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of herself and others similarly situated

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

STEPHANIE J. FAN, an individual, on behalf of
herself and others similarly situated,

Plaintiff,

vs.

CATHOLIC CHARITIES CYO OF THE
ARCHDIOCESE OF SAN FRANCISCO, a
California Nonprofit Corporation; and DOES 1
through 50, inclusive,

Defendants.

Case No.:

CLASS ACTION

Assigned for All Purposes To:

Hon.

Dept.:

CLASS ACTION COMPLAINT FOR:

1. Failure to Pay Minimum Wages;
2. Failure to Pay Wages and Overtime Under Labor Code § 510;
3. Meal Period Liability Labor Code § 226.7;
4. Rest-Break Liability Labor Code § 226.7;
5. Violation of Labor Code § 226;
6. Failure to Maintain Records Required under Labor Code §§ 1174, 1174.5;
7. Violation of Labor Code § 204;
8. Violation of Labor Code § 203;
9. Violation of Labor Code § 221;
10. Failure to Reimburse Necessary Business Expenses under Labor Code § 2802; and
11. Violation of Business & Professions Code § 17200 *et seq.*

DEMAND FOR JURY TRIAL

1 Plaintiff STEPHANIE J. FAN (hereinafter “Plaintiff”), on behalf of herself and other similarly
2 situated non-exempt, hourly employees employed during the relevant period by Defendants in
3 California (collectively, “Employees”; individually, “Employee”), complains of Defendants, and
4 each of them, as follows:

5 **INTRODUCTION**

6 1. Plaintiff brings this action on behalf of herself and all current and former Employees
7 within the State of California who, at any time from four years prior to the filing of this lawsuit, are
8 or were employed as non-exempt, hourly Employees, including those employed as case managers and
9 in similar and related positions, by Defendant CATHOLIC CHARITIES CYO OF THE
10 ARCHDIOCESE OF SAN FRANCISCO, a California Nonprofit Corporation, and DOES 1 through
11 50 (all defendants referred to collectively as “Defendants”). Plaintiff alleges that Defendants, and
12 each of them, violated various provisions of the California Labor Code, relevant orders of the
13 Industrial Welfare Commission (“IWC”), and the California Business & Professions Code, and seeks
14 redress for these violations.

15 2. Plaintiff and the Class Members were employed as hourly, non-exempt Employees by
16 Defendants in positions generally pertaining to providing comprehensive human services, such as
17 social services and community-based support services, to Defendants’ clients experiencing
18 homelessness, inequality, aging in isolation, immigration challenges, and other barriers. Plaintiff, and
19 upon information and belief the other similarly situated Employees in the Class, were required to
20 perform work tasks based out of Defendants’ nonprofit centers in San Francisco, California. Plaintiff
21 was employed by Defendants as a case manager in the Housing Support Services division and
22 Defendants tasked her with duties that included handling incoming calls, completing client intakes,
23 and updating case information in the system; and assisting families experiencing homelessness in San
24 Francisco by connecting them with shelters, housing opportunities, and community resources.

25 3. Defendants employed other similarly situated Employees as case managers, and in
26 similar and related positions, to assist Defendants’ clients throughout San Francisco, California.
27 Plaintiff and the other similarly situated Class Members worked at Defendants’ behest without being
28 paid all wages due and without being provided all required breaks. More specifically, Plaintiff and

1 the other similarly situated Class Members were employed by Defendants and shared similar job
2 duties and responsibilities, were subjected to the same policies and practices, and endured similar
3 violations at Defendants' hands.

4 4. Defendants required Plaintiff and the Employees in the Class to work off-the-clock,
5 but Defendants failed to accurately record the hours they were on the clock, failed to pay them at the
6 appropriate rates for all hours worked, failed to pay all wages due and owing at termination or
7 resignation, and failed to provide Plaintiff and Class Members with accurate itemized wage
8 statements. Defendants also failed to provide Plaintiff and the Class Members with lawful meal and
9 rest periods, as Employees were required to remain under Defendants' control and were not provided
10 with the opportunity to take full uninterrupted and duty-free rest periods and meal breaks, as required
11 by the Labor Code and the applicable paragraphs of the IWC Wage Orders.

12 5. Defendant CATHOLIC CHARITIES CYO OF THE ARCHDIOCESE OF SAN
13 FRANCISCO ("CCSF") is a California nonprofit corporation which lists its principal address in San
14 Francisco, California with the California Secretary of State. The wage statements issued to Plaintiff
15 list "CATHOLIC CHARITIES" as her employer with the same address in San Francisco, California
16 as CCSF, and upon information and belief the wage statements Defendants issued to the other Class
17 members listed the same employer and address. CATHOLIC CHARITIES SAN FRANCISCO's
18 website claims to be "one of the largest, most comprehensive human services agencies in Northern
19 California reaching more than 70,000 people annually in San Francisco, San Mateo, and Marin
20 Counties. We are an integral part of our communities and play a role in keeping our neighborhoods
21 diverse, productive, safe, and healthy through more than 30 programs and social justice advocacy."

22 6. This Court has jurisdiction over this Action pursuant to California Code of Civil
23 Procedure § 410.10 and California Business & Professions Code § 17203. This Action is brought as
24 a Class Action on behalf of similarly situated Employees of Defendants pursuant to California Code
25 of Civil Procedure § 382. Venue as to Defendants is also proper in this judicial district pursuant to
26 California Code of Civil Procedure § 395 *et seq.* Upon information and belief, the obligations and
27 liabilities giving rise to this lawsuit occurred, at least in part in San Francisco County, as Defendants
28 employ or employed Plaintiff and the Class Members at facilities and centers there.

7. The true names and capacities, whether individual, corporate, associate, or whatever else, of the Defendants sued herein as Does 1 through 50, inclusive, are currently unknown to Plaintiff, who therefore sues these Defendants by such fictitious names under Code of Civil Procedure § 474. Plaintiff is informed and believes and thereon alleges that Defendants designated herein as Does 1 through 50, inclusive, and each of them, are legally responsible in some manner for the unlawful acts referred to herein. Plaintiff will seek leave of court to amend this Complaint to reflect the true names and capacities of the Defendants designated herein as Does 1 through 50 when their identities become known.

8. Plaintiff is informed and believes and thereon alleges that each Defendant acted in all respects pertinent to this action as the agent of the other Defendants, that Defendants carried out a joint scheme, business plan, or policy in all respects pertinent hereto, and that the acts of each Defendant are legally attributable to the other Defendants. Furthermore, Defendants acted in all respects as the employers or joint employers of Employees. Defendants, and each of them, exercised control over the wages, hours or working conditions of Employees, created and implemented the policies and practices that governed the employment of Plaintiff and the Class Members and dictated their job duties and responsibilities, or otherwise suffered or permitted Plaintiff and the other Employee Class Members to work, or engaged them, thereby creating a common law employment relationship with the Employee Class Members. Therefore, Defendants, and each of them, employed or jointly employed the Employee Class Members.

FACTUAL BACKGROUND

9. The Employees who comprise the Class, including Plaintiff, are non-exempt employees pursuant to the applicable Wage Order of the Industrial Welfare Commission (“IWC”). During the period of four years prior to the filing of this action through its resolution, the Employee Class Members were employed by Defendants and worked in non-exempt positions at the direction of Defendants in the State of California. Plaintiff and the Class Members were either not paid by Defendants for all hours worked or were not paid at the appropriate minimum, regular and overtime rates. Plaintiff also contends that Defendants failed to pay Plaintiff and the Class Members all wages due and owing, including compensation for off-the-clock work, noncompliant meal and rest breaks,

1 and Defendants' failure to furnish accurate wage statements, all in violation of various provisions of
2 the California Labor Code and applicable paragraphs of the IWC Wage Orders.

3 10. During the course of Plaintiff and the Class Members' employment with Defendants,
4 they were not paid all wages they were owed, including for all hours they were performing work tasks
5 or remaining under Defendants' control (resulting in "off-the-clock" work) and for all their overtime
6 hours worked, and they were not paid at the required rates for overtime. This has resulted in systematic
7 and ongoing violations of the California Labor Code and relevant IWC Wage Orders. Upon
8 information and belief, Defendants subjected Plaintiff and the Class Members to similar policies and
9 practices which resulted in similar violations as to the other similarly situated non-exempt, hourly
10 employees based out of their schools in California.

11 11. Plaintiff was generally scheduled by Defendants to work five days per week for eight
12 to nine hour shifts. Plaintiff's scheduled shift times generally spanned from at least 8:30 a.m. to 5:00
13 p.m. On many occasions, Plaintiff was required to work shifts on the weekend for an additional couple
14 of hours at an expected overtime premium rate of 1.5 times Plaintiff's hourly rate. In spite of this,
15 Plaintiff was required by Defendants to endure substantial off-the-clock work before and after her
16 scheduled shift hours.

17 12. Defendants' policy and practice of requiring systematic off-the-clock work flowed in
18 part from their unlawful timekeeping procedures. Defendants required Plaintiff and the Class
19 members to record timekeeping entries through their computers located in each of their respective
20 workstations. While Plaintiff and the Class members recorded their clock-in and clock-out times for
21 shift start and end times and meal period beginning and end times, Defendants failed to compensate
22 Plaintiff and the Class members for off-the-clock time spent walking to their workstations and booting
23 up their computers prior to being permitted to clock in. Additionally, Plaintiff, at times, would be
24 required to assist Defendants' clients prior to being able to clock-in for the start of her shift. Upon
25 information and belief, Class Members were also subject to Defendants' similarly unlawful practices
26 and policies that resulted in off-the-clock work.

27 13. Moreover, despite recording compliant 30-minute meal periods, Plaintiff would
28 routinely be required by Defendant to work during her off the clock meal periods, effectively

1 rendering them on-duty meal periods. Plaintiff's meal periods were further interrupted because
2 Defendants required her to promptly answer phone calls, assist clients on-site, or remain with clients
3 until another employee was available to provide assistance. Furthermore, at least once a month,
4 Defendant required Plaintiff and other Class Members to attend offsite events on behalf of the
5 company where they lacked access to timekeeping systems, preventing them from recording shift
6 start and end times or meal period times. As a result, they were required to work through their meal
7 periods, but were instructed by Defendant to report that they took a legally compliant meal periods.

8 14. Defendants' uniformly applied policies and practices resulted in rampant off-the-clock
9 work, and this in turn resulted in Plaintiff working well over eight hours in her work shifts. Defendants
10 should have paid these hours at the required overtime premium rate, but Defendants' unlawful efforts
11 to write off and minimize overtime hours resulted in further systematic failure to pay all wages at the
12 required rates, including overtime. To whatever extent Defendants paid any of these overtime hours
13 worked, upon information and belief they failed to include all forms of remuneration, such as omitting
14 non-discretionary stipends, in the regular rate used to calculate and pay the overtime that Defendants
15 did pay.

16 15. Plaintiff was therefore not paid for all her hours worked at the required minimum and
17 overtime wage rates due to Defendants' uniformly applied and unlawful policy and practice of
18 requiring Employees to work off-the-clock and without pay. Defendants systematically underpaid
19 Plaintiff and the Class Members by failing to pay them at the required overtime rates for all hours
20 over eight in a work shift or over forty in a work week. Upon information and belief, the Class
21 Members were bound by similar timekeeping policies and endured similar violations at Defendants'
22 hands as Plaintiff.

23 16. Defendants have either failed to maintain timekeeping records for Plaintiff that would
24 permit her to discover the nature and extent of the off-the-clock work Defendants required and the
25 actual hours she worked or the breaks she received. By failing to pay for all hours worked, and by
26 under-recording regular hours to the detriment of the Class Members, Defendants have committed
27 knowing and intentional ongoing violations of the record keeping requirements under the Labor Code,
28 including section 1174, by either failing to maintain records or maintaining inaccurate ones.

1 17. The failure to pay for all hours worked and underpayment of wages to Plaintiff and
2 the Class Members is and has been a direct consequence of Defendants' unlawful compensation
3 policies and practices, which upon information and belief applied uniformly to the other Class
4 Members. As a result of the above-described unlawful requirements to work off-the-clock, the failure
5 to accurately record all hours worked and pay wages at the correct rates, and the other wage violations
6 they endured at Defendants' hands, Plaintiff and the Class Members were not properly paid all wages
7 earned and all wages owed to them by Defendants, including when working more than eight hours in
8 any given day and/or more than forty hours in any given week.

9 18. Therefore, from at least four years prior to the filing of this lawsuit and continuing to
10 the present, Defendants had a consistent policy or practice of failing to pay Employees for all hours
11 worked and failing to pay minimum wages for all time worked, as required by California law. Also,
12 from at least four years prior to the filing of this lawsuit and continuing to the present, Defendants
13 had a consistent policy or practice of failing to pay Employees overtime compensation at premium
14 overtime rates for all hours worked in excess of eight hours a day and/or forty hours a week in
15 violation of Labor Code § 510 and the corresponding sections of IWC Wage Orders.

16 19. Defendants also failed to provide Plaintiff and the Class Members with their required
17 meal periods and the at least two ten-minute rest breaks required at a minimum for Plaintiff's
18 scheduled shift durations. The above described off-the-clock work contributed to Defendants'
19 common policy of failing to provide lawful meal periods to Plaintiff and the Class Members, as
20 required under the Labor Code and Paragraph 11 of the IWC Wage Order(s). Defendants similarly
21 failed to authorize and permit Plaintiff and the employee Class Members to take all required 10-
22 minute rest breaks, as required under the Labor Code and Paragraph 12 of the IWC Wage Order(s).

23 20. More specifically, Plaintiff worked shifts that entitled her to at least one meal period,
24 but as addressed above, Defendants failed to authorize and permit Plaintiff and Class Members to
25 take a full 30-minute lunch breaks. As stated above, Plaintiff was frequently required to respond to
26 work related demands, such as promptly answering phone calls, assisting clients on-site, or remaining
27 with clients until another employee was available to provide assistance, during her meal periods. In
28 such instances, Defendants' policies and practices and management pressure compelled her to work

1 through her meal periods, despite Plaintiff's timekeeping records and the meal period appearing to be
2 compliant. Defendants' practices and procedures, coupled with management expectations,
3 contributed to Employees working through meal breaks or not taking them at all.

4 21. Therefore, meal period violations systematically occurred ongoing throughout all of
5 Plaintiff's work shifts where Defendants both failed to provide a lawful meal period or a premium
6 wage payment in lieu thereof. To the extent Defendants did pay Plaintiff and the Class members a
7 meal period premium, upon information and belief Defendant failed to pay them a premium pay of
8 one hour at the regular rate and/or failed to include all forms of remuneration beyond hourly wages
9 in the regular hourly rate used to pay the one-hour premium wage. Upon information and belief, the
10 other Class Members were subjected to similar unlawful policies and practices and endured similar
11 violations as Plaintiff.

12 22. Defendants thus failed to provide all the legally required unpaid, off-duty meal periods
13 and all the legally required paid, off-duty rest periods to Plaintiff and the other Class Members, as
14 required by the applicable Wage Order and Labor Code. Plaintiff and other Class Members were
15 required to perform work as ordered by Defendants for more than five hours during a shift without
16 receiving compliant meal periods. Additionally, as addressed above, Defendants followed a practice
17 of requiring off-the-clock work in a manner that required Employees to work during breaks, thus
18 leading to further violations.

19 23. Upon information and belief, Defendants' systems did not automatically generate a
20 meal period premium under Labor Code § 226.7 for meal periods that commenced after five hours
21 into a work shift or in the event the time records reflected a meal period of less than thirty minutes.
22 The pay summaries provided by Defendants to Plaintiff failed to reflect any meal and rest period
23 premiums paid to Plaintiff, despite the fact that Defendants failed to provide Plaintiff and the Class
24 Members with all legally required off-duty, unpaid meal periods and all their legally required off-
25 duty, paid rest periods. However, upon information and belief, in the event Defendants did pay any
26 meal period premiums, they did so at the employee's customary regular rate of hourly compensation
27 without including all forms of remuneration in that hourly rate calculation, for example by omitting
28 non-discretionary stipends and the like from the rate at which meal premiums were paid.

1 24. As a result, Defendants' failure to provide Plaintiff and the Class Members with all
2 legally required off-duty, unpaid meal periods and all the legally required off-duty, paid rest periods
3 is and will be evidenced by Defendants' business records, or lack thereof. As further detailed above,
4 Defendants also failed to pay Employees "premium pay," i.e., one hour of wages at each Employee's
5 effective regular hourly rate of compensation for each meal period or rest break that Defendants failed
6 to provide or deficiently provided.

7 25. Therefore, from at least four years prior to the filing of this action and through to the
8 present, Plaintiff and the Class Members were unable to take off-duty breaks or were otherwise not
9 provided with the opportunity to take required breaks as required under the Labor Code and Wage
10 Orders due to Defendants' policies and practices. On the occasions when Plaintiff and the Class
11 Members were provided with a meal period, it was often untimely or interrupted, or was
12 impermissibly shortened, and Employees were not provided with one hour's wages in lieu thereof.
13 Meal period violations thus occurred in one or more of the following manners:

- 14 (a) Class Members were not provided full thirty-minute duty free meal periods for
15 work days in excess of five hours and were not compensated one hour's wages
16 in lieu thereof, or were not compensated at the correct regular rate of
17 compensation, all in violation of, among others, Labor Code §§ 226.7, 512,
18 and the applicable Industrial Welfare Commission Wage Order(s);
- 19 (b) Class Members were required to work through at least part of their daily meal
20 period(s); and
- 21 (c) Class Members were restricted in their ability to take a full thirty-minute meal
22 period or were otherwise required to remain under Defendants' control during
23 them.

24 26. Similar violations resulted from Defendants' failure to authorize and permit Plaintiff
25 and the Class Members to take duty-free, net ten minute rest breaks for every four hours of shift work,
26 or major fraction thereof. Plaintiff and the other similarly situated Class Members were required to
27 remain under Defendants' control and respond to job demands during rest breaks and if they ever
28 received a first break, they were neither authorized nor permitted the opportunity to take a second. In

fact, Defendants implemented a written policy prohibiting employees from leaving the premises during their rest breaks, thus requiring Employees to unlawfully remain under their control during what was supposed to be duty free and uninterrupted rest break time.

27. While Defendants made some effort to schedule ten-minute rest breaks on some work shifts, they were often short, missed, or frequently interrupted by work-related demands designed by Defendant that resulted in on-duty rest breaks. Defendants' uniformly applied policies and practices thus typically resulted in a failure to authorize and permit rest breaks. Plaintiff and the Class Members worked shifts of at least eight hours, which required them to receive at least two rest breaks. Upon information and belief, the other Class members endured similar violations by Defendants as Plaintiff, and they were entitled to two off-duty ten-minute rest breaks, but Defendants systematically failed to provide them.

28. During rest periods, employers must relieve employees of all duties and relinquish control over how employees spend their time. Plaintiff and the Class Members are not "off-duty" when they are working through rest breaks and remaining under Defendants' control. Plaintiff and the Employees in the Class were thus not authorized and permitted to take lawful rest periods, were systematically required by Defendants to work through or during breaks, and were not provided with one hour's wages in lieu thereof. They were required to remain on-duty during breaks or portions of their breaks, thus making them either untimely or shortened and on-duty, and they were also prevented from leaving the premises and were otherwise required to remain under Defendants' control during rest breaks under Defendants' uniformly applied and unlawful policies and practices. Rest period violations therefore arose in one or more of the following manners:

- (a) Class Members were required to work without being provided a minimum ten minute rest period for every four hours or major fraction thereof worked and were not compensated one hour of pay at their regular rate of compensation for each workday that a rest period was not provided;
- (b) Class Members were not authorized and permitted to take timely rest periods for every four hours worked, or major fraction thereof; and

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1 (c) Class Members were required to remain on-duty and under Defendants' control
2 during rest periods or otherwise had their rest periods interrupted by work
3 demands.

4 29. Defendants have also consistently failed to provide Class Members with timely,
5 accurate, and itemized wage statements, in writing, as required by California wage-and-hour laws,
6 including by the above-described requirement of off-the-clock work, failure to pay all overtime and
7 failure to pay all wages at the appropriate premium rates, along with failure to pay premium wages
8 for unprovided or otherwise unlawful meal and rest breaks, or by miscalculating any overtime or meal
9 period or rest break premium wages and by the systematic and unlawful deductions Defendants took
10 from Employee wages. Defendants have also made it difficult to account with precision for the
11 unlawfully withheld wages and meal and rest period compensation owed to Plaintiff and the Class,
12 during the liability period, including to the extent they required off-the-clock work or failed to pay
13 overtime wages at the overtime rate and to the extent they did not implement and preserve a record-
14 keeping method as required for non-exempt employees by California Labor Code §§ 226, 1174(d),
15 and paragraph 7 of the applicable California Wage Orders. Upon information and belief, recorded
16 hours worked were not maintained or were not accurately maintained for work shifts and meal
17 periods, which were automatically presumed by Defendants to have been lawfully provided when
18 they were not. Defendants also failed to accurately record and pay for all regular and overtime hours
19 worked and submitted by Plaintiff and the Class Members, including by failing to pay all overtime
20 hours worked and/or failing to pay it at the correctly calculated overtime premium rate.

21 30. Defendants have thus also failed to comply with Labor Code § 226(a) by inaccurately
22 reporting total hours worked and total wages earned by Class Members, along with the appropriate
23 applicable rates, among other requirements. Plaintiff and Class Members are therefore entitled to
24 penalties not to exceed \$4,000.00 for each employee pursuant to Labor Code § 226(b). Defendants
25 have also failed to comply with paragraph 7 of the applicable California IWC Wage Orders by failing
26 to maintain time records showing when the employee begins and ends each work period, meal periods,
27 and wages earned pursuant to Labor Code § 226.7, and total daily hours worked by itemizing in wage
28 statements all deductions from payment of wages and accurately reporting total hours worked.

1 31. Defendants also required Plaintiff and the Class Members to work hours off-the-clock
2 before and after their shifts for which they were not compensated. As addressed above, Employees
3 were required to endure off-the-clock work during the on-duty meal and rest periods and were
4 subjected to systematic off-the-clock work. Defendants also failed to pay all overtime premium wages
5 owed for work conducted on a work shift and a workday or failed to pay it at the correct rate, as
6 addressed above. Therefore, Defendants have followed a uniform and consistent policy of failing to
7 timey pay all wages owed to Plaintiff and other similarly situated Employees as required by California
8 wage-and-hour laws, including Labor Code § 204. Defendants have also followed a uniform and
9 consistent policy of failing to pay all wages owed to Plaintiff and other similarly situated Employees
10 at the time of their termination or within seventy-two hours of their resignation, as required by
11 California wage-and-hour laws, including Labor Code § 201- 203.

12 32. From at least four years prior to the filing of this lawsuit and continuing to the present,
13 Defendants have also consistently violated Labor Code § 221 by unlawfully collecting or deducting
14 the Employees' earned wages, including by the above described off-the-clock work and on-duty work
15 while on unpaid meal breaks. By not compensating Employees for all hours worked, including at the
16 required wage rates, Defendants unlawfully deducted wages earned in violation of Labor Code § 221.

17 33. As a result of these illegal policies and practices, Defendants also engaged in and
18 enforced the following additional unlawful practices and policies against Plaintiff and the Class
19 Members she seeks to represent:

- 20 (a) failing to maintain accurate records of Class Members' hours worked and earned
21 wages and meal periods in violation of Labor Code §§ 226 and 1174(d) and section
22 7 of the applicable IWC Wage Orders;
- 23 (b) failing to pay all wages owed to the Class Members twice monthly in accordance
24 with the requirements of Labor Code § 204; and
- 25 (c) failing to pay all wages owed to Class Members who either were discharged, laid
26 off, or resigned in accordance with the requirements of Labor Code §§ 201-203.
- 27 (d) failing to pay Class Members all wages owed, including all meal and rest period
28 premium wages, and failing to pay them at the regular rate of compensation;

34. Additionally, from at least four years prior to the filing of this lawsuit and continuing to the present, Defendants have regularly required Plaintiff and the Class Members to incur necessary business expenses in the course of performing their required job duties without reimbursement. These include use of the personal cellphone for work-related duties, such as corresponding with supervisors and management, two-factor authentication to log in to the system, and conducting “warm handoff(s)” between clients and service providers. Upon information and belief, the other Class members endured similar violations at Defendants’ hands as Plaintiff, and they must be reimbursed for these necessary business expenses under Labor Code § 2802. Defendants systematically failed to do so.

35. In light of the foregoing, Plaintiff and the Employees in the Class bring this action pursuant to, *inter alia*, Labor Code §§ 201, 202, 203, 204, 218, 218.5, 218.6, 221, 226, 226.4, 226.7, 510, 511, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2 1197, 1198, 1198.5, 1199, and 2802 and California Code of Regulations, Title 8, section 11000 *et seq.*

36. Furthermore, pursuant to Business and Professions Code §§ 17200-17208, Plaintiff and the Class Members seek injunctive relief, restitution, and disgorgement of all benefits Defendants have enjoyed from their violations of Labor Code and the other unfair, unlawful, or fraudulent practices alleged in this Complaint.

CLASS ALLEGATIONS

37. Plaintiff brings this class action on behalf of herself and all others similarly situated pursuant to Code of Civil Procedure § 382. Plaintiff seeks to represent a Class (often referred to as “the Class” or “Class Members”) defined as follows: “All individuals employed by Defendants at any time during the period of four (4) years prior to the filing of this lawsuit and ending on a date as determined by the Court (“the Class Period”), as non-exempt, hourly employees by Defendants within the State of California.” This includes those employed as case managers and in similar and related positions. Further, Plaintiff seeks to represent the Subclasses composed of and defined as follows:

- a. Subclass 1. Minimum Wages Subclass. All Class Members who were not compensated for all hours worked for Defendants at the applicable minimum wage.
- b. Subclass 2. Wages and Overtime Subclass. All Class Members who were not compensated for all hours worked for Defendants at the required rates of pay, including

for all hours worked in excess of eight in a day and/or forty in a week.

- c. Subclass 3. Meal Period Subclass. All Class Members who were subject to Defendants' policy and/or practice of failing to provide unpaid 30-minute uninterrupted and duty-free meal periods or one hour of pay at the Employee's regular rate of pay in lieu thereof.
- d. Subclass 4. Rest Break Subclass. All Class Members who were subject to Defendants' policy and/or practice of failing to authorize and permit Employees to take uninterrupted, duty-free, 10-minute rest periods for every four hours worked, or major fraction thereof, and failing to pay one hour of pay at the Employee's regular rate of pay in lieu thereof.
- e. Subclass 5. Unauthorized Deductions from Wages Subclass. All Class Members who were subject to Defendants' policy and/or practice of deducting wages earned from their pay, including by requiring off-the-clock work.
- f. Subclass 6. Wage Statement Subclass. All Class Members who, within the applicable limitations period, were not provided with accurate itemized wage statements.
- g. Subclass 7. Payroll Records Subclass. All Class Members who were subject to Defendants' policy and/or practice of failing to keep accurate time and wage records as required by California wage-and-hour laws.
- h. Subclass 8. Failure to Timely Pay Wages Twice Monthly Subclass. All Class Members who were subject to Defendants' policy and practice of not timely paying all wages earned when they were due and payable at least twice monthly.
- i. Subclass 9. Termination Pay Subclass. All Class Members who, within the applicable limitations period, either voluntarily or involuntarily separated from their employment and were subject to Defendants' policy and/or practice of failing to timely pay wages upon termination.
- j. Subclass 10. Expense Reimbursement Subclass. All Class Members who incurred necessary and reasonable expenses in connection with performing their job duties for Defendants and who were subject to a policy and/or practice under which such expenses were not reimbursed.

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1 k. Subclass 11. UCL Subclass. All Class Members who are owed restitution as a result of
2 Defendants' business acts and practices, to the extent such acts and practices are found to
3 be unlawful, deceptive, and/or unfair.

4 38. Plaintiff reserves the right under California Rule of Court 3.765 to amend or modify
5 the class description with greater particularity or to provide further division into subclasses or
6 limitation to particular issues. To the extent equitable tolling operates to toll claims by the Class
7 against Defendants, the Class Period should be adjusted accordingly.

8 39. Defendants, as a matter of company policy, practice and procedure, and in violation
9 of the applicable Labor Code, Industrial Welfare Commission ("IWC") Wage Order requirements,
10 and the applicable provisions of California law, intentionally, knowingly, and willfully, engaged in a
11 practice whereby Defendants failed to correctly calculate and pay compensation for the time worked
12 by the Plaintiff and the other members of the Class, even though Defendants enjoyed the benefit of
13 this work, required Employees to perform this work and permitted or suffered to permit this work.
14 Defendants have uniformly denied these Class Members wages to which these employees are entitled,
15 and failed to provide meal periods or authorize and permit rest periods, in order to unfairly cheat the
16 competition and unlawfully profit.

17 40. This action has been brought and may properly be maintained as a class action under
18 the provisions of Code of Civil Procedure § 382 because there is a well-defined community of interest
19 in this litigation and the proposed Class is easily ascertainable from the employment records for
20 Plaintiff and the Class Members that Defendants are required to maintain under California law.

21 **A. Numerosity**

22 41. The potential members of the class as defined are so numerous that joinder of all the
23 member of the class is impracticable. While the precise number of Class Member has not been
24 determined at this time, Plaintiff is informed and believes that Defendants employ or, during the time
25 period relevant to this lawsuit employed, at least over one hundred Employees who satisfy the Class
26 definition within the State of California. Plaintiff alleges that Defendants' employment records will
27 provide information as to the number and location of all Class Members.

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1 **B. Commonality**

2 42. There are questions of law and fact common to the Class that predominate over any
3 questions affecting only individual Class Members. The common questions are numerous and
4 substantial and flow from Defendants' uniform policies and/or practices of violating the California
5 Labor Code addressed above. As such, these common questions predominate over individual
6 questions concerning each individual Class Member's showing as to his or her eligibility for recovery
7 or as to the amount of damages. These common questions of law and fact include:

- 8 a. Whether Defendants failed to pay Employees minimum wages;
- 9 b. Whether Defendants failed to pay Employees wages for all hours worked;
- 10 c. Whether Defendants failed to pay Employees overtime as required under Labor Code
11 § 510;
- 12 d. Whether Defendants violated Labor Code § 1194 by failing to compensate all
13 Employees during the relevant time period for all hours worked, whether regular or
14 overtime;
- 15 e. Whether Defendants violated Labor Code §§ 226.7 and 512, and the applicable IWC
16 Wage Orders, by failing to provide Employees with requisite meal periods or premium
17 pay in lieu thereof;
- 18 f. Whether Defendants violated Labor Code §§ 226.7, and the applicable IWC Wage
19 Orders, by failing to authorize and permit Employees to take requisite rest breaks or
20 provide premium pay in lieu thereof;
- 21 g. Whether Defendants' conduct was willful;
- 22 h. Whether Defendants violated Labor Code § 226(a) by providing Employees with
23 inaccurate wage statements;
- 24 i. Whether Defendants violated Labor Code § 226 and § 1174 and § 1198 and the IWC
25 Wage Orders by failing to maintain accurate records of Class Members' earned wages
26 and work periods;
- 27 j. Whether Defendants violated Labor Code § 204 by failing to pay Employees all wages
28 earned at least twice monthly;

- 1 k. Whether Defendants violated Labor Code §§ 201, 202, and 203 by failing to pay wages
2 and compensation due and owing at the time of termination of employment;
3 l. Whether Defendants violated Labor Code § 221;
4 m. Whether Defendants violated Labor Code § 2802 by failing to reimburse necessary
5 business expenses incurred by Employees;
6 n. Whether Defendants violated Business and Professions Code § 17200 *et seq.*; and
7 o. Whether Employees are entitled to equitable relief pursuant to Business and
8 Professions Code § 17200 *et seq.*

9 **C. Typicality**

10 43. The claims of the named plaintiff are typical of those of the other Employees. The
11 Employee Class Members all sustained injuries and damages arising out of and caused by Defendants'
12 common course of conduct and uniformly applied policies in violation of statutes, as well as
13 regulations, that have the force and effect of law, as alleged herein. Plaintiff's claims for the off-the-
14 clock work and meal and rest violations she was required to endure are typical of those of the other
15 Class Members.

16 **D. Adequacy of Representation**

17 44. Plaintiff will fairly and adequately represent and protect the interest of the Employee
18 Class Members. Counsel who represents Plaintiff and the Employees in the Class are experienced
19 and competent in litigating employment class actions.

20 **E. Superiority of Class Action**

21 45. A class action is superior to other available means for the fair and efficient adjudication
22 of this controversy. Individual joinder of all Employees is not practicable, and questions of law and
23 fact common to all Employees predominate over any questions affecting only individual Employees.
24 Each Employee in the Class has been damaged and is entitled to recovery by reason of Defendants'
25 illegal policies or practices of failing to compensate Employees properly.

26 46. As to the issues raised in this case, a class action is superior to all other methods for
27 the fair and efficient adjudication of this controversy, as joinder of all Class Members is impracticable
28 and many legal and factual questions to be adjudicated apply uniformly to all Class Members. Further,

1 as the economic or other loss suffered by vast numbers of Class Members may be relatively small,
2 the expense and burden of individual actions makes it difficult for the Class Members to individually
3 redress the wrongs they have suffered. Moreover, in the event disgorgement is ordered, a class action
4 is the only mechanism that will permit the employment of a fluid fund recovery to ensure that equity
5 is achieved. There will be relatively little difficulty in managing this case as a class action, and
6 proceeding on a class-wide basis will permit Employees to vindicate their rights for violations they
7 endured which they would otherwise be foreclosed from receiving in a multiplicity of individual
8 lawsuits that would be cost prohibitive to them.

9 47. Class action treatment will allow those persons similarly situated to litigate their
10 claims in the manner that is most efficient and economical for the parties and the judicial system.
11 Plaintiff is unaware of any difficulties in managing this case that should preclude class treatment.
12 Plaintiff contemplates the eventual issuance of notice to the proposed Class Members that would set
13 forth the subject and nature of the instant action. The Defendants' own business records can be utilized
14 for assistance in the preparation and issuance of the contemplated notices. To the extent that any
15 further notice is required additional media and/or mailings can be used.

16 48. Defendants, as prospective and actual employers of the Employees in the Class, had a
17 special fiduciary duty to disclose to prospective Class Members the true facts surrounding
18 Defendants' pay practices, policies and working conditions imposed upon the similarly situated
19 Employees as well as the effect of any alleged arbitration agreements that may have been forced upon
20 them. In addition, Defendants knew they possessed special knowledge about pay practices and
21 policies, most notably intentionally refusing to pay for all hours actually worked which should have
22 been recorded in Defendants' pay records and the consequence of the alleged arbitration agreements
23 and policies and practices on the Employees and Class as a whole.

24 49. Plaintiff and the Employees in the Class did not discover the fact that they were entitled
25 to all pay under the Labor Code until shortly before the filing of this lawsuit nor was there ever any
26 discussion about Plaintiff's and the Class Members' waiver of their Constitutional rights of trial by
27 jury, right to collectively organize and oppose unlawful pay practices under California law as well as
28 obtain injunctive relief preventing such practices from continuing. As a result, the applicable statutes

1 of limitation were tolled until such time as Plaintiff and the Class Members discovered their claims.

2 **FIRST CAUSE OF ACTION**

3 **FAILURE TO PAY MINIMUM WAGES**

4 **(Against All Defendants)**

5 50. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in
6 full herein.

7 51. Defendants failed to pay Employees minimum wages for all hours worked. Defendants
8 had a consistent policy of failing to pay Employees for all hours worked. Employees would work
9 hours and not receive wages, including as alleged above in connection with off-the-clock work,
10 including time worked prior to clocking-in for the start of shifts, and all the time required to remain
11 on duty and under Defendants' control during meal and rest breaks and due to the work demands
12 placed upon them by Defendants' management. Defendants' uniformly applied policies required
13 systematic off-the-clock work and underpayment of all wages owed to Employees over a period of
14 time, while benefiting Defendants. During the relevant time period, Defendants thus regularly failed
15 to pay minimum wages to Plaintiff and the Class Members, including by requiring systematic off-
16 the-clock work. To the extent any local wage ordinances were also applicable to paying the employees
17 an hourly rate above the minimum wage rate, Defendants failed to comply with the local wage
18 ordinances. Defendants' uniform pattern of unlawful wage and hour practices manifested, without
19 limitation, applicable to the Class as a whole, as a result of implementing a uniform policy and
20 practice that denied accurate compensation to Plaintiff and the other members of the Class as to
21 minimum wage pay.

22 52. In California, employees must be paid at least the applicable state minimum wage for
23 all hours worked, including under Labor Code § 1197, IWC Wage Order MW-2014, and paragraphs
24 2(K), 2(S), and 4(A)-4(C) of the applicable IWC Wage Orders. Also, pursuant to California Labor
25 Code § 204, other applicable laws and regulations, and public policy, an employer must timely pay
26 its employees for all hours worked. Defendants failed to do so.

27 53. California Labor Code § 1197, entitled "Pay of Less Than Minimum Wage" states:
28 "The minimum wage for employees fixed by the commission is the minimum wage to be paid to

employees, and the payment of a less wage than the minimum so fixed is unlawful.” The applicable minimum wage rate fixed by the commission for work during the relevant period is found in the Wage Orders.

54. The minimum wage provisions of California Labor Code are enforceable by private civil action pursuant to Labor Code § 1194(a) which states: “Notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney’s fees and costs of suit.”

55. As described in California Labor Code §§ 1185 and 1194.2, any action for wages incorporates the applicable Wage Order of the California Industrial Welfare Commission. Also, California Labor Code §§ 1194, 1197, 1197.1 and those Industrial Welfare Commission Wage Orders entitle non-exempt employees to an amount equal to or greater than the minimum wage for all hours worked. All hours must be paid at the statutory or agreed rate, or at the minimum rate in the absence of a contractually agreed upon one.

56. In committing these violations of the California Labor Code, Defendants inaccurately recorded, or required Plaintiff and the Class Members to input times that did not reflect their actual hours worked, or miscalculated hours or rates or otherwise underpaid the actual time worked by Plaintiff and other members of the Class, including by requiring off-the-clock work as addressed in detail above. Defendants acted in an illegal attempt to avoid the payment of all earned wages, and other benefits in violation of the California Labor Code, the Industrial Welfare Commission requirements and other applicable laws and regulations. As a result of these violations, Defendants also failed to timely pay all wages earned in accordance with California Labor Code § 1194.

57. Pursuant to California Labor Code § 1194.2, Plaintiff and Class Members are entitled to the following remedies: “In any action under Section 1194 . . . to recover wages because of the payment of a wage less than the minimum wages fixed by an order of the commission, an employee shall be entitled to recover liquidated damages in an amount equal to the wages unlawfully unpaid and interest thereon.”

58. In addition to restitution for all unpaid wages, pursuant to California Labor Code § 1197.1, Plaintiff and Class Members are entitled to recover a penalty of \$100.00 for the initial failure to timely pay each employee minimum wages, and \$250.00 for each subsequent failure to pay each employee minimum wages.

59. Defendants have the ability to pay minimum wages for all time worked and have willfully refused to pay such wages with the intent to secure for Defendants a discount upon this indebtedness with the intent to annoy, harass, oppress, hinder, delay, or defraud Employees.

60. Plaintiff and the Class Members are entitled to recover the unpaid minimum wages and local wage ordinance wages and liquidated damages in an amount equal to the minimum wages unlawfully unpaid, interest thereon and reasonable attorney's fees and costs of suit pursuant to California Labor Code § 1194(a). Plaintiff and the other members of the Class further request recovery of all unpaid wages, according to proof, interest, statutory costs, as well as the assessment of any statutory penalties against Defendants, in a sum as provided by the California Labor Code and/or other applicable statutes. To the extent minimum wage compensation is determined to be owed to the Class Members who have terminated their employment, Defendants' conduct also violates Labor Code §§ 201 and/or 202, and therefore these individuals are also be entitled to waiting time penalties under California Labor Code § 203, which penalties are sought herein on behalf of these Class Members. Defendants' failure to timely pay all wages owed also violated Labor Code § 204 and resulted in violations of Labor Code § 226 because they resulted in the issuance of inaccurate wage statements. Defendants' conduct as alleged herein was willful, intentional, and not in good faith. Further, Plaintiff and other Class Members are entitled to seek and recover statutory costs.

SECOND CAUSE OF ACTION

FAILURE TO PAY WAGES AND OVERTIME UNDER LABOR CODE § 510

(Against All Defendants)

61. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in full herein.

62. California Labor Code § 1194 provides that “any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to

1 recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime
2 compensation, including interest thereon, reasonable attorney's fees, and costs of suit." The action
3 may be maintained directly against the employer in an employee's name without first filing a claim
4 with the Division of Labor Standards and Enforcement.

5 63. By their conduct, as set forth herein, Defendants violated Labor Code § 1194 and
6 Labor Code § 510 (and paragraphs 2(K), 2(S), 3(A) and 4(A)-4(B) of the relevant orders of the
7 Industrial Welfare Commission) by failing to pay Employees: (a) time and one-half their regular
8 hourly rates for hours worked in excess of eight (8) hours in a workday or in excess of forty (40)
9 hours in any workweek or for the first eight (8) hours worked on the seventh day of work in any one
10 workweek; or (b) twice their regular rate of pay for hours worked in excess of twelve (12) hours in
11 any one (1) day or for hours worked in excess of eight (8) hours on any seventh day of work in a
12 workweek.

13 64. Defendants had a consistent policy of not paying Employees wages for all hours
14 worked, including by requiring off-the-clock work as addressed above, by under-reporting actual
15 hours worked, and by requiring Employees to do so as well. Defendants have also failed to include
16 all forms of remuneration in the regular rate of pay used to calculate and pay overtime and failed to
17 begin paying overtime when it was incurred due to the off-the-clock work, or otherwise simply failed
18 to pay overtime premium wages for all hours over eight in a shift and forty in a week, as detailed
19 above.

20 65. Defendants thus had a consistent policy of not paying Employees wages for all hours
21 worked, including hours at their required regular and overtime rates. Defendants, and each of them,
22 have intentionally and improperly rounded, changed, adjusted and/or modified certain employees'
23 hours, including Plaintiff's, or required Plaintiff and the Class Members to do so, or otherwise caused
24 them to work off-the-clock to avoid paying Plaintiff and the Class Members all earned and owed
25 straight time and overtime wages and other benefits, in violation of the California Labor Code, the
26 California Code of Regulations and the IWC Wage Orders and guidelines set forth by the Division of
27 Labor Standards and Enforcement. Defendants have also violated these provisions by requiring
28 Plaintiff and other similarly situated non-exempt employees to work through meal periods or remain

1 under Defendants' control when they were required to be clocked out or to otherwise work off-the-
2 clock to complete their daily job duties and respond to demands from Defendants' management.

3 66. Therefore, Employees were not properly compensated, nor were they paid overtime
4 rates for hours worked in excess of eight hours in a given day, and/or forty hours in a given week.
5 Based on information and belief, Defendants did not make available to Employees a reasonable
6 protocol for correcting time records when Employees worked overtime hours or to fix incorrect time
7 entries or those that Defendants unlawfully under-recorded to the Employee's detriment. Defendants
8 have also violated these provisions by requiring Plaintiff and other similarly situated Class Members
9 to work through meal periods when they were required to be clocked out or to otherwise work off-
10 the-clock to complete their daily job duties.

11 67. Defendants' failure to pay Plaintiff and the Class Members the unpaid balance of
12 regular wages owed and overtime compensation for all hours worked, as required by California law,
13 violates the provisions of Labor Code §§ 510 and 1198 and paragraph 3(A) of the applicable IWC
14 Wage Order, and is therefore unlawful. Defendants also failed to correctly calculate the regular rate
15 used to calculate and pay overtime, and meal and rest premiums, as addressed above.

16 68. Additionally, Labor Code § 558(a) provides "any employer or other person acting on
17 behalf of an employer who violates, or causes to be violated, a section of this chapter or any provisions
18 regulating hours and days of work in any order of the IWC shall be subject to a civil penalty as
19 follows: (1) For any violation, fifty dollars (\$50) for each underpaid employee for each pay period
20 for which the employee was underpaid in addition to an amount sufficient to recover underpaid wages.
21 (2) For each subsequent violation, one hundred dollars (\$100) for each underpaid employee for each
22 pay period for which the employee was underpaid in addition to an amount sufficient to recover
23 underpaid wages. (3) Wages recovered pursuant to this section shall be paid to the affected
24 employee." Labor Code § 558(c) states, "the civil penalties provided for in this section are in addition
25 to any other civil or criminal penalty provided by law." Defendants have violated provisions of the
26 Labor Code regulating hours and days of work as well as the IWC Wage Orders. Accordingly,
27 Plaintiff and the Class Members seek the remedies set forth in Labor Code § 558.

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69. Defendants' failure to pay compensation in a timely fashion also constituted a violation of California Labor Code § 204, which requires that all wages shall be paid semimonthly. From four (4) years prior to the filing of this lawsuit to the present, in direct violation of that provision of the California Labor Code, Defendants have failed to pay all wages and overtime compensation earned by Employees. Each such failure to make a timely payment of compensation to Employees constitutes a separate violation of California Labor Code § 204.

70. Employees have been damaged by these violations of California Labor Code §§ 204 and 510 (and the relevant orders of the Industrial Welfare Commission). Additionally, under Labor Code § 1199(a)-(c), it is a misdemeanor and Defendants are subject to a fine of not less than \$100 for causing Employees “to work for longer hours than those fixed, or under conditions of labor prohibited by an order of the commission” or if the employer pays “a wage less than the minimum fixed by an order of the commission” or “violates...any provision of this chapter or any order or ruling of the commission.”

71. Consequently, pursuant to the California Labor Code, including Labor Code §§ 204, 510, 558, 1194, 1198, 1199, and the relevant paragraphs of the IWC Wage Orders, including paragraphs 2(K), 2(S), 3(A), 4, and 20, Defendants are liable to Employees for the full amount of all their unpaid wages and overtime compensation for all their hours worked, with interest, plus their reasonable attorneys' fees and costs, as well as the assessment of any statutory penalties against Defendants, and each of them, and any additional sums as provided by the Labor Code and/or other statutes.

THIRD CAUSE OF ACTION

MEAL-PERIOD LIABILITY UNDER LABOR CODE § 226.7

(Against All Defendants)

72. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in full herein.

73. Employees regularly worked shifts greater than five (5) hours and in some instances, greater than ten (10) hours. Pursuant to Labor Code § 512, and paragraph 11 of the applicable IWC Wage Order, an employer may not employ someone for a shift of more than five (5) hours without

1 providing him or her with a meal period of not less than thirty (30) minutes or for a shift of more than
2 ten (10) hours without providing him or her with a second meal period of not less than thirty (30)
3 minutes.

4 74. Defendants failed to provide Employees with meal periods as required under the Labor
5 Code and paragraph 11 of the applicable IWC Wage Order. Employees were often required to work
6 or to otherwise remain under Defendants' control during meal periods, or Employees otherwise had
7 them interrupted by work demands and requirements to perform off-the-clock work and remain under
8 Defendants' control. Furthermore, upon information and belief, on the occasions when Employees
9 worked more than ten hours in a given shift, they did so without receiving a second uninterrupted
10 thirty-minute meal period as required by law.

11 75. Defendants thus failed to provide Plaintiff and the Class Members with meal periods
12 as required by the Labor Code and paragraph 11 of the applicable IWC Wage Order, including by not
13 providing them with the opportunity to take meal breaks, by providing them late or for less than thirty
14 minutes, or by requiring them to perform work during breaks.

15 76. Moreover, Defendants failed to compensate Employees for each meal period not
16 provided or inadequately provided, as required under Labor Code § 226.7 and paragraphs 11 and 20
17 of the applicable IWC Wage Orders, which provide that, if an employer fails to provide an employee
18 a meal period in accordance with this section, the employer shall pay the employee one (1) hour of
19 pay at the employee's regular rate of compensation for each workday that the meal period is not
20 provided. As detailed above, on the occasions when Defendants did pay any meal period premiums,
21 they upon information and belief underpaid them by miscalculating the regular rate of compensation
22 by not including all forms of remuneration in it. Defendants thus failed to compensate the Employees
23 in the Class for each meal period not provided or inadequately provided, as required under Labor
24 Code § 226.7 and paragraphs 11 and 20 of the applicable IWC Wage Order.

25 77. Therefore, pursuant to Labor Code § 226.7 and paragraphs 11 and 20 of the applicable
26 IWC Wage Order, Employees in the Class are entitled to damages in an amount equal to one (1) hour
27 of wages at their effective hourly rates of pay for each meal period not provided or deficiently
28 provided, a sum to be proven at trial, as well as the assessment of any statutory penalties against the

Defendants, and each of them, in a sum as provided by the Labor Code and other statutes and applicable IWC Wage Order paragraphs.

FOURTH CAUSE OF ACTION

REST-BREAK LIABILITY UNDER LABOR CODE § 226.7

(Against All Defendants)

78. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in full herein.

79. Labor Code §§ 226.7 and paragraph 12 of the applicable IWC Wage Orders provide that employers must authorize and permit all employees to take rest periods at the rate of ten minutes net rest time per four (4) work hours.

80. Employees consistently worked consecutive four hour shifts and were generally scheduled for shifts of greater than 3.5 hours total, thus requiring Defendants to authorize and permit them to take rest periods. Pursuant to the Labor Code and paragraph 12 of the applicable IWC Wage Order, Employees were entitled to paid rest breaks of not less than ten minutes for each consecutive four hour shift, and Defendants failed to provide Employees with timely rest breaks of not less than ten minutes for each consecutive four hour shift. Defendants made little effort to schedule or otherwise authorize and permit Plaintiff and the Class Members to take lawful rest breaks. Employees were often required to work or to otherwise remain under Defendants' control during rest periods, including by responding to work requirements and having breaks provided untimely as a result of the above described off-the-clock work. Plaintiff and the Class Members were also not permitted to leave their work premises during rest breaks.

81. Labor Code §§ 226.7 and paragraphs 12 and 20 of the applicable IWC Wage Orders provide that if an employer fails to provide an employee rest period in accordance with this section, the employer shall pay the employee one hour of pay at the employee's regular rate of compensation for each workday that the rest period is not provided. Defendants failed to do so.

82. Defendants, and each of them, have therefore intentionally and improperly denied rest periods to Plaintiff and the Class Members in violation of Labor Code §§ 226.7 and 512 and paragraph 12 of the applicable IWC Wage Orders.

83. Defendants failed to authorize and permit Plaintiff and the Class Members to take rest periods, as required by the Labor Code. Moreover, Defendants did not compensate Employees with an additional hour of pay at each Employee's hourly rate for each day that Defendants failed to provide them with adequate rest breaks, as required under Labor Code § 226.7 and paragraphs 12 and 20 of the applicable IWC Wage Orders.

84. Therefore, pursuant to Labor Code § 226.7 and paragraphs 12 and 20 of the applicable IWC Wage Orders, Employees are entitled to damages in an amount equal to one hour of wages at their effective hourly rates of pay for each day worked without the required rest breaks, a sum to be proven at trial, as well as the assessment of any statutory penalties against Defendants, and each of them, in a sum as provided by the Labor Code and/or other statutes.

FIFTH CAUSE OF ACTION
VIOLATION OF LABOR CODE § 226(a)
(Against All Defendants)

85. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in full herein.

86. California Labor Code § 226(a) requires an employer to furnish each of his or her employees with an accurate, itemized statement in writing showing the gross and net earnings, total hours worked, and the corresponding number of hours worked at each hourly rate; these statements must be appended to the detachable part of the check, draft, voucher, or whatever else serves to pay the employee's wages; or, if wages are paid by cash or personal check, these statements may be given to the employee separately from the payment of wages; in either case the employer must give the employee these statements twice a month or each time wages are paid.

87. Defendants failed to provide Plaintiff and the similarly situated Employee Class Members with accurate itemized wage statements in writing, as required by the Labor Code and paragraph 7 of the applicable IWC Wage Orders. Specifically, the wage statements issued to Employees by Defendants failed to accurately account for wages, overtime, and premium pay, including for all overtime worked and for deficient meal periods and rest breaks, all of which Defendants knew or reasonably should have known were owed to the Employees, as alleged above.

1 88. Throughout the liability period, Defendants intentionally failed to furnish to Plaintiff
2 and the Class Members, upon each payment of wages, itemized statements accurately showing: (1)
3 gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned
4 and any applicable piece rate paid on a piece-rate basis, (4) all deductions, (5) net wages earned, (6)
5 the inclusive dates of the period for which the employee is paid, (7) the name of the employee and
6 only the last four digits of his or her social security number or an employee identification number
7 other than a social security number, (8) the name and address of the legal entity that is the employer
8 and (9) all applicable hourly rates in effect during the pay period and the corresponding number of
9 hours worked at each hourly rate by the employee pursuant to Labor Code § 226 and paragraph 7 of
10 the applicable IWC Wage Orders, amongst other statutory requirements. Defendants knowingly and
11 intentionally failed to provide Plaintiff and the Class Members with such timely and accurate wage
12 and hour statements.

13 89. Plaintiff and the Class Members suffered injury as a result of Defendants' knowing
14 and intentional failure to provide them with the wage and hour statements as required by law and are
15 presumed to have suffered injury and entitled to penalties under Labor Code § 226(e), as the
16 Defendants have failed to provide an accurate wage statement, failed to provide accurate and complete
17 information as required by any one or more of items Labor Code § 226 (a)(1) to (9), inclusive, and
18 the Plaintiff and Class Members cannot promptly and easily determine from the wage statement alone
19 one or more of the following: (i) The amount of the gross wages or net wages paid to the employee
20 during the pay period or any of the other information required to be provided on the itemized wage
21 statement pursuant to items (2) to (4), inclusive, (6), and (9) of subdivision (a), (ii) Which deductions
22 the employer made from gross wages to determine the net wages paid to the employee during the pay
23 period, (iii) The name and address of the employer and, (iv) The name of the employee and only the
24 last four digits of his or her social security number or an employee identification number other than
25 a social security number. For purposes of Labor Code § 226(e) "promptly and easily determine"
26 means a reasonable person [i.e. an objective standard] would be able to readily ascertain the
27 information without reference to other documents or information.

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90. Additionally, under paragraph 4(B) of the applicable IWC Wage Orders, employers are required “to pay each employee, on the established payday for the period involved, not less than the applicable minimum wage for all hours worked in the payroll period, ...” Under Labor Code § 1198, “[t]he employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful.” Plaintiff and the Class Members may therefore pursue damages and penalties for violations of Labor Code § 204 and paragraph 4(B) of the applicable IWC Wage Orders, including penalties under paragraph 20 of the applicable IWC Wage Orders.

91. Therefore, as a direct and proximate cause of Defendants' violation of Labor Code § 226(a) and paragraphs 4(b), 7, and 20 of the applicable IWC Wage Orders, the Employees in the Class suffered injuries, including among other things confusion over whether they received all wages owed them, the difficulty and expense involved in reconstructing pay records, and forcing them to make mathematical computations to analyze whether the wages paid in fact compensated them correctly for all hours worked.

92. Pursuant to Labor Code §§ 226(a) and 226(e), and paragraph 20 of the applicable IWC Wage Order, Plaintiff and the Employee Class Members are entitled to recover the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one hundred dollars (\$100) for each violation in a subsequent pay period, not exceeding an aggregate penalty of four thousand dollars (\$4,000) under Section 226(e). They are also entitled to an award of costs and reasonable attorneys' fees.

SIXTH CAUSE OF ACTION

FAILURE TO KEEP REQUIRED PAYROLL RECORDS, LABOR CODE §§ 1174, 1174.5

(Against All Defendants)

93. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in full herein.

94. California Labor Code § 1174 requires that all employers shall keep accurate time and wage records for all employees. California Labor Code § 1174.5 further requires that any employee suffering injury due to a willful violation of the aforementioned obligations may seek damages,

1 including civil penalties, from the employer.

2 95. During the course of Plaintiff's and Employees' employment, Defendants consistently
3 failed to maintain accurate time and wage records for Plaintiff and Class Members as required by
4 California Labor Code § 1174 by failing to pay them proper wages, overtime, and premium pay as
5 discussed above and failing to document and pay for actual hours worked.

6 96. Defendants are also required by the California Labor Code § 1198 and the applicable
7 Wage Order to maintain a tracking system that accurately records Employees work times.

8 97. Defendants' failure to pay wages, as alleged above, was willful in that Defendants
9 knew wages to be due but failed to pay them.

10 98. Accordingly, Defendants are liable for civil penalties pursuant to the California Labor
11 Code including § 1174.5, for the three years prior to the filing of this Complaint.

12 **SEVENTH CAUSE OF ACTION**
13 **VIOLATION OF LABOR CODE § 204**
14 **(Against All Defendants)**

15 99. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in
16 full herein.

17 100. Labor Code § 204 instructs that: "All wages, ...earned by any person in any
18 employment are due and payable twice during each calendar month, on days designated in advance
19 by the employer as the regular paydays. Labor performed between the 1st and 15th days, inclusive,
20 of any calendar month shall be paid for between the 16th and the 26th day of the month during which
21 the labor was performed, and labor performed between the 16th and the last day, inclusive, of any
22 calendar month, shall be paid for between the 1st and 10th day of the following month." Additionally,
23 the requirements of this section shall be deemed satisfied by the payment of wages for weekly,
24 biweekly, or semimonthly payroll if the wages are paid not more than seven calendar days following
25 the close of the payroll period." As detailed above, Defendants maintained a consistently applied
26 policy and practice of not paying all wages earned between the 1st and 15th days of a month between
27 the 16th and 26th day and failed to pay all wages earned between the 16th and the last day of the month
28 between the 1st and 10th day of the following month. Defendants similarly failed to pay all wages

1 earned by not more than seven calendar days following the close of the payroll period.

2 101. All wages due and owing to Plaintiff and the Class Members, including as required
3 under Labor Code § 510, were therefore not timely paid by Defendants. Additionally, wages required
4 by Labor Code § 1194 and other sections became due and payable to each employee in each pay
5 period that he or she was not provided with a meal period or rest period or paid straight or overtime
6 wages to which he or she was entitled.

7 102. Defendants violated Labor Code § 204 by systematically refusing to timely pay wages
8 due under the Labor Code, as addressed above. Additionally, under paragraph 4(B) of the applicable
9 IWC Wage Orders, employers are required “to pay each employee, on the established payday for the
10 period involved, not less than the applicable minimum wage for all hours worked in the payroll period,
11 ...” Under Labor Code § 1198, “[t]he employment of any employee for longer hours than those fixed
12 by the order or under conditions of labor prohibited by the order is unlawful.” Plaintiff and the Class
13 Members may therefore pursue damages and penalties for violations of Labor Code § 204 and
14 paragraph 4(B) of the applicable IWC Wage Orders, including penalties under paragraph 20 of the
15 applicable IWC Wage Orders.

16 103. As a result of the unlawful acts of Defendants, Plaintiff and the Class she seeks to
17 represent have been deprived of wages in amounts to be determined at trial, and they are entitled to
18 recovery of such amounts, plus interest and penalties thereon, attorneys’ fees, and costs, pursuant to
19 Labor Code § 204, 210, 218.5, 1194 and 1198, and paragraphs 4(B) and 20 of the applicable IWC
20 Wage Orders.

21 **EIGHTH CAUSE OF ACTION**
22 **VIOLATION OF LABOR CODE § 203**
23 **(Against All Defendants)**

24 104. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in
25 full herein.

26 105. Plaintiff and numerous Class Members are no longer employed by Defendants; they
27 either quit Defendants’ employ or were fired therefrom. Defendants failed to pay these Employees all
28 wages due and certain at the time of termination or within seventy-two hours of resignation.

1 106. The wages withheld from these Employees by Defendants remained due and owing
2 for more than thirty days from the date of separation from employment. Additionally, Defendants
3 failed to pay Plaintiff her final check at the time of her termination.

4 107. Defendants thus failed to pay Plaintiff and the Class Members without abatement, all
5 wages as defined by applicable California law. Among other things, these Employees were not paid
6 all regular and overtime wages, including by Defendants failing to pay for all hours worked or
7 requiring off-the-clock work or by unlawfully under-recording time entries to the detriment of
8 Employees, and Defendants failed to pay premium wages owed for unprovided meal periods and rest
9 periods, as further detailed in this Complaint. Defendants' failure to pay said wages within the
10 required time was willful within the meaning of Labor Code § 203.

11 108. Additionally, under paragraph 4(B) of the applicable IWC Wage Orders, employers
12 are required "to pay each employee, on the established payday for the period involved, not less than
13 the applicable minimum wage for all hours worked in the payroll period, ..." Under Labor Code §
14 1198, "[t]he employment of any employee for longer hours than those fixed by the order or under
15 conditions of labor prohibited by the order is unlawful." Plaintiff and the Class Members may
16 therefore pursue damages and penalties for violations of Labor Code § 203 and paragraph 4(B) of the
17 applicable IWC Wage Orders, including penalties under paragraph 20 of the applicable IWC Wage
18 Orders. Additionally, under Labor Code § 1199(a)-(c), it is a misdemeanor and Defendants are subject
19 to a fine of not less than \$100 for causing Employees "to work for longer hours than those fixed, or
20 under conditions of labor prohibited by an order of the commission" or if the employer pays "a wage
21 less than the minimum fixed by an order of the commission" or "violates...any provision of this
22 chapter or any order or ruling of the commission."

23 109. Defendants' failure to pay wages, as alleged, entitles Plaintiff and these former
24 Employee Class Members to penalties under Labor Code § 203 and the applicable paragraphs of the
25 IWC Wage Orders as addressed above, including the requirement that an employee's wages shall
26 continue until paid for up to thirty (30) days from the date they were due.

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NINTH CAUSE OF ACTION
VIOLATION OF LABOR CODE § 221
(Against All Defendants)

110. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in full herein.

111. Labor Code § 221 provides, "It shall be unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee." Additionally, pursuant to California Labor Code § 204, other applicable laws and regulations, and public policy, an employer must timely pay its employees for all hours worked. Defendants failed to do so.

112. Defendants unlawfully received and/or collected wages from the Employees in the Class by requiring off-the-clock work, by miscalculating or not paying overtime, and by automatically deducting time for meal periods when they were not lawfully provided and not paying one hour of pay at the regular rate of compensation for every meal and rest period violation endured by Plaintiff and the other Class Members, as alleged above. By not compensating Employees for all hours worked, Defendants unlawfully deducted wages earned in violation of Labor Code § 221.

113. As a direct and proximate cause of the unauthorized deductions, Employees have been damaged, in an amount to be determined at trial.

TENTH CAUSE OF ACTION
FAILURE TO REIMBURSE NECESSARY BUSINESS EXPENSES LABOR CODE § 2802
(Against All Defendants)

114. Plaintiff realleges and incorporates all preceding paragraphs, as though set forth in full herein.

115. Plaintiff is informed and believes and based thereon alleges that throughout the period applicable, Defendants required Plaintiff and the Class Members to pay for necessary work related expenses they incurred. Defendants required Plaintiff and the Class Members to use their personal cellular phones to conduct work related business and failed to reimburse as addressed above. Plaintiff and the Class Members must be reimbursed for these necessary business expenses under Labor Code

1 § 2802 and Defendants systematically failed to do so.

2 116. Defendants thus followed a uniform policy and practice of failing to reimburse
3 Employees for these necessary work related expenses or losses incurred in direct discharge of their
4 job duties during employment with Defendants and at the direction of the Defendants pursuant to
5 Labor Code § 2802(a) and the applicable IWC Wage Orders, paragraph 9.

6 117. Defendants' knowing and willful failure to reimburse lawful necessary work related
7 expenses and losses to Plaintiff and the Class Members resulted in damages because, among other
8 things, Defendants did not inform employees of their right to be reimbursed for those work related
9 expenses. As Defendants failed to inform and misled Plaintiff and the Class Members with regard to
10 their rights, Plaintiff and the Class Members were led to believe that incurring those lawful and
11 necessary expenses was an expected and essential function of their employment with Defendants and
12 that failure to incur those expenses would have adverse consequences on their employment.

13 118. Therefore, Plaintiff and the Class Members are entitled to reimbursement for any and
14 all necessary work related expenses, as provided for in Labor Code § 2802(b) and paragraph 9 of the
15 applicable IWC Wage Orders, incurred during the direct discharge of their duties while employed by
16 Defendants, as well as accrued interest on those expenses that were not reimbursed from the date
17 Plaintiff and the Class Members incurred those expenses. Further, Plaintiff and the Class Members
18 are entitled to costs and attorney's fees pursuant to Labor Code § 2802(c).

19 **ELEVENTH CAUSE OF ACTION**

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

21 **(Against All Defendants)**

22 119. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in
23 full herein. Plaintiff, on behalf of herself, the Employees in the Class, and the general public, brings
24 this claim pursuant to Business & Professions Code § 17200 *et seq.* The conduct of Defendants as
25 alleged in this Complaint has been and continues to be unfair, unlawful, and harmful to Employees
26 and the general public. Plaintiff seeks to enforce important rights affecting the public interest within
27 the meaning of Code of Civil Procedure § 1021.5.

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1 120. Plaintiff is a “person” within the meaning of Business & Professions Code
2 § 17204, has suffered injury, and therefore has standing to bring this cause of action for injunctive
3 relief, restitution, and other appropriate equitable relief.

4 121. Business & Professions Code § 17200 *et seq.* prohibits unlawful and unfair business
5 practices. By the conduct alleged herein, Defendants’ practices were deceptive and fraudulent in that
6 Defendants’ policy and practice failed to provide the required amount of compensation for missed
7 meal and rest breaks, and failed to adequately compensate Plaintiff and Class Members for all hours
8 worked, due to systematic business practices as alleged herein that cannot be justified, pursuant to the
9 applicable California Labor Code and Industrial Welfare Commission requirements in violation of
10 California Business and Professions Code §§ 17200, *et seq.*, and for which this Court should issue
11 injunctive and equitable relief, pursuant to California Business & Professions Code § 17203,
12 including restitution of wages wrongfully withheld.

13 122. Wage-and-hour laws express fundamental public policies. Paying employees their
14 wages and overtime, providing them with meal periods and rest breaks, etc., are fundamental public
15 policies of California. Labor Code § 90.5(a) articulates the public policies of this State vigorously to
16 enforce minimum labor standards, to ensure that employees are not required or permitted to work
17 under substandard and unlawful conditions, and to protect law-abiding employers and their
18 employees from competitors who lower costs to themselves by failing to comply with minimum labor
19 standards.

20 123. Defendants have violated statutes and public policies. Through the conduct alleged in
21 this Complaint Defendants have acted contrary to these public policies, have violated specific
22 provisions of the Labor Code, and have engaged in other unlawful and unfair business practices in
23 violation of Business & Professions Code § 17200 *et seq.*, which conduct has deprived Plaintiff, all
24 persons similarly situated, and all interested persons, of the rights, benefits, and privileges guaranteed
25 to all employees under the law.

26 124. Defendants’ conduct, as alleged above, constitutes unfair competition in violation of
27 the Business & Professions Code § 17200 *et seq.*

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125. Defendants, by engaging in the conduct herein alleged, by failing to pay wages and overtime, failing to provide meal periods and rest breaks, etc., either knew or in the exercise of reasonable care should have known that their conduct was unlawful; therefore, their conduct violates the Business & Professions Code § 17200 *et seq.*

126. By the conduct alleged herein, Defendants have engaged and continue to engage in a business practice which violates California and federal law, including but not limited to, the applicable Industrial Wage Order(s), the California Code of Regulations, and the California Labor Code including Sections 204, 226, 226.7, 510, 512, 1194, 1197, and 1198 for which this Court should issue declaratory and other equitable relief pursuant to California Business & Professions Code § 17203 as may be necessary to prevent and remedy the conduct held to constitute unfair competition, including restitution of wages wrongfully withheld.

127. As a proximate result of the above-mentioned acts of Defendants, Employees have been damaged, in a sum to be proven at trial.

128. Unless restrained by this Court Defendants will continue to engage in such unlawful conduct as alleged above. Pursuant to the Business & Professions Code, this Court should make such orders or judgments, including the appointment of a receiver, as may be necessary to prevent the use by Defendants or their agents or employees of any unlawful or deceptive practice prohibited by the Business & Professions Code, including but not limited to the disgorgement of such profits as may be necessary to restore Employees to the money Defendants have unlawfully failed to pay.

RELIEF REQUESTED

WHEREFORE, Plaintiff prays for the following relief:

1. For an order certifying this action as a class action;
2. For compensatory damages in the amount of the unpaid minimum wages for work performed by Employees and unpaid overtime compensation from at least four (4) years prior to the filing of this action, as may be proven;
3. For liquidated damages in the amount equal to the unpaid minimum wage and interest thereon, from at least four (4) years prior to the filing of this action, according to proof;

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1 4. For compensatory damages in the amount of all unpaid wages, including overtime pay,
2 as may be proven;

3 5. For compensatory damages in the amount of the hourly wage made by Employees for
4 each missed or deficient meal period where no premium pay was paid therefor from four (4) years
5 prior to the filing of this action, as may be proven;

6 6. For compensatory damages in the amount of the hourly wage made by Employees for
7 each day requisite rest breaks were not provided or were deficiently provided where no premium pay
8 was paid therefor from at least four (4) years prior to the filing of this action, as may be proven;

9 7. For penalties pursuant to Labor Code § 226(e) for Employees, as may be proven;

10 8. For penalties pursuant to Labor Code § 1174.5, as may be proven;

11 9. For restitution and/or damages and penalties for Defendants' failure to pay all wages
12 due twice monthly under Labor Code § 204, as may be proven;

13 10. For penalties pursuant to Labor Code § 203 for all Employees who quit or were fired
14 in an amount equal to their daily wage times thirty (30) days, as may be proven;

15 11. For restitution and/or damages for all amounts unlawfully withheld from the wages
16 for all Class Members in violation of Labor Code § 221, as may be proven;

17 12. For damages and restitution for failure to reimburse all reasonable and necessary
18 business expenses incurred by Employees as required by Labor Code § 2802, as may be proven;

19 13. For restitution for unfair competition pursuant to Business & Professions Code
20 § 17200 *et seq.*, including disgorgement or profits, as may be proven;

21 14. For an order enjoining Defendants and their agents, servants, and employees, and all
22 persons acting under, in concert with, or for them, from acting in derogation of any rights or duties
23 adumbrated in this Complaint;

24 15. For other wages and penalties under the Labor Code as may be proven;

25 16. For all general, special, and incidental damages as may be proven;

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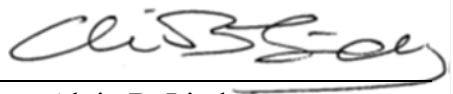
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- 1 17. For an award of pre-judgment and post-judgment interest;
2 18. For an award providing for the payment of the costs of this suit;
3 19. For an award of attorneys' fees; and
4 20. For such other and further relief as this Court may deem proper and just.

5
6 DATED: September 10, 2025

D.LAW, INC.

7
8 By: 

9 Alvin B. Lindsay

William Tran

10 Attorneys for Plaintiff STEPHANIE J. FAN
11 and all others similarly situated
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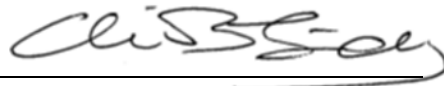
DEMAND FOR JURY TRIAL

Plaintiff STEPHANIE J. FAN hereby demands trial of her claims by jury to the extent authorized by law.

DATED: September 10, 2025

D.LAW, INC.

By: _____



Alvin B. Lindsay

William Tran

Attorneys for Plaintiff STEPHANIE J. FAN
and all others similarly situated