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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN JOAQUIN**

YOLUNDRIA ROOKS, individually, and on
behalf of the State of California and other
aggrieved persons,

Plaintiff,

v.

HOT CAKES RESTAURANT GROUP INC.
DBA DENNY'S, a California corporation; and
DOES 1 through 10, inclusive,

Defendants.

STK-CV-VUE-2023- 8840

Case No.

**PAGA REPRESENTATIVE ACTION
COMPLAINT:**

1. Civil Penalties Under PAGA [Cal. Lab.
Code § 2699, et seq.]

Plaintiff Yolundria Rooks (“Plaintiff”), on information and belief, alleges as follows:

INTRODUCTION & PRELIMINARY STATEMENT

1. Plaintiff brings this action individually, and on behalf of the State of California and other aggrieved persons, against Defendants Hot Cakes Restaurant Group Inc. dba Denny’s, and DOES 1 through 10 (collectively referred to as “Defendants”) for civil penalties under the Private Attorneys General Act of 2004, California Labor Code §§ 2698 *et seq.* (“PAGA”) stemming from Defendants’ failure to pay for all hours worked (minimum, straight time, and overtime wages), failure to provide meal periods, failure to authorize and permit rest periods, failure to pay all earned wages twice per month, failure to maintain accurate records of hours worked and meal periods, failure to timely pay final wages, failure to furnish accurate wage statements, and failure to indemnify employees for expenditures.

2. For over 50 years, California’s courts and Legislature have recognized that this State’s wage-and-hour laws serve a compelling public interest of fostering a stable job market. Wages are not ordinary debts. Because of the economic position of the average worker and his or her family, it is essential to the public welfare that employers obey the wage-and-hour laws so that employees are promptly paid the minimum/overtime wages that the Legislature has required for employees. So fundamental are California’s wage-and-hour laws that the Legislature has criminalized certain types of violations. In extending extra protection to deter violations of these underlying statutes—since Plaintiff is not seeking general and/or special damages, restitution, or other damages other than civil penalties—California has enacted PAGA to permit an individual to bring an action for PAGA penalties only, which is the precise and sole nature of this action.

3. All California employees during the relevant period who are or were harmed by Defendants’ illegal practices are “Aggrieved Employees.” The Aggrieved Employees worked for Defendants as hourly-paid or non-exempt employees within the applicable period.

4. Plaintiff brings this action against Defendants seeking only to recover penalties on behalf of Plaintiff individually, on behalf of all Aggrieved Employees that worked for Defendants, and on behalf of the State of California. Plaintiff does not seek to recover anything other than penalties as permitted by California Labor Code Section 2699 at this time. To the extent that

1 statutory violations are mentioned for wage violations, Plaintiff does not seek underlying general
2 and/or special damages for those violations, but simply penalties as permitted by California Labor
3 Code Section 2699, declaratory relief, and injunctive relief for Plaintiff individually, and all
4 Aggrieved Employees as permitted by the PAGA.

5 5. Defendants owns/owned and operates/operated an industry, business, and
6 establishment within the State of California, including San Joaquin County. As such and based
7 upon all the facts and circumstances incident to Defendants' businesses in California, Defendants
8 are subject to the California Labor Code, Wage Orders issued by the Industrial Welfare
9 Commission ("IWC"), and the California Business & Professions Code.

10 6. On information and belief, Defendants were on actual and constructive notice of the
11 improprieties alleged herein and intentionally refused to rectify Defendants' unlawful practices.
12 Defendants' violations, as alleged above, during all relevant times herein were willful and
13 deliberate.

14 7. At all relevant times, Defendants were and are legally responsible for all of the
15 unlawful conduct, patterns, practices, acts and omissions as described in each and all of the
16 foregoing paragraphs as the employer of Plaintiff and the Aggrieved Employees. Further,
17 Defendants are responsible for each of the unlawful acts or omissions complained of herein under
18 the doctrine of "respondeat superior."

19 **THE PARTIES**

20 **A. Plaintiff**

21 8. Plaintiff Yolundria Rooks is a resident of Stockton, California who worked for
22 Defendants in San Joaquin County, California as an hourly-paid, non-exempt employee from
23 approximately June 2015 to sometime in 2017, and from approximately July 2021 to approximately
24 October 2022.

25 **B. Defendants**

26 9. Plaintiff is informed and believes, and based upon that information and belief
27 alleges, that Defendant Hot Cakes Restaurant Group Inc. dba Denny's is, and at all times herein
28 mentioned, was:

- 1 (a) A business entity conducting business in numerous counties throughout the
2 State of California, including San Joaquin County; and,
- 3 (b) The former employer of Plaintiff, and the current and/or former employer of
4 Aggrieved Employees, because Defendant Hot Cakes Restaurant Group Inc.
5 dba Denny's suffered and permitted Plaintiff and Aggrieved Employees to
6 work; and/or controlled their wages, hours, or working conditions; and or
7 engaged Plaintiff and Aggrieved Employees, thereby creating a common law
8 employment relationship.

9 10. Plaintiff does not know the true names or capacities of the persons or entities sued
10 herein as Does 1-10, inclusive, and therefore sues said Defendants by such fictitious names. Each
11 of the Doe Defendants were in some manner legally responsible for the damages suffered by
12 Plaintiff and the Aggrieved Employees as alleged herein. Plaintiff will amend this complaint to set
13 forth the true names and capacities of these Defendants when they have been ascertained, together
14 with appropriate charging allegations, as may be necessary.

15 11. At all times mentioned herein, the Defendants named as Does 1-10, inclusive, and
16 each of them, were residents of, doing business in, availed themselves of the jurisdiction of, and/or
17 injured a significant number of the Plaintiff and the Aggrieved Employees in the State of
18 California.

19 12. Plaintiff is informed and believes and thereon alleges that at all relevant times each
20 Defendant, directly or indirectly, or through agents or other persons, employed Plaintiff and the
21 other employees and exercised control over their wages, hours, and working conditions. Plaintiff
22 is informed and believes and thereon alleges that, at all relevant times, each Defendant was the
23 principal, agent, partner, joint venturer, officer, director, controlling shareholder, subsidiary,
24 affiliate, parent corporation, successor in interest and/or predecessor in interest of some or all of
25 the other Defendants, and was engaged with some or all of the other Defendants in a joint enterprise
26 for profit, and bore such other relationships to some or all of the other Defendants so as to be liable
27 for their conduct with respect to the matters alleged below. Plaintiff is informed and believes and
28 thereon alleges that each Defendant acted pursuant to and within the scope of the relationships

1 alleged above, that each Defendant knew or should have known about, and authorized, ratified,
2 adopted, approved, controlled, aided and abetted the conduct of all other Defendants.

3 **ALLEGATIONS COMMON TO ALL CAUSES OF ACTION**

4 13. Plaintiff worked for Defendants in San Joaquin County, California as an hourly-
5 paid, non-exempt employee from approximately June 2015 to sometime in 2017, and from
6 approximately July 2021 to approximately October 2022. At all times, Defendants paid Plaintiff
7 an hourly wage and classified Plaintiff as non-exempt from overtime.

8 14. Throughout Plaintiff's employment, Defendants committed numerous labor code
9 violations under state law. As discussed below, Plaintiff's experience working for Defendants was
10 typical and illustrative.

11 **A. Failure to Pay for All Hours Worked, Including Minimum, Straight Time,**
12 **and Overtime Wages**

13 15. Under California law, an employer must pay for all hours worked by an employee.
14 "Hours worked" is the time during which an employee is subject to the control of an employer and
15 includes all the time the employee is suffered or permitted to work, whether or not required to do
16 so.

17 16. Labor Code § 510 provides that employees in California shall not be employed more
18 than eight hours in any workday or forty (40) hours in a workweek unless they receive additional
19 compensation beyond their regular wages in amounts specified by law.

20 17. Labor Code §§ 1194 and 1198 also provide that employees in California shall not
21 be employed more than eight hours in any workday unless they receive additional compensation
22 beyond their regular wages in amounts specified by law. Additionally, Labor Code § 1198 states
23 that the employment of an employee for longer hours than those fixed by the IWC is unlawful.

24 18. Throughout the statutory period, Defendants maintained a pattern and practice of
25 not paying Plaintiff and the Aggrieved Employees for all hours worked, including minimum wages,
26 straight time, and overtime wages. Defendants required Plaintiff and the Aggrieved Employees to
27 work "off-the-clock," uncompensated, by, for example, requiring Plaintiff and the Aggrieved
28 Employees to perform work during uncompensated meal periods and/or requiring Plaintiff and the

1 Aggrieved Employees to perform work after clocking out for the workday. Some of this unpaid
2 work should have been paid at the overtime rate. In failing to pay for all hours worked, Defendants
3 also failed to maintain accurate records of the hours Plaintiff and the Aggrieved Employees
4 worked.

5 **B. Failure to Provide Meal Periods**

6 19. Under California law, employers have an affirmative obligation to relieve
7 employees of all duty in order to take their first 30-minute, duty-free meal periods no later than the
8 end of the fifth hour of work in a workday, and to allow employees to take their second 30-minute
9 meal period no later than the end of the tenth hour of work in a workday. Further, employees are
10 entitled to be paid one hour of additional wages for each workday they were not provided with a
11 required meal period(s).

12 20. Despite these legal requirements, Defendants wrongfully failed to provide Plaintiff
13 and the Aggrieved Employees with their legally mandated 30-minute, uninterrupted, and duty-free
14 meal period in a manner required by law. Defendants also continued to assert control over Plaintiff
15 and the Aggrieved Employees by, among other things, requiring, pressuring, or encouraging them
16 to perform work tasks which could not be completed without working in lieu of taking mandatory
17 meal periods, or by denying Plaintiff and the Aggrieved Employees permission to take a meal
18 period under the conditions required by law, and without properly compensating Plaintiff and the
19 Aggrieved Employees for meal periods that were not provided as required by law. Defendants also
20 never informed Plaintiff of Plaintiff's right to, nor permitted Plaintiff to take, a second meal period
21 when Plaintiff worked at least ten hours of work in a workday and otherwise unlawfully pressured
22 Plaintiff to waive such breaks. Accordingly, Defendants' pattern and practice was not to provide
23 meal periods to Plaintiff and the Aggrieved Employees in compliance with California law.

24 21. Plaintiff and the Aggrieved Employees are thus entitled to be paid one hour of
25 additional wages for each workday he or she was not provided with all required meal period(s).
26 Defendants, however, regularly failed to pay Plaintiff and the Aggrieved Employees the additional
27 wages to which they were entitled for meal periods that were not provided.
28

1 **C. Failure to Authorize and Permit Rest Breaks**

2 22. Employers are required by California law to authorize and permit breaks of ten
3 uninterrupted minutes for each four hours of work or major fraction of four hours (i.e. more than
4 two hours). Thus, for example, if an employee's work time is six hours and ten minutes, the
5 employee is entitled to two rest breaks. Each failure to authorize rest breaks as so required is itself
6 a violation of California's rest break laws.

7 23. Throughout the statutory period, Defendants have wrongfully failed to authorize
8 and permit Plaintiff and the Aggrieved Employees to take legally compliant rest periods in a
9 manner required by law. Defendants also regularly required Plaintiff and the Aggrieved Employees
10 to work in excess of four consecutive hours a day without Defendants authorizing and permitting
11 them to take a 10-minute, uninterrupted, duty-free rest period for every four hours of work (or
12 major fraction of four hours), and without properly compensating Plaintiff and the Aggrieved
13 Employees for rest periods that were not authorized or permitted. Instead, among other things,
14 Defendants continued to assert control over Plaintiff and the Aggrieved Employees by requiring,
15 pressuring, or encouraging them to perform work tasks which could not be completed without
16 working in lieu of taking mandatory rest periods, and by denying Plaintiff and the Aggrieved
17 Employees permission to take a rest period under the conditions required by law. Accordingly,
18 Defendants' pattern and practice was to not authorize and permit Plaintiff and the Aggrieved
19 Employees to take rest periods in compliance with California law.

20 24. Plaintiff and the Aggrieved Employees are thus entitled to be paid one hour of
21 additional wages for each workday he or she was not authorized and permitted to take all required
22 rest periods. Defendants, however, regularly failed to pay Plaintiff and the Aggrieved Employees
23 the additional wages to which they were entitled for rest periods and that they were not authorized
24 and permitted to take.

25 **D. Failure to Pay All Earned Wages Twice Per Month**

26 25. Based on Defendants' failure to pay Plaintiff and the Aggrieved Employees for all
27 wages as discussed above, Defendants also violated Labor Code § 204.

28 26. Labor Code § 204 requires employers to pay employees all earned wages two times

per month. Throughout the period applicable to this cause of action, employees were entitled to be paid twice a month at their regular rates, including all meal period premium wages owed, rest period premium wages owed, and wages owed for overtime hours worked. However, during all such times, Defendants systematically failed and refused to pay the employees all wages due, and failed to pay those wages twice a month, in that employees were not paid all wages for all meal periods not provided by Defendants, all wages for all rest periods not authorized and permitted by Defendants, and all wages for all hours worked. As a result, Defendants owe employees the legally required wages not paid, and Plaintiff and the Aggrieved Employees suffered damages in those amounts.

E. Failure to Maintain Accurate Records of Hours Worked and Meal Periods

27. Plaintiff seeks penalties under California Labor Code § 1174(d). Pursuant to California Labor Code § 1174.5, any person, including any entity, employing labor who willfully fails to maintain accurate and complete records required by California Labor Code § 1174 is subject to a penalty under § 1174.5. Pursuant to the applicable IWC Order § 7(A)(3), every employer shall keep time records showing when the employee begins and ends each work period. Meal periods and total hours worked daily shall also be recorded.

28. Defendants, however, failed to maintain accurate records of hours worked and all meal periods taken or missed by Plaintiff and the Aggrieved Employees.

29. Defendants' failure to provide and maintain records required by the California Labor Code and applicable IWC Wage Orders deprived Plaintiff and the Aggrieved Employees the ability to know, understand and question the accuracy and frequency of meal periods, and the accuracy of their hours worked stated in Defendants' records. Therefore, Plaintiff and the Aggrieved Employees had no way to dispute the resulting failure to pay wages, all of which resulted in an unjustified economic enrichment to Defendants. As a direct result, Plaintiff and the Aggrieved Employees have suffered and continue to suffer, substantial losses related to the use and enjoyment of such wages, lost interest on such wages and expenses and attorney's fees in seeking to compel Defendants to fully perform Defendants' obligation under state law, all to their respective damage in amounts according to proof at trial. As a result of Defendants' knowing failure to comply with

the California Labor Code and applicable IWC Wage Orders, Plaintiff and the Aggrieved Employees have also suffered an injury in that they were prevented from knowing, understanding, and disputing the wage payments paid to them.

F. Failure to Timely Pay All Wages at Termination

30. Labor Code §§ 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (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.

31. Within the applicable period, the employment of Plaintiff and many other Aggrieved Employees ended, i.e., was terminated by quitting or being discharged, and the employment of others will be terminated. However, during the relevant time period, Defendants failed, and continue to fail to pay Plaintiff and terminated Aggrieved Employees, without abatement, all wages required to be paid by Labor Code sections 201 and 202 either at the time of discharge, or within seventy-two (72) hours of their leaving Defendants' employment. These unpaid wages include wages for unpaid work time (including minimum, straight time, and overtime wages), missed meal period premium wages, and missed rest period premium wages.

32. Defendants' conduct violates Labor Code §§ 201 and 202. Labor Code § 203 provides that if an employer willfully fails to pay wages owed, in accordance with sections 201 and 202, then the wages of the employee shall continue as a penalty wage from the due date, and at the same rate until paid or until an action is commenced; but the wages shall not continue for more than thirty (30) days.

33. Accordingly, Plaintiff and the Aggrieved Employees are entitled to recover from Defendants their additionally accruing wages for each day they were not paid, at their regular hourly rate of pay, up to thirty (30) days maximum pursuant to Labor Code § 203.

1 **G. Failure to Furnish Accurate Itemized Wage Statements**

2 34. Labor Code § 226(a) provides that every employer shall furnish each of his or her
3 employees an accurate itemized wage statement in writing showing nine pieces of information,
4 including: (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-
5 rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all
6 deductions, provided that all deductions made on written orders of the employee may be aggregated
7 and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the
8 employee is paid, (7) the name of the employee and the last four digits of his or her social security
9 number or an employee identification number other than a social security number, (8) the name
10 and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect
11 during the pay period and the corresponding number of hours worked at each hourly rate by the
12 employee. An employee is presumed to suffer an injury if this information is missing. (Labor Code
13 § 226(e)(2)(B)(iii).)

14 35. The statute further provides: “An employee suffering injury as a result of a knowing
15 and intentional failure by an employer to comply with subdivision (a) is entitled to recover the
16 greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation
17 occurs and one hundred dollars (\$100) per employee for each violation in a subsequent pay period,
18 not to exceed an aggregate penalty of four thousand dollars (\$4,000), and is entitled to an award
19 of costs and reasonable attorney’s fees.” (Labor Code § 226(e)(1).)

20 36. Throughout the statutory period, Defendants failed to furnish Plaintiff and the
21 Aggrieved Employees with accurate, itemized wage statements showing all applicable hourly rates,
22 and all gross and net wages earned (including correct hours worked, correct wages for meal periods
23 that were not provided in accordance with California law, and correct wages for rest periods that
24 were not authorized and permitted to take in accordance with California law). Because Defendants
25 violated Labor Code § 226, Plaintiff and similarly Aggrieved Employees suffered injury and
26 damage to their statutorily protected rights. Accordingly, Plaintiff and similarly Aggrieved
27 Employees are entitled to recover damages from Defendants including the greater of their actual
28 damages caused by Defendants’ failure to comply with Labor Code § 226(a), or an aggregate

1 penalty not exceeding four thousand dollars (\$4,000) dollars per employee, or as otherwise
2 permitted by PAGA based upon all bases of liability.

3 **H. Failure to Indemnify for Necessary Expenditures**

4 37. Labor Code § 2802(a) provides that employers shall indemnify their employees for
5 all necessary business expenditures or losses that have been incurred by the employees in direct
6 discharge of his or her duties. Throughout the period applicable to this cause of action, Defendants
7 wrongfully required Plaintiff and the Aggrieved Employees to pay expenses that they incurred in
8 direct discharge of their duties for Defendants. Plaintiff and the Aggrieved Employees regularly
9 paid out-of-pocket for necessary employment-related expenses, including, without limitation, work
10 attire, cell phone expenses and mileage. Plaintiff and the Aggrieved Employees incurred
11 substantial expenses as a direct result of performing their job duties for Defendants, but Defendants
12 failed to indemnify Plaintiff and the Aggrieved Employees for these employment-related expenses.

13 38. As a result, Defendants are liable to Plaintiff and the Aggrieved Employees for the
14 civil penalties provided for in Labor Code §§ 2802 and 2699(f)(2) for failing to indemnify Plaintiff
15 and the Aggrieved Employees for necessary business expenditures.

16 **FIRST CAUSE OF ACTION**

17 **(By All Plaintiffs Against All Defendants for Civil Penalties Under the Private Attorneys**
18 **General Act of 2004, Cal. Lab. Code § 2698 et seq.)**

19 39. Plaintiff incorporates by reference and re-alleges all preceding paragraphs as though
20 fully set forth herein.

21 40. At all times herein mentioned, Defendants were subject to the Labor Code of the
22 State of California and the applicable IWC Orders.

23 41. California Labor Code § 2699(a) specifically provides for a private right of action
24 to recover penalties for violations of the Labor Code: “Notwithstanding any other provision of law,
25 any provision of this code that provides for a civil penalty to be assessed and collected by the Labor
26 and Workforce Development Agency or any of its departments, divisions, commissions, boards,
27 agencies, or employees, for a violation of this code, may, as an alternative, be recovered through a
28

civil action brought by an aggrieved employee on behalf of herself or himself and other current or former employees pursuant to the procedures specified in Section 2699.3.”

42. Plaintiff Yolundria Rooks gave written notice by online filing pursuant to California Labor Code § 2699.3 to the Labor and Workforce Development Agency and by certified mail to Defendants of the specific provisions of the Labor Code that Defendants have violated against Plaintiff and current and former aggrieved employees, including the facts and theories to support the violations. Plaintiff also paid the filing fee. Plaintiff’s PAGA case number is LWDA-CM-933799-23 (Yolundria Rooks v. Hot Cakes Restaurant Group, Inc. dba Denny’s). The Labor and Workforce Development Agency has not indicated that it intends to investigate Defendants’ Labor Code violations discussed in the notice. Plaintiff hereby commences a civil action to recover penalties under Labor Code § 2699 pursuant to § 2699.3 for the violations of the Labor Code described in this Complaint. These penalties include, but are not limited to, penalties under California Labor Code §§ 210, 226.3, 1174.5, 1197.1, and 2699.

43. Based on the conduct described in this Complaint, Plaintiff is entitled to an award of civil penalties individually, on behalf of the State of California and similarly Aggrieved Employees of Defendants. The exact amount of the applicable penalties, in all, is in an amount to be shown according to proof at trial. These penalties are in addition to all other remedies permitted by law.

44. In addition, Plaintiff seeks an award of reasonable attorneys’ fees and costs pursuant to Labor Code § 2699(g)(1), which states, “Any employee who prevails in any action shall be entitled to an award of reasonable attorney’s fees and costs.”

PRAYER FOR RELIEF

Plaintiff, individually, and on behalf of the State of California, and on behalf of all similarly aggrieved employees, prays for relief and judgment against Defendants, jointly and severally, as follows:

1. That the Court declare, adjudge and decree that Defendants violated the California Labor Code by failing to pay for all hours worked (minimum, straight time, and overtime wages), failing to provide meal periods, failing to authorize and permit rest periods, failing to pay all earned

1 wages twice per month, failing to maintain accurate records of hours worked and meal periods,
2 failing to timely pay final wages, failing to furnish accurate wage statements, and failing to
3 indemnify for necessary expenditures;

4 2. An award of civil penalties on behalf of Plaintiff, individually, and on behalf of the
5 State of California, and all similarly aggrieved employees pursuant to PAGA;

6 3. Pre-judgment and post-judgment interest at the maximum rate allowed;

7 4. Attorneys' fees and costs reasonably incurred;

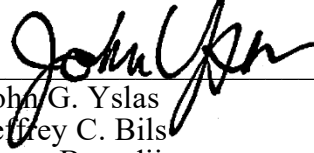
8 5. Injunctive and declaratory relief to the extent allowed by PAGA; and,

9 6. Such other and further relief that the Court deems proper.
10

11 Respectfully submitted,

12 Dated: August 15, 2023

WILSHIRE LAW FIRM

13
14 By: 

15 John G. Yslas
16 Jeffrey C. Bils
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Andrew Sandoval

17 Attorneys for Plaintiff
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