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Attorneys for Plaintiffs,

SALVADORE DE LA PENA, SHAWN YOUNG, and REGINALD GRENAS,

on behalf of themselves and all others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF LOS ANGELES

SALVADORE DE LA PENA, an individual;
SHAWN YOUNG, an individual; and
REGINALD GRENAS, an individual, on
behalf of themselves and all others similarly
situated,

Plaintiffs,

vs.

SNAP-ON TOOLS COMPANY, LLC a
Delaware corporation; and DOES 1 through
100, inclusive,

Defendants.

Case No. 26STCV03388

**FIRST AMENDED REPRESENTATIVE
ACTION FOR:**

**(1) CIVIL PENALTIES UNDER LABOR
CODE PRIVATE ATTORNEY
GENERAL ACT ("PAGA").**

DEMAND FOR JURY TRIAL

SALVADORE DE LA PENA, SHAWN YOUNG, and REGINALD GRENAS (collectively, "Plaintiffs"), on behalf of themselves and all others similarly situated, bring this representative action against Defendant SNAP-ON TOOLS COMPANY, LLC, a Delaware corporation ("Snap-On" or "Defendant"), and DOES 1 through 100, inclusive, and allege on information and belief as follows:

INTRODUCTION

1. Snap-On is a manufacturer and distributor of professional automotive repair tools and related equipment. Its primary customers are mechanical service professionals and the shops where these individuals work.

2. Under the guise of its Snap-On Franchise Agreement (“Agreement”), Snap-On obtains the labor of individuals like Plaintiffs to carry out necessary services within one of its many distribution channels—mobile tool distributorships (i.e., Snap-On shops built into mobile trucks driven by “Distributors”). These Distributors perform on-site advertising, sales, delivery, and maintenance-related tasks for Snap under its strict supervision and control. These individuals must devote their best efforts to servicing their assigned “List of Calls” – a list of customer stops in need of Snap-On products. Indeed, the Agreement requires that Distributors must “promote aggressively and develop fully the sales of [Snap-On’s] Products at stops on the List of Calls.” Despite the integral nature of the work performed by the Distributors and Snap-On’s vast controls over them, Snap-On attempts to classify these workers as “independent contractors.”

3. By refusing to recognize Distributors as employees, Snap-On cheats these individuals out of protections provided by California law such as overtime pay and reimbursement of business expenses. Snap-On's misclassification of Distributors also robs the State of important employee tax revenue and gives Snap-On an undue advantage over law-abiding competitors who bear the necessary expenses associated with employing similar workers.

4. This Representative Action seeks civil penalties under the California Private Attorneys General Act (“PAGA”) for violations of California’s Labor Code on behalf of Plaintiffs, the State of California, and all similarly-aggrieved employees in California.

JURISDICTION & VENUE

5. This Court has subject matter jurisdiction to hear this case because the civil penalties sought herein resulting from Snap-On's conduct exceeds the jurisdictional minimum of this Superior Court.

6. Venue is proper pursuant to Code of Civil Procedure, sections 395 and 395.5, among other sections. The wrongful conduct and liability complained of in this Class Action Complaint arose, at least in part, in this County as some of the transactions that are the subject of this lawsuit occurred here and Defendant has conducted and continues to conduct business in this County. Specifically, Defendant employs aggrieved Distributor employees in this County and fails to comply with the Labor Code and Wage Orders relating to those same workers.

PARTIES

7. Mr. Young is and at all relevant times was a resident of California. He worked as a Distributor for Snap-On in California from March 2019 until approximately February 2025.

8. Mr. Grenas is and at all relevant times was a resident of California. He worked as a Distributor for Snap-On in California from 2022 until approximately June 2025.

9. Mr. De La Pena is and at all relevant times was a resident of California. He worked as a Distributor for Snap-On in California.

10. Defendant Snap-On Tools Company, LLC is a Delaware limited liability company with its principal place of business in Kenosha, Wisconsin. On information and belief, it is authorized to carry out and does carry out business in this County and is subject to personal jurisdiction in this County. On information and belief, Defendant contracts with misclassified “independent contractor” Distributors who work and reside in this County and are members of the proposed Class (defined below). Defendant also employs “managers” and other employees in this County to oversee the work carried out by Distributors.

11. Plaintiffs do not know the true names and/or capacities, whether individual, partners, or corporate, of the Defendants sued herein as DOES 1 through 100, inclusive, and for that reason sues said Defendants under fictitious names. Plaintiffs will seek leave to amend this Complaint when the true names and capacities of these Defendants have been ascertained. Plaintiffs are informed and believe and thereon allege that these Defendants are responsible in whole or in part for Plaintiffs’ alleged damages.

12. At all times mentioned, Defendants were the agents, alter egos, servants, joint venturers, joint employers, or employees for each other. Defendants acted with the consent of the other Co-Defendants and acted within the course, purpose, and scope of their agency, service, or employment. All conduct was ratified by Defendants, and each of them.

GENERAL ALLEGATIONS

A. Snap-On’s Business Model

13. Snap-On manufactures and distributes tools and related products like toolboxes and service equipment (“Products”). It sells Products to mechanics, technicians, and other service

professionals as well as businesses providing these services.

14. One non-exclusive avenue through which Snap-On distributes its products is through mobile Distributors operating Snap-On Trucks like Plaintiffs. These Distributors must purchase and operate a mobile vehicle (or mobile store) stocked with Products within a Snap-On-assigned geographic territory or route. Snap-On heavily controls the mobile store and its appearance. The mobile store may only be used for the operation of the distributorship and may not be altered without Snap-On's express approval. The mobile store and the Franchisee's uniform—which they pay for—must display the Snap-On brand and marks.

15. On information and belief, Snap-On also has company trucks and routes where an employee for Snap-On (i.e. an individual Snap-On appropriately classifies as an employee) carries out the same services that Distributors carry out.

16. Snap-On also sells and distributes its products through non-mobile channels like eCommerce (i.e., online) and commercial sales representatives (that Snap-On recognizes as employees). These other sales channels provide Products to the same type of clients Distributors service and also sell to “industrial users, railroads, manufacturers, central purchasing offices, government installations and institutions (including schools),” among others. In short, Distributors carry out one among many sales and distribution avenues within Snap-On's tool sale and distribution operation.

B. Snap-On Misclassified Distributors

17. Snap-On strictly controls and regulates Distributors. Distributors must follow the terms of Snap-On's onerous Agreement and Snap-On's Confidential Franchise Operations Manual, along with other written instructions from Snap-On. Under these operating requirements and standards, Distributors must make weekly in-person customer sales calls to Snap-On's List of Calls at their worksites, make customer deliveries, maintain Snap-On's inventory levels, maintain minimum purchase requirements, provide post-purchase product support and maintenance, meet Snap-On's collection requirements, and use Snap-On's required computer programs, among other things. Snap-On broadly reserves its rights to impose new or modified requirements on Distributors.

1 18. Being a Distributor is a full-time job. Snap-On requires that Distributors personally¹
2 work full-time and “devote full business attention and efforts” to “aggressively” promote, market,
3 and increase the sale of Products as well as Snap-On’s customer base, as well as providing the service
4 expected by Snap-On customers. This includes Distributors being personally responsible for all
5 sales, collections, inventory management, and other aspects of the distributorship. Distributors
6 cannot outsource these responsibilities without Snap-On’s approval.

7 19. Snap-On controls both the List of Calls Distributors must service and the customers
8 that may be added to a Distributor’s territory. Snap-On reserves the right to add to or modify this list
9 at its sole discretion. Snap-On requires Distributors to only sell Products to those on the Distributor’s
10 assigned list of stops.

11 20. Additionally, subject to very limited exceptions, Distributors may only carry Snap-
12 On’s products.

13 21. Snap-On likewise reserves the right to set the price of Products sold to Distributors.
14 Snap-On also functionally sets the price of Products that end-purchasers pay based on Snap-On
15 online catalogs, flyers, and the Snap-On website where Products can be purchased directly from
16 Snap-On, or otherwise reflect Snap-On’s “suggested retail prices” for the Products. This has the
17 effect of controlling what Distributors can earn from Product sales.

18 22. Snap-On provides mandatory training for Distributors before and after they are hired,
19 including a ten-day classroom-based training course in Grapevine, Texas, and at least three weeks
20 of mandatory “ride-alongs” with a district manager to ensure that Distributors adhere to Snap-On’s
21 required customer service guidelines and other standards. During this training, Snap-On evaluates
22 and coaches Distributors on sales, collections, product knowledge, product display, vehicle
23 appearance, time management, and their business administration skills, among other things. Snap-
24 On rates the Distributors in these areas and makes plans for follow-up and improvement. It also
25 reserves the right to amend or modify Distributor training.

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28 ¹ While some Distributors may incorporate or sign the Agreement as a business entity, these individuals remain personally responsible for carrying out the obligations set forth in the Agreement. In short, no matter how it is styled, the Agreement requires full-time, best efforts from a natural person.

1 23. Distributors also have “managers” in their district/region and when they undergo
2 training. These managers are responsible for ensuring proper, compliant performance by the
3 Distributors. The managers are employees of Snap-On. They review highly detailed information
4 relating to sales, collections, and general performance by Distributors and provide feedback and
5 correction relating to these metrics.

6 24. On information and belief, in addition to training, Distributors must attend regular in-
7 person sales meetings or supplemental training hosted by Snap-On, and Snap-On reserves the right
8 to charge a tuition or attendance fee for such supplemental training.

9 25. Distributors’ performance obligations do not end at making sales to Snap-On’s List
10 of Calls. Distributors also facilitate delivery of products and process customer returns. Likewise,
11 they carry out and fulfill Snap-On’s warranty and repair obligations on Products sold to customers
12 in their territory. Snap-On broadly reserves its right to amend or modify its repair and warranty
13 promises to customers that Distributors must carry out. No compensation is paid for these non-sales-
14 based services.

15 26. Distributors sign contracts with Snap-On for a 10-year term (subject to renewal) that
16 purport to classify Distributors as independent contractors.

17 27. Snap-On broadly reserves the right to terminate Distributors. For example, Snap-On
18 may terminate a Franchisee for selling to customers that are not on Snap-On’s list of customers, even
19 if the customer is within the Franchisee’s territory. Snap-On may terminate a Distributor for failing
20 to call on every customer at stops on the List of Calls at least once a week. Snap-On can also
21 terminate a Franchisee for failing to transmit business records weekly to Snap-On using Snap-On
22 mandated business software. It can also terminate Distributors for generally failing to use their “best
23 efforts to promote aggressively and develop fully the sales of Products at stops on the List of Calls.”

24 28. Snap-On uses individuals it recognizes as employees to operate some mobile tools
25 stores or “company stores.” These individuals perform very similar work as Distributors but enjoy
26 the benefits of being classified as an employee under state and federal law.

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1 **C. Snap-On’s Illegal Deductions and Failure to Reimburse**

2 29. Distributors pay for the right to work for Snap-On. On information and belief, this
3 includes, but is not limited to, paying a non-refundable \$15,000 “initial fee” upon becoming a
4 Franchisee, paying a non-refundable monthly license fee, paying for the cost of attending training in
5 Texas, paying to “restock” returned Products that are not purchased and/or are returned by Snap-
6 On’s customers, and paying for shipping and handling of Products.

7 30. Distributors also shoulder many other unreimbursed business expenses for Snap-On
8 including but not limited to fuel/mileage, travel and meals, clothing and uniforms, the computer
9 system required to run Snap-On’s mandatory business software, mobile distributorship truck
10 payments, and business, vehicle, and health insurance. Snap-On is well aware of these expenses and,
11 on information and belief, tracks them through form documents.

12 **D. Snap-On’s Failure to Comply with California Wage and Hour Laws**

13 31. As explained further below, as a result of its unlawful misclassification, Snap-On
14 fails to provide Distributors overtime pay, fails to make meal and rest breaks available to
15 Distributors, and fails to provide Distributors compliant wage statements in violation of California
16 law.

17 **CAUSES OF ACTION**

18 **FIRST CAUSE OF ACTION**

19 **Civil Penalties Under Labor Code Private Attorneys General Act**
20 **Labor Code §§ 2699 et seq.**
21 **Representative Action By Plaintiffs for Penalties**

22 32. Snap-On employed Plaintiffs through the end of their tenure with the company
23 despite Defendant’s attempt to disclaim an employment relationship.

24 33. Plaintiffs suffered the above-enumerated Labor Code violations in addition to being
25 willfully misclassified through the end of his tenure with Snap-On. As such he is an “aggrieved
26 employee” with standing to pursue claims under PAGA, the Private Attorneys General Act of 2004,
27 California Labor Code § 2698 et seq. *See* Labor Code, § 2699(c).
28

1 34. PAGA permits “aggrieved employees” like Plaintiffs to pursue penalties for
2 violations of the Labor Code that occurred against themselves and other employees like the other
3 Distributor workers that Snap-On employs.

4 35. Plaintiffs seek to recover penalties under PAGA for the Labor Code violations that
5 occurred and are occurring against himself and other Snap-On Distributors. To the extent Plaintiffs
6 are compelled to arbitrate the “individual PAGA claims” or other Labor Code violations that
7 occurred against him, he continues to seek penalties for the “non-individual PAGA claims” that
8 occurred against other Distributors. As an aggrieved employee, he is entitled to seek all penalties
9 under PAGA individual and non-individual alike.

10 36. PAGA grants California employees the right to bring a civil action for the violation
11 of any provision of the Labor Code on behalf of themselves and other current or former employees
12 in order to recover civil penalties. PAGA is intended to assist in the achievement of maximum
13 compliance with state labor laws by empowering aggrieved employees to act as private attorneys
14 general in order to recover civil penalties for Labor Code violations that would otherwise be
15 prosecuted by the state. *See Arias v. Super. Ct.* (2009) 46 Cal. 4th 969, 980.

16 37. PAGA permits an aggrieved employee to collect the civil penalty authorized by law
17 and normally collectible by the California Labor and Workforce Development Agency. To address
18 violations for which no penalty has been established, § 2699(f) creates a private right of action for
19 aggrieved employees and a default penalty in the amount of \$100 for each aggrieved employee per
20 pay period for the initial violation, and \$200 for each aggrieved employee per pay period for each
21 subsequent violation. See Cal. Lab. Code § 2699(f).

22 38. Plaintiffs hereby seek to collect these civil penalties for the above-described Labor
23 Code violations, including:

- 24 i. Under California Labor Code § 2699(f)(2), a civil penalty of one hundred
25 dollars (\$100) for Plaintiffs and each aggrieved employee per pay period for
26 the initial violation of Labor Code § 2802, for failure to indemnify employees
27 for business expenses, and two hundred dollars (\$200) for Plaintiffs and each
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aggrieved employee per pay period for each subsequent violation of Labor Code § 2802.

ii. Under California Labor Code § 2699(f)(2), a civil penalty of one hundred dollars (\$100) for Plaintiffs and each aggrieved employee per pay period for the initial violation of Labor Code § 221, for withholding or collecting wages from employees, and two hundred dollars (\$200) for Plaintiffs and each aggrieved employee per pay period for each subsequent violation of Labor Code § 221.

iii. Under California Labor Code § 558, a civil penalty of fifty dollars (\$50) for Plaintiffs and each aggrieved employee per pay period for the initial violation of Labor Code § 510 for Defendants' failure to pay overtime premiums, and one hundred dollars (\$100) for Plaintiffs and each aggrieved employee per pay period for each subsequent violation of Labor Code § 510.

iv. Under California Labor Code § 2699(f)(2), a civil penalty of one hundred dollars (\$100) for Plaintiffs and each aggrieved employee per pay period for the initial violation of Labor Code § 226.7 for failing to provide meal periods, and two hundred dollars (\$200) for Plaintiffs and each aggrieved employee per pay period for each subsequent violation of Labor Code § 226.7 for failing to provide meal periods.

v. Under California Labor Code § 2699(f)(2), a civil penalty of one hundred dollars (\$100) for Plaintiffs and each aggrieved employee per pay period for the initial violation of Labor Code § 226.7 for failing to provide rest periods, and two hundred dollars (\$200) for Plaintiffs and each aggrieved employee per pay period for each subsequent violation of Labor Code § 226.7 for failing to provide rest periods.

vi. Under California Labor Code § 226.3, which provides for civil penalties for violations of California Labor Code § 226(a), a civil penalty of two hundred fifty dollars (\$250) for Plaintiffs and each aggrieved employee for the first

violation, and one thousand dollars (\$1,000) for Plaintiffs and each aggrieved employee for each subsequent violation of Labor Code § 226(a) for failure to provide timely, accurate, itemized wage statements.

vii. Under California Labor Code § 203 (or § 2699(f)(2) if by default), a civil penalty for each terminated aggrieved employee who was not paid all wages when due upon termination in the amount of 30 days of that employees' daily wages.

viii. Under California Labor Code § 226.8, a civil penalty of not less than five thousand dollars (\$5,000) and not more than fifteen thousand dollars (\$15,000) for each violation against Plaintiff and each aggrieved employee, and if the court finds that Defendants have engaged in a pattern or practice of violation of § 226.8(a), 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.

ix. Under California Labor Code § 2699(f)(2), a civil penalty of one hundred dollars (\$100) for Plaintiffs and each aggrieved employee per pay period for the initial violation of Labor Code § 450, for compelling or coercing Plaintiff and Class Members to patronize Defendants in the purchase of a thing of value, and two hundred dollars (\$200) for Plaintiffs and each aggrieved employee per pay period for each subsequent violation of Labor Code § 450.

39. Additionally, as a result of violations under California Labor Code § 226.8(a), Plaintiffs request that the Court order Defendants to take certain steps to notify employees and the general public of the determination that they have violated § 226.8, pursuant to § 226.8(e).

40. California Labor Code § 2699(g) further provides that any employee who prevails in an action for civil penalties is entitled to an award of reasonable attorneys' fees and costs. Plaintiffs hereby seek to recover attorneys' fees and costs under this fee and cost-shifting statute.

41. On July 1, 2025, pursuant to California Labor Code § 2699.3, Plaintiffs sent notice by certified mail to the Labor and Workforce Development Agency (LWDA) and Defendants of the

specific provisions of the Labor Code that have been violated, including the facts and theories to support the violations. The LWDA received this notice on the same day. The sixty-five-day time limit for the agency to respond has expired, such that Plaintiffs have exhausted their administrative remedies.

PRAYER FOR RELIEF

Plaintiffs pray for judgment against Defendants, as follows:

1. For civil penalties according to proof;
2. For costs of suit;
3. For reasonable attorneys' fees and costs; and
4. For such other and further relief as this Court may deem just and proper.

DEMAND FOR JURY TRIAL

Plaintiffs demand a trial by jury.

Respectfully submitted:

Dated: February 10, 2026

NICHOLAS & TOMASEVIC, LLP

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