed and believe and based thereupon allege that during all times relevant, Plaintiffs were not paid minimum/regular/local jurisdiction wages for all hours suffered or permitted to work in violation of California law.

130. During all times relevant, Defendants were required to pay Plaintiffs and other members of the Aggrieved Employees their respective hourly rate for all hours worked and/or minimum wages per state law or applicable local law.

131. During all times relevant, at least one of the IWC Wage Orders applied to Plaintiffs' employment with Defendants.

132. Pursuant to the applicable Wage Order, "hours worked" include the time during which an employee is "suffered or permitted to work, whether or not required to do so."

133. During the PAGA Period and based on the misconduct alleged above, Defendants did not pay Plaintiffs and Aggrieved Employees minimum/regular/local wages for all hours suffered or permitted to work in violation of state and/or local

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law.

134. Labor Code § 1194 subdivision (a) permits an action to recover wages because of the payment of a wage less than the minimum wage "applicable to the employee" including attorneys' fees, costs, and interest.

135. At all material times, Defendants were and/or are Aggrieved Employees' employers or persons acting on behalf of Aggrieved Employees' employer, within the meaning of California Labor Code §§ 558 and 558.1, who violated or caused to be violated, a section of Part 2, Chapter 1 of the California Labor Code or any provision regulating hours and days of work in any Order of the Industrial Welfare Commission and, as such, are subject to civil penalties for each underpaid employee as set for in Labor Code § 558.

136. In committing the violations of state law as herein alleged, Plaintiffs are informed and believe based there upon allege that Defendants have knowingly and willfully refused to perform their obligations to compensate Aggrieved Employees for all wages earned and all hours worked.

137. As a direct result, Aggrieved Employees have suffered and continue to suffer, substantial losses related to the use and enjoyment of such compensation, wages, lost interest on such monies and expenses and attorneys' fees in seeking to compel Defendants to fully perform their obligations under state and/or local law.

138. Labor Code § 2699, *et seq.* imposes upon Defendants, and each of them, a penalty of one hundred dollars ($100.00) for each aggrieved employee per pay period for the initial violation and two hundred ($200.00) for each aggrieved employee per pay period for each subsequent violation in which Defendants violated the minimum/regular/ and or local wage provisions of California law, including but not limited to §§ 216, 218, 218.5, 227.3, 558, 1194, 1197, 1197.1, 1811, 1815, 1182.12, 1194.2, 1197, and 1198 the exact amount of the applicable penalty is all in an amount to be shown according to proof at trial.

139. Pursuant to Labor Code § 2699, Plaintiffs on behalf of the State of

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California and Aggrieved Employees seek to recover from Defendants, and each of them, penalties, attorneys' fees, and costs incurred herein in an amount to be determined at trial.

SECOND CAUSE OF ACTION

Individual and Representative Claim via the PAGA for

Failure to Pay State Overtime and/or Double-Time Compensation

in Violation of California Labor Code §§ 216, 218, 218.5, 225.5, 510,

1182.12, 1194, 1194.2, 1197, 1197.1,

1811, 1815, and 1198 via the Applicable IWC Wage Order

(Against all Defendants)

140. Plaintiffs reallege and incorporate by reference the foregoing allegations as though set forth herein.

141. California law requires an employer to pay each employee for the actual hours worked.

142. During all times relevant, one or more of the IWC Wage Orders applied to Plaintiffs' employment with Defendants.

143. Pursuant to § 2(K) of the applicable Wage Order(s), including Wage Order 4, "hours worked" include the time during which an employee is "suffered or permitted to work, whether or not required to do so."

144. Pursuant to Labor Code §§ 510, 1194, 1194.2, and § 3 of the applicable Wage Order(s), for each hour (or fraction thereof) an employee works up to forty (40) hours in a week and eight (8) hours in a day, the employer must pay the employee's regular hourly wage.

145. For each hour (or fraction thereof) an employee works over forty (40) hours in a week or more than eight (8) hours in a workday the employer must pay the rate of one and a half times the employee's regular hourly wage. *Ibid*.

146. For each hour (or fraction thereof) an employee works more than twelve (12) hours in one day or more than eight (8) hours a day on the seventh

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consecutive day of work, the employer must compensate the employee at the rate of no less than twice the regular rate of pay for that employee. *Ibid*.

147. During all times relevant, and pursuant to company policy and/or practice and/or direction, Defendants required Aggrieved Employees to work more than 40 hours per week and/or eight hours in a workday to which they had the right to receive wages and Defendants did not pay Plaintiff and the Aggrieved Employees all overtime compensation to which they should have received at the applicable wage rate.

148. As alleged herein, Defendants failed to pay Aggrieved Employees all overtime to which they had a right to receive.

149. In committing the violations of state law as herein alleged, Defendants have knowingly and willfully refused to perform their obligations to compensate Aggrieved Employees for all wages earned and all hours worked.

150. At all material times, Defendants were and/or are Aggrieved Employees' employers or persons acting on behalf of Aggrieved Employees' employer, within the meaning of California Labor Code §§ 558 and 558.1, who violated or caused to be violated, a section of Part 2, Chapter 1 of the California Labor Code or any provision regulating hours and days of work in any Order of the Industrial Welfare Commission and, as such, are subject to penalties for each underpaid employee as set for in Labor Code § 558.

151. In committing the violations of state law as herein alleged, Defendants have knowingly and willfully refused to perform their obligations to compensate Aggrieved Employees for all wages earned and all hours worked.

152. Labor Code § 2699, *et seq.* imposes upon Defendants, and each of them, a penalty of one hundred dollars ($100.00) for each aggrieved employee per pay period for the initial violation and two hundred ($200.00) for each aggrieved employee per pay period for each subsequent violation in which Defendants violated the overtime provisions of the Labor Code, including but not limited to §§ 510, 558

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and 1194, the exact amount of the penalties sought is in an amount to be shown according to proof at trial.

153. Pursuant to Labor Code § 2699, Plaintiffs on behalf of the State of California and Aggrieved Employees seek to recover from Defendants, and each of them, penalties, attorneys' fees, and costs incurred herein in an amount to be determined at trial.

THIRD CAUSE OF ACTION

Individual and Representative Claim for Penalties via the PAGA for Failure to Comply with the Meal and Rest Break Requirements Under Labor Code §§ 226.7, 512, and 1198 via the applicable IWC Wage Order

(Against all Defendants)

154. Plaintiffs reallege and incorporate by reference the foregoing allegations as though set forth herein.

155. Based on the misconduct alleged in this Complaint, Defendants failed to pay Plaintiffs and Aggrieved Employees premium pay for all their missed meal and rest breaks and failed to comply with Labor Code §§ 226.7, 512, and 1198.

156. Because of Defendants' illegal pay practices, said Defendants failed to pay Plaintiffs and Aggrieved Employees for all meal and rest breaks despite their requirement under California law and, as such, all culpable Defendants are required to pay Plaintiffs and Aggrieved Employees for rest break and/or meal break premium wages.

157. Defendants also failed to provide Plaintiffs, and Aggrieved Employees, legally-compliant meal and rest periods, or compensation in lieu thereof, during their employment by said Defendants.

158. At all material times, Defendants were and/or are Aggrieved Employees' employers or persons acting on behalf of Aggrieved Employees' employer, within the meaning of California Labor Code §§ 558 and 558.1, who violated or caused to be violated, a section of Part 2, Chapter 1 of the California Labor Code or any provision

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regulating hours and days of work in any Order of the Industrial Welfare Commission and, as such, are subject to penalties for each underpaid employee as set for in Labor Code § 558.

159. Cal. Labor Code § 2699, *et seq.* imposes upon all culpable Defendants a penalty of one hundred dollars ($100.00) for each aggrieved employee per pay period for the initial violation and two hundred ($200.00) for each aggrieved employee per pay period for each subsequent violation in which all culpable Defendants violated Cal. Labor Code §§ 226.7 and 512, the exact amount of the applicable penalty is all in an amount to be shown according to proof at trial.

160. Pursuant to Labor Code § 2699, Plaintiffs on behalf of the State of California and Aggrieved Employees seek to recover from Defendants, and each of them, penalties, attorneys' fees, and costs incurred herein in an amount to be determined at trial.

FOURTH CAUSE OF ACTION

Individual and Representative Claim via the PAGA for Failure to Timely Pay Earned Wages Upon Separation of Employment in Violation of California Labor Code §§ 201, 201.3, 202, 203, 204, 204b, 204.2, 210, 218.5, 218.6, 256, and 1198 via the applicable Wage Order

(Against all Defendants)

161. Plaintiffs reallege and incorporate by reference the foregoing allegations as though set forth herein.

162. Pursuant to Labor Code § 201, "If an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately."

163. Pursuant to Labor Code § 201.3, "If an employee is assigned to work for a client on a day-to-day basis, that employee's wages are due and payable at the end of each day, regardless of when the assignment ends…"

164. Pursuant to Labor Code § 202, "If an employee not having a written

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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."

165. Labor Code § 203 provides, in pertinent part: "If an employer willfully fails to pay, without abatement or reduction, ... 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 therefore is commenced; but the wages shall not continue for more than 30 days. ..."

166. Pursuant to Labor Code § 204, "all wages … earned by any person in any employment are due and payable twice during each calendar month, on days designated in advance by the employer as the regular paydays."

167. Pursuant to Labor Code § 204b, "Labor performed by a weekly-paid employee during any calendar week and prior to or on the regular payday shall be paid for not later than the regular payday of the employer for such weekly-paid employee falling during the following calendar week."

168. Defendants did not properly pay Plaintiff and Aggrieved Employees pursuant to the requirements of Labor Code, including but not limited to §§ 201, 201.3, 202, 203, 204, 204b, 204.2, 210, 218.5, 218.6, 256 and thereby Plaintiffs seek the unpaid wages.

169. To date, Defendants have not paid terminated Aggrieved Employees all earned wages as required by law or in a timely manner.

170. At all material times, Defendants and DOES 1 through 50 were and/or are Aggrieved Employees' employers or persons acting on behalf of Aggrieved Employees' employer, within the meaning of California Labor Code § 558, who violated or caused to be violated, a section of Part 2, Chapter 1 of the California Labor Code or any provision regulating hours and days of work in any Order of the Industrial Welfare Commission and, as such, are subject to penalties for each

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underpaid employee as set for in Labor Code § 558.

171. In committing the violations of state law as herein alleged, Defendants have knowingly and willfully refused to perform their obligations to compensate Aggrieved Employees for all wages earned and all hours worked.

172. Labor Code § 2699, *et seq*. imposes upon Defendants, and each of them, a penalty of one hundred dollars ($100.00) for each aggrieved employee per pay period for the initial violation and two hundred ($200.00) for each aggrieved employee per pay period for each subsequent violation in which Defendants violated the Labor Code, including but not limited to §§ 201, 201.3, 202, 203, 204, 204b, 204.2, 210, 218.5, 218.6, 256.

173. As alleged above, Defendants have deprived Plaintiffs and Aggrieved Employees of their rightfully earned wages as a direct and proximate result of Defendants' failure and refusal to pay said compensation and for the reasons alleged in this Complaint.

174. Pursuant to Labor Code § 2699, Plaintiffs on behalf of the State of California and Aggrieved Employees seek to recover from Defendants, and each of them, penalties, attorneys' fees, and costs incurred herein in an amount to be determined at trial.

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<u>FIFTH CAUSE OF ACTION</u>

Individual and Representative Claim for Penalties via the PAGA for Violations of California Labor Code §§ 226, 226.3, 226.6, and 1198 via the applicable IWC Wage Order

(Against all Defendants)

175. Plaintiffs reallege and incorporate by reference the foregoing allegations as though set forth herein.

176. Plaintiffs allege that Labor Code § 226 subdivision (a) requires, in pertinent part, that every employer shall, "semimonthly or at the time of each payment of wages, shall furnish to his or her employees, either as a detachable part of

the check, draft, or voucher paying the employee's wages, or separately if wages are paid by personal check or cash, an accurate itemized statement in writing showing (1) gross wages earned, (2) total hours worked by the employee. . . (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and only the last four digits of his or her social security number…, (8) the name and address of the legal entity that is the employer. . ., and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee and, beginning July 1, 2013, if the employer is a temporary services employer as defined in Section 201.3, the rate of pay and the total hours worked for each temporary services assignment. . ."

177. Based on the foregoing allegations, Defendants did not provide any wage statements to Plaintiff and the Aggrieved Employees and, thus, Plaintiffs assert this claim as a stand-alone claim.

178. At all material times, Defendants were and/or are Aggrieved Employees' employers or persons acting on behalf of Aggrieved Employees' employer, within the meaning of California Labor Code §§ 558 and 558.1, who violated or caused to be violated, a section of Part 2, Chapter 1 of the California Labor Code or any provision regulating hours and days of work in any Order of the Industrial Welfare Commission and, as such, are subject to penalties for each underpaid employee as set for in Labor Code § 558.

179. Cal. Labor Code § 2699, *et seq.* imposes upon all culpable Defendants a penalty of one hundred dollars ($100.00) for each aggrieved employee per pay period for the initial violation and two hundred ($200.00) for each aggrieved employee per pay period for each subsequent violation in which all culpable Defendants violated the applicable Cal. Labor Code provisions alleged in this Complaint, the exact amount

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of the applicable penalty is all in an amount to be shown according to proof at trial.

180. Wherefore, pursuant to Labor Code § 2699, Plaintiffs on behalf of the State of California and Aggrieved Employees seek to recover from Defendants, and each of them, penalties, attorneys' fees, and costs incurred herein in an amount to be determined at trial.

SIXTH CAUSE OF ACTION

Individual and Representative Claim for Penalties via the PAGA For Failure to Maintain Required Records in Violation of California Labor Code §§ 1174 and 1198 via the Applicable Wage Order

(Against All Defendants)

181. Plaintiffs reallege and incorporate by reference the foregoing allegations as though set forth herein.

182. Section 7 of the applicable Wage Order requires every employer to maintain time and payroll records.

183. Defendants failed to comply with § 7 of the applicable IWC Orders and with Labor Code § 1174 by failing to maintain certain records which employers are required to maintain, including but not limited to, all wage records.

184. At all material times, Defendants were and/or are Aggrieved Employees' employers or persons acting on behalf of Aggrieved Employees' employer, within the meaning of California Labor Code §§ 558 and 558.1, who violated or caused to be violated, a section of Part 2, Chapter 1 of the California Labor Code or any provision regulating hours and days of work in any Order of the Industrial Welfare Commission and, as such, are subject to penalties for each underpaid employee as set for in Labor Code § 558.

185. Cal. Labor Code § 2699, *et seq.* imposes upon all culpable Defendants a penalty of one hundred dollars ($100.00) for each aggrieved employee per pay period for the initial violation and two hundred ($200.00) for each aggrieved employee per pay period for each subsequent violation in which all culpable Defendants violated

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the applicable Cal. Labor Code provisions alleged in this Complaint, the exact amount of the applicable penalty is all in an amount to be shown according to proof at trial.

186. Wherefore, pursuant to Labor Code § 2699, Plaintiffs on behalf of the State of California and Aggrieved Employees seek to recover from Defendants, and each of them, penalties, attorneys' fees, and costs incurred herein in an amount to be determined at trial.

SEVENTH CAUSE OF ACTION

Individual and Representative Claim for Penalties via the PAGA Claim for Failure to Reimburse Business Expenses in Violation of Labor Code §§ 1198 and 2802

(Against All Defendants)

187. Plaintiffs reallege and incorporate by reference the foregoing allegations as though set forth herein.

188. Pursuant to California Labor Code § 2802, an employer must indemnify its employees "for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties . . . ."

189. Plaintiffs made necessary expenditures and incurred losses as a direct consequence of the discharge of their duties and in obedience to the directions of Defendants including, but not limited to, mileage, automobile, cell phone, and internet expenses.

190. On information and belief, Defendants knew Plaintiffs were incurring the expenses and were responsible for reimbursing Aggrieved Employees for their expenditures and losses as a direct consequence of the discharge of their duties, but failed to do so.

191. At all material times, Defendants were and/or are Aggrieved Employees' employers or persons acting on behalf of Aggrieved Employees' employer, within the meaning of California Labor Code §§ 558 and 558.1, who violated or caused to be violated, a section of Part 2, Chapter 1 of the California Labor Code or any provision

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regulating hours and days of work in any Order of the Industrial Welfare Commission and, as such, are subject to penalties for each underpaid employee as set for in Labor Code § 558.

192. Cal. Labor Code § 2699, *et seq.* imposes upon all culpable Defendants a penalty of one hundred dollars ($100.00) for each aggrieved employee per pay period for the initial violation and two hundred ($200.00) for each aggrieved employee per pay period for each subsequent violation in which all culpable Defendants violated the applicable Cal. Labor Code provisions alleged in this Complaint, including but not limited to Labor Code §§ 2802 and 1198, the exact amount of the applicable penalty is all in an amount to be shown according to proof at trial, which Plaintiffs seek.

193. Wherefore, pursuant to Labor Code § 2699, Plaintiffs on behalf of the State of California and Aggrieved Employees seek to recover from Defendants, and each of them, penalties, attorneys' fees, and costs incurred herein in an amount to be determined at trial.

EIGHTH CAUSE OF ACTION

Individual and Representative Claim for Civil Penalties Under the PAGA for Violations of Labor Code §§ 246 and 246(l) and Municipal Paid Sick Leave Ordinances

(Against all Defendants)

194. Plaintiffs reallege and incorporate by reference the foregoing allegations as though set forth herein.

195. Under Labor Code §§ 246, 246(l), and in some jurisdictions local law, employers in California must provide employees with paid sick leave to be paid at a specified rate of pay which must factor in additional earnings during a given pay period wherein such leave is used. *Wood v. Kaiser Foundation Hospitals,* 88 Cal. App. 5th 742 (2023).

196. Defendants did not pay sick leave to Aggrieved Employees in violation of California law.

197. Defendants have failed to (1) provide paid sick leave; (2) include required information about paid sick leave in wage notices and/or wage statements, including without limitation information on the amount of paid sick leave hours accrued; (3) provide required information about paid sick leave to employees, including without limitation at the time of hire; (4) at the time of hire, provide employees with written notice of the employer's name, address, and telephone number; (5) provide required information about paid sick leave in English, Spanish, Chinese, and in all languages spoken by 5% or more of the employees; (6) post required sick leave notices; (7) maintain payroll records; and/or (8) provide wage statements, and therefore Defendants have violated one or more municipal sick leave ordinances, including without limitation the sick leave ordinances of Berkeley, Emeryville, Long Beach, Los Angeles, Oakland, San Diego, San Francisco, and Santa Monica.

198. The PAGA imposes upon Defendants, and each of them, civil penalties for violating Labor Code §§ 246 and 246(l).

199. Civil penalties under the PAGA are equitable in nature. *Nationwide Biweekly Admin., Inc. v. Superior Ct. of Alameda Cty.,* 9 Cal. 5th 279 (2020).

200. At all material times, Defendants were and/or are Aggrieved Employees' employers or persons acting on behalf of Aggrieved Employees' employer, within the meaning of California Labor Code §§ 558 and 558.1, who violated or caused to be violated, a section of Part 2, Chapter 1 of the California Labor Code or any provision regulating hours and days of work in any Order of the Industrial Welfare Commission and, as such, are subject to penalties for each underpaid employee as set for in Labor Code § 558.

201. Labor Code § 2699(f) imposes upon Defendants, and each of them, civil penalties of one hundred dollars ($100) per pay period, per aggrieved employee for initial violations, and two hundred dollars ($200) per pay period, per aggrieved employee for subsequent violations for all Labor Code provisions for which a civil

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penalty is not specifically provided.

202. Pursuant to the PAGA, Labor Code § 2699(f), and/or any other applicable statute, Plaintiffs are seeking civil penalties against Defendants in an amount to be shown according to proof.

203. Pursuant to Labor Code § 248.5, if applicable herein, Plaintiffs seek to recover attorneys' fees, costs, equitable relief in the form of civil penalties, in an amount to be shown according to proof.

204. Wherefore, pursuant to Labor Code § 2699, Plaintiffs on behalf of the State of California and Aggrieved Employees seek to recover from Defendants, and each of them, penalties, attorneys' fees, and costs incurred herein in an amount to be determined at trial.

NINTH CAUSE OF ACTION

Individual and Representative Claim for Civil Penalties Under the PAGA for Willful Misclassification in Violation of Labor Code § 226.8

(Against all Defendants)

205. Plaintiffs reallege and incorporate by reference the foregoing allegations as though set forth herein.

206. California Labor Code § 226.8(a) provides: "It is unlawful for any person or employer to engage in any of the following activities: (1) Willful misclassification of an individual as an independent contractor. (2) Charging an individual who has been willfully misclassified as an independent contractor a fee, or making any deductions from compensation, for any purpose, including for goods, materials, space rental, services, government licenses, repairs, equipment maintenance, or fines arising from the individual's employment where any of the acts described in this paragraph would have violated the law if the individual had not been misclassified."

207. California Labor Code § 226.8(b) provides that if the "a court issues a determination that a person or employer has engaged in any of the enumerated

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violations of subdivision (a), the person or employer shall be subject to a civil penalty of not less than five thousand dollars ($5,000) and not more than fifteen thousand dollars ($15,000) for each violation, in addition to any other penalties or fines permitted by law."

208. California Labor Code § 226.8(c) provides that if the "court issues a determination that a person or employer has engaged in any of the enumerated violations of subdivision (a) and the person or employer has engaged in or is engaging in a pattern or practice of these violations, the person or employer shall be subject to a civil penalty of not less than ten thousand dollars ($10,000) and not more than twenty-five thousand dollars ($25,000) for each violation, in addition to any other penalties or fines permitted by law."

209. Subdivision (a) of California Labor Code § 2753 provides, "(a) A person who, for money or other valuable consideration, knowingly advises an employer to treat an individual as an independent contractor to avoid employee status for that individual shall be jointly and severally liable with the employer if the individual is found not to be an independent contractor."

210. Defendants' misclassification of the contractors as independent contractors, as demonstrated by the decision of the Labor Commissioner of the State of California in *Berwick v. Uber Technologies,* Cal. Lab. Comm'r Dec. No. 11-46739 (June 3, 2015), the California Unemployment Insurance Appeals Board ruling (No.: 5371509- June, 1, 2015) that an Uber driver is an employee eligible to obtain unemployment benefits, the California Supreme Court's decision in *Dynamex Operations West, Inc. v. Superior Court,* 4 Cal. 5th 903 (2018), the enactment of A.B. 5, the injunction issued against Instacart in *People of the State of California v. Maplebear, Inc., Superior Court of California,* County of San Diego, Case No. 37-2019-00048731-CU-MC-CTL, other changes in common law and state law, and other complaints, claims, and lawsuits against other industry players, constitutes willful misclassification in violation of California Labor Code § 226.8.

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211. Plaintiff maintains client end-users are joint and severally liable under California law, including but not limited to Labor Code §§ 2753 and 2810.3.

212. At all material times, Defendants were and/or are Aggrieved Employees' employers or persons acting on behalf of Aggrieved Employees' employer, within the meaning of California Labor Code §§ 558 and 558.1, who violated or caused to be violated, a section of Part 2, Chapter 1 of the California Labor Code or any provision regulating hours and days of work in any Order of the Industrial Welfare Commission and, as such, are subject to penalties for each underpaid employee as set for in Labor Code § 558.

213. Wherefore, pursuant to Labor Code § 2699, Plaintiffs on behalf of the State of California and Aggrieved Employees seek to recover from Defendants, and each of them, penalties, attorneys' fees, and costs incurred herein in an amount to be determined at trial.

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TENTH CAUSE OF ACTION

Individual and Representative Claim for Penalties via the PAGA

For Failure to Secure Compensation in Violation of Labor Code § 3700, *et seq.*

(Against all Defendants)

214. Plaintiffs reallege and incorporate by reference the foregoing allegations as though set forth herein.

215. Upon information and belief, Defendants did not secure workers' compensation for the Aggrieved Employees, in violation of Labor Code §§ 3700, 3700.5, 3712, 3715.

216. Because of Defendant's violations of those statutes, Defendant is subject to the penalties and fines per Labor Code § 3700.5 and the PAGA for each aggrieved employee per pay period.

217. At all material times, Defendants were and/or are Aggrieved Employees' employers or persons acting on behalf of Aggrieved Employees' employer, within the meaning of California Labor Code §§ 558 and 558.1, who violated or caused to be

violated, a section of Part 2, Chapter 1 of the California Labor Code or any provision regulating hours and days of work in any Order of the Industrial Welfare Commission and, as such, are subject to penalties for each underpaid employee as set for in Labor Code § 558.

218. Wherefore, pursuant to Labor Code § 2699, Plaintiffs on behalf of the State of California and Aggrieved Employees seek to recover from Defendants, and each of them, penalties, attorneys' fees, and costs incurred herein in an amount to be determined at trial.

ELEVENTH CAUSE OF ACTION

Individual and Representative Claim for Penalties via the PAGA Under California Labor Code §§ 2698, 2699, *et seq.* for Violations of California Labor Code subdivision (k) of § 96, §§ 98.6, 226, 432, 432.5, 551, 552, 1102.5, 1198 via the appliable Wage Order, 1198.5, and 2751

(Against all Defendants)

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219. Plaintiffs reallege and incorporate by reference the foregoing allegations as though set forth herein.

220. Pursuant to Labor Code § 2699, any provision of the Labor Code that provides for a civil penalty to be assessed and collected by the LWDA or any of its departments, divisions, commissions, boards, agencies or employees for violation of the code may, as an alternative, be recovered through a civil action brought by an aggrieved employee on behalf of himself or herself and other current or former employees pursuant to the procedures specified in Labor Code § 2699.3.

221. Plaintiffs are informed and believe, and based thereon allege, that because of the acts alleged above and Defendants' violations of the Labor Code provisions alleged herein, Plaintiffs are entitled to penalties under Labor Code §§ 2698 and 2699.

222. As for Defendants' violations of Labor Code §§ 96, 98.6, and 1102.5, when Plaintiff's lawyers requested copies of the named Plaintiff's payroll records and

personnel file, Defendants wrongfully terminated the named Plaintiff.

223. As for Defendants' violations of Labor Code §§ 226, 432, and 1198.5, when Plaintiff's lawyers requested copies of the named Plaintiff's payroll records and personnel file, Defendants refused to provide the records.

224. As for Defendants' violations of Labor Code §§ 551 and 552, Plaintiff worked seven days weeks sometimes.

225. As for Defendants' violations of Labor Code §§ 432.5 and 2751, Defendants paid commissions but never put its commission policy in writing and Plaintiffs are informed and believe, and based thereon allege, that a number of documents Defendants required the named Plaintiff to sign were unlawful.

226. Labor Code § 2699(f) imposes upon Defendants, and each of them, civil penalties of one hundred dollars ($100) per pay period, per aggrieved employee for initial violations, and two hundred dollars ($200) per pay period, per aggrieved employee for subsequent violations for all Labor Code provisions for which a civil penalty is not specifically provided.

227. Labor Code § 2699, *et seq.* imposes upon Defendants, and each of them, penalties for violating the Labor Code.

228. Labor Code § 558 establishes a civil penalty as follows: Any employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provision regulating hours and days of work in any order of the Industrial Welfare Commission (including the "Hours and Days of Work" section of the Wage Order) shall be subject to a civil penalty of (1) for any initial violation, fifty dollars ($50) for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount sufficient to recover underpaid wages; (2) for each subsequent violation, one hundred dollars ($100) for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount sufficient to recover underpaid wages; and (3) wages recovered pursuant to this section shall be paid to the affected employee.

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229. Wherefore, pursuant to Labor Code § 2699, Plaintiffs on behalf of the State of California and Aggrieved Employees seek to recover from Defendants, and each of them, penalties, attorneys' fees, and costs incurred herein in an amount to be determined at trial.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs pray for judgment against Defendants as follows:

1. That Defendants be found liable to the Plaintiffs on behalf of the State of California and Aggrieved Employees;

2. For all remedies available to the to the Plaintiffs on behalf of the State of California and Aggrieved Employees under the applicable provisions of the Labor Code including an award of attorneys' fees, costs, interest, liquidated damages, damages, penalties and waiting time penalties according to proof to the extent permitted by law in an amount to be proven at trial;

3. For special and general damages to the Plaintiffs on behalf of the State of California and Aggrieved Employees allowed by law under Labor Code § 2698, *et seq*.;

4. For all remedies available to the Plaintiffs on behalf of the State of California and Aggrieved Employees under the applicable provisions of the Labor Code via the PAGA Labor Code § 2698, *et seq*. including an award of attorneys' fees, costs, interest, liquidated damages, damages, penalties and waiting time penalties according to proof to the extent permitted by law;

5. For maximum civil penalties available to the Plaintiffs on behalf of the State of California and Aggrieved Employees under the Labor Code and applicable Wage Order as described more particularly in this Complaint, representative PAGA claims including the payment of wages as set forth in Labor Code § 558;

6. That Plaintiffs on behalf of the State of California and Aggrieved Employees be awarded reasonable attorneys' fees where available by law, including but not limited to pursuant to Labor Code § 2698, *et seq*., Code of Civil Procedure §

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1021.5, and/or other applicable laws; and

7. For any other relief the Court may deem just, proper, and equitable, including but not limited to injunctive relief requiring, among other things, that Defendants classify contractors as employees, not independent contractors.

Dated: November 17, 2025

Law Office of Thomas D. Rutledge

By: *Thomas D. Rutledge*
Thomas D. Rutledge, Esq.
Attorneys for Plaintiffs

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PROOF OF SERVICE

STATE OF CALIFORNIA

COUNTY OF SAN DIEGO

I, THOMAS D. RUTLEDGE, the undersigned, am employed in the County of San Diego, State of California; I am over the age of 18 and not a party to the within action; my business address is 16956 Via de Santa Fe, Suite 1847, Rancho Santa Fe, California 92091-4606.

On November 17, 2025, I served the foregoing document(s) described as:

FIRST AMENDED COMPLAINT

on the interested parties to this action by placing a copy thereof enclosed in a sealed envelope addressed as follows: **See Attached List.**

☒**(BY MAIL)** I am readily familiar with the business practice for collection and processing of correspondence for mailing with the United States Postal Service. This correspondence was deposited with the United States Postal Service this same day in the ordinary course of business at our Firm's office address in San Diego, California. Service made pursuant to this paragraph, upon motion of a party served, shall be presumed invalid if the postal cancellation date of postage meter date on the envelope is more than one day after the date of deposit for mailing contained in this affidavit.

☒**(BY E-MAIL)** I am readily familiar with the business practice for collection and processing of correspondence for emailing. This correspondence was sent via email to the recipients' business email addresses identified above.

☐(BY OVERNIGHT DELIVERY SERVICE) I served the foregoing document by Federal Express, an express service carrier which provides overnight delivery, as follows. I placed true copies of the foregoing document in sealed envelopes or packages designated by the express service carrier, addressed to each interested party as set forth above, with fees for overnight delivery paid or provided for.

☐(BY PERSONAL SERVICE) I caused such envelope to be delivered by hand to the offices of the above named addressee(s).

Executed November 17, 2025, at San Diego, California.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

/s/*THOMAS D. RUTLEDGE*
THOMAS D. RUTLEDGE

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Defendants in Pro Per

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