

**LIDMAN LAW, APC**  
Scott M. Lidman (SBN 199433)  
slidman@lidmanlaw.com  
Elizabeth Nguyen (SBN 238571)  
enguyen@lidmanlaw.com  
Milan Moore (SBN 308095)  
mmoore@lidmanlaw.com  
2155 Campus Drive, Suite 150  
El Segundo, California 90245  
Tel: (424) 322-4772  
Fax: (424) 322-4775

Attorneys for Plaintiff  
MATTHEW CRUZ

**HAINES LAW GROUP, APC**  
Paul K. Haines (SBN 248226)  
phaines@haineslawgroup.com  
2155 Campus Drive, Suite 180  
El Segundo, California 90245  
Tel: (424) 292-2350  
Fax: (424) 292-2355

Attorneys for Plaintiff  
MATTHEW CRUZ

**SUPERIOR COURT OF THE STATE OF CALIFORNIA**

**FOR THE COUNTY OF LOS ANGELES**

MATTHEW CRUZ, as an individual and on  
behalf of all others similarly situated,

Plaintiff,

vs.

CAT SPEC, LTD. L.P., a Texas limited  
partnership; STRONGHOLD, LTD.  
LIMITED PARTNERSHIP, a Texas limited  
partnership; and DOES 1 through 100,  
inclusive,

Defendants.

Case No.: 23STCV06904

**FIRST AMENDED CLASS AND  
REPRESENTATIVE ACTION  
COMPLAINT:**

- (1) **FAILURE TO PAY ALL  
OVERTIME WAGES OWED  
(LABOR CODE §§ 204, 510, 558,  
1194, 1198)**
- (2) **FAILURE TO PAY ALL MINIMUM  
WAGES OWED (LABOR CODE §§  
1182.12, 1194, 1194.2, 1197);**
- (3) **FAILURE TO PROVIDE MEAL  
PERIODS (LABOR CODE §§ 226.7,  
512, 558);**
- (4) **FAILURE TO AUTHORIZE AND  
PERMIT ALL REST PERIODS  
(LABOR CODE §§ 226.7, 516, 558);**
- (5) **FAILURE TO PROVIDE  
ACCURATE, ITEMIZED WAGE  
STATEMENTS (LABOR CODE §  
226 *et seq.*);**

**FILED**  
Superior Court of California  
County of Los Angeles

06/16/2023

David W. Slayton, Executive Officer / Clerk of Court

By: T. Bivins Deputy

1 (6) FAILURE TO INDEMNIFY ALL  
2 NECESSARY BUSINESS  
3 EXPENDITURES (LABOR CODE §  
4 2802);

5 (7) FAILURE TO PAY ALL WAGES  
6 OWED UPON TERMINATION  
7 (LABOR CODE §§ 201-203);

8 (8) UNFAIR COMPETITION (BUS &  
9 PROF CODE § 17200 *et seq.*); and

10 (9) CIVIL PENALTIES UNDER THE  
11 PRIVATE ATTORNEYS GENERAL  
12 ACT (LABOR CODE § 2698 *et seq.*)

13 DEMAND FOR JURY TRIAL  
14 UNLIMITED CIVIL CASE  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

1 Plaintiff Matthew Cruz (“Plaintiff”), on behalf of himself and all others similarly situated,  
2 hereby brings this First Amended Class and Representative Action Complaint (“FAC”) against  
3 Cat Spec, LTD. L.P., a Texas limited partnership; Stronghold, LTD. Limited Partnership, a Texas  
4 limited partnership; and DOES 1 to 100, inclusive (collectively “Defendants”), and on  
5 information and belief alleges as follows:

### 6 **JURISDICTION**

7 1. Plaintiff, on behalf of himself and all others similarly situated, hereby brings this  
8 FAC for recovery of unpaid wages, interest, and penalties under California Business &  
9 Professions Code § 17200 *et. seq.*, Labor Code §§ 201-204, 218 *et seq.*, 226 *et seq.*, 226.7, 510,  
10 512, 516, 558, 1182.12, 1194, 1194.2, 1197, 1198, 2698 *et seq.*, 2802 and Industrial Welfare  
11 Commission Wage Order 1 (“Wage Order 1”), in addition to seeking declaratory relief and  
12 restitution. This FAC is brought pursuant to California Code of Civil Procedure § 382. This Court  
13 has jurisdiction over Defendants’ violations of the California Labor Code because the amount in  
14 controversy exceeds this Court's jurisdictional minimum.

### 15 **VENUE**

16 2. Venue is proper in this judicial district pursuant to Cal. Code of Civ. Proc. §§  
17 395(a) and 395.5, as at least some of the acts and omissions complained of herein occurred in the  
18 County of Los Angeles. Defendants own, maintain offices, transact business, have agent(s)  
19 within the County of Los Angeles, and/or otherwise are found within the County of Los Angeles,  
20 and Defendants are within the jurisdiction of this Court for purposes of service of process.

### 21 **PARTIES**

22 3. Plaintiff is an individual over the age of eighteen (18). At all relevant times herein,  
23 Plaintiff was and currently is, a California resident. During the four years immediately preceding  
24 the filing of the lawsuit in this action and within the statute of limitations periods applicable to  
25 each cause of action pled herein, Plaintiff was employed by Defendants as a non-exempt  
26 employee. Plaintiff was, and is, a victim of Defendants’ policies and/or practices complained of  
27 herein, lost money and/or property, and has been deprived of the rights guaranteed by Labor Code  
28 §§ Labor Code §§ 201-204, 218 *et seq.*, 226 *et seq.*, 226.7, 510, 512, 516, 558, 1182.12, 1194,

1 1194.2, 1197, 1198, 2698 *et seq.*, 2802; California Business & Professions Code § 17200 *et seq.*  
2 (“Unfair Competition Law”); and Wage Order 1, which sets employment standards for the  
3 manufacturing occupations, which includes the industry in which Plaintiff worked for  
4 Defendants.

5 4. Plaintiff is informed and believes, and based thereon alleges, that during the four  
6 years preceding the filing of the lawsuit and continuing to the present, Defendants did (and  
7 continue to do) business by offering catalysts to refineries and petrochemical industries to their  
8 customers across the United States. Defendants employed Plaintiff and other, similarly-situated  
9 non-exempt employees within, among other counties, Los Angeles County and the state of  
10 California and, therefore, were (and are) doing business in Los Angeles County and the State of  
11 California.

12 5. Plaintiff does not know the true names or capacities, whether individual, partner,  
13 or corporate, of the defendants sued herein as DOES 1 to 100, inclusive, and for that reason, said  
14 defendants are sued under such fictitious names, and Plaintiff will seek leave from this Court to  
15 amend this FAC when such true names and capacities are discovered. Plaintiff is informed, and  
16 believes, and based thereon alleges, that each of said fictitious defendants, whether individual,  
17 partners, or corporate, were responsible in some manner for the acts and omissions alleged herein,  
18 and proximately caused Plaintiff and the Classes (as defined in Paragraph 20) to be subject to the  
19 unlawful employment practices, wrongs, injuries and damages complained of herein.

20 6. Plaintiff is informed, and believes, and thereon alleges, that at all times mentioned  
21 herein, Defendants were and are the employers of Plaintiff and all members of the Classes.

22 7. At all times herein mentioned, each of said Defendants participated in the doing  
23 of the acts hereinafter alleged to have been done by the named Defendants; and furthermore, the  
24 Defendants, and each of them, were the agents, servants, and employees of each and every one of  
25 the other Defendants, as well as the agents of all Defendants, and at all times herein mentioned  
26 were acting within the course and scope of said agency and employment. Defendants, and each  
27 of them, approved of, condoned, and/or otherwise ratified each and every one of the acts or  
28 omissions complained of herein.

1           8.       At all times mentioned herein, Defendants, and each of them, were members of  
2 and engaged in a joint venture, partnership, and common enterprise, and acting within the course  
3 and scope of and in pursuance of said joint venture, partnership, and common enterprise. Further,  
4 Plaintiff alleges that all Defendants were joint employers for all purposes of Plaintiff and all  
5 members of the Classes.

6                               **GENERAL FACTUAL ALLEGATIONS**

7           9.       Plaintiff was employed by Defendants as a non-exempt employee between  
8 approximately August 2022 and February 4, 2023. Plaintiff was a Catalyst Tech and was  
9 responsible for reactor and tower maintenance for refineries at the various locations of  
10 Defendants' customers.

11          10.      During Plaintiff's employment with Defendants, Defendants maintained a uniform  
12 policy or practice of failing to accurately record all time worked by Plaintiff and other non-exempt  
13 employees. Throughout Plaintiff's employment with Defendants, Defendants would keep track  
14 of Plaintiff's time worked and would unlawfully shave Plaintiff's work time and/or round  
15 Plaintiff's work time such that Plaintiff would not be fully paid for all time worked. Specifically,  
16 Defendants maintained a uniform policy or practice of having the supervisor record Plaintiff's  
17 hours. The supervisor would record rounded hours and not the actual time Plaintiff began working  
18 and/or stopped working. For example, if Plaintiff arrived at 5:10 a.m. and began working, the  
19 supervisor would record 5:30 a.m. as Plaintiff's start time. Similarly, at the end of the shift, if  
20 Plaintiff worked until 7:20 p.m., the supervisor would record 7:00 p.m. as Plaintiff's stop time.  
21 This time shaving/rounding practice utilized by Defendants was not-even handed over time and  
22 would round and shave in Defendants' favor such that Plaintiff was routinely underpaid for his  
23 time worked. Therefore, this practice by Defendants resulted in Defendants not properly tracking  
24 the time worked by Plaintiff, and also resulted in Defendants paying Plaintiff less than he was  
25 owed for the work he performed, including failing to pay him all required minimum and overtime  
26 wages.

27          11.      Further, during Plaintiff's employment with Defendants, he typically worked in  
28 excess of 8 hours per workday and/or 40 hours per work week, and therefore, had Plaintiff been

properly paid for all of the time that he actually worked, he would have been paid additional overtime wages. Moreover, Plaintiff often worked in excess of 12 hours in a shift but was not properly compensated at his double time rate for such hours.

12. Throughout Plaintiff's employment with Defendants, Plaintiff and other non-exempt employees were not provided all required meal periods due to Defendants' meal period policies and practices, which fail to provide 30-minute first meal periods before the end of the fifth hour of work. For example, Plaintiff is informed and believes, and thereon alleges, Defendants' meal period policies and practices permitted only one untimely meal period during each shift worked. Further, Defendants did not require Plaintiff and the other non-exempt employees to clock in and out for their meal periods. Instead, the supervisor wrote down the same exact lunch time for all the non-exempt employees working at the jobsite and Plaintiff and the other non-exempt employees were required to initial. Therefore, despite Defendants' failure to keep any records of Plaintiff's meal periods, Plaintiff is informed and believes that Defendants unlawfully and automatically deducted thirty minutes from Plaintiff's work time each shift for a purported meal period regardless of whether or not a meal period was taken.

13. Further, Defendants' meal period policies and practices fail to provide Plaintiff and the other non-exempt employees a second meal period for shifts over 10.0 hours. As a result, when Plaintiff worked in excess of 10.0 hours, they were not provided with a second 30-minute meal period in violation of California law.

14. Although Plaintiff and the other non-exempt employees were not provided with all legally-compliant meal periods to which they were entitled, Defendants failed to compensate them with the required meal period premium for each workday in which they experienced a meal period violation as mandated by Labor Code § 226.7. Upon information and belief during at least a portion of the class period, Defendants maintained no policy, payroll code or other mechanism for the payment of meal period premium payments under Labor Code § 226.7 in the event that a legally compliant meal period was not provided to their non-exempt employees.

15. Plaintiff was also not authorized and permitted to take all required rest periods due to Defendants' rest period policies and practices. Plaintiff believes, and thereon alleges, that

1 Defendants' rest period policies and practices fail to authorize and permit non-exempt employees  
2 to take a net paid 10-minute rest period for every four hours worked, or *major fraction thereof*.  
3 Further, Plaintiff was unable to take any of his required rest periods due to heavy work demands.

4 16. Plaintiff believes, and thereon alleges, that on those occasions when Plaintiff and  
5 the other non-exempt employees were not authorized and permitted to take all legally-compliant  
6 rest periods to which they were entitled, Defendants failed to compensate Plaintiff and the other  
7 non-exempt employees with the required rest period premium for each workday in which they  
8 experienced a rest period violation as mandated by Labor Code § 226.7. Upon information and  
9 belief during at least a portion of the class period, Defendants maintained no policy, payroll code  
10 or other mechanism for the payment of rest period premium payments under Labor Code § 226.7  
11 in the event that a legally compliant rest period was not provided to their non-exempt employees.

12 17. Defendants' policies and procedures also failed to reimburse Plaintiff and other  
13 non-exempt employees for necessary business expenses incurred during the relevant time period.  
14 Specifically, Defendants required Plaintiff to use his personal cellular phone and computer to  
15 communicate with his supervisors in discharge of his duties. Further, Defendants required  
16 Plaintiff to use his personal tools to discharge his duties. Accordingly, despite the non-exempt  
17 employees being required to use their personal cellular phones, computer, and/or personal tools,  
18 Defendants did not reimburse Plaintiff or other non-exempt employees for all necessary  
19 expenditures or losses incurred by the employee in direct consequence of the discharge of their  
20 duties, or of their obedience to the directions of the employer in violation of California law.

21 18. As a result of Defendants' failure to pay all overtime and/or minimum wages  
22 owed, as well as meal and rest period premium wages, Defendants maintained inaccurate payroll  
23 records and issued inaccurate wage statements to Plaintiff.

24 19. As a further result of Defendants' failure to pay all overtime and/or minimum  
25 wages owed, and failure to pay all meal and rest period premium wages, Defendants failed to  
26 provide pay Plaintiff all wages owed upon his separation of employment with Defendants.

27 **CLASS ACTION ALLEGATIONS**

28 20. **Class Definitions:** Plaintiff brings this action on behalf of himself and the

following Classes pursuant to § 382 of the Code of Civil Procedure:

- a. The Overtime Class consists of all of Defendants' current and former non-exempt employees in California who worked in excess of 8 hours in a work day and/or in excess of 40 hours in a work week, and were subject to Defendants' timekeeping policies/practices, during the four years preceding the filing of the lawsuit through the present.
- b. The Minimum Wage Class consists of all of Defendants' current and former non-exempt employees in California who were subject to Defendants' timekeeping policies/practices, during the four years preceding the filing of the lawsuit through the present.
- c. The Meal Period Class consists of all of Defendants' current and former non-exempt employees in California who: (i) worked at least one shift in excess of 5.0 and/or (ii) who worked at least one shift of over 10.0 hours, during the four years immediately preceding the filing of the lawsuit through the present.
- d. The Rest Period Class consists of all of Defendants' current and former non-exempt employees in California who worked at least one shift of 3.5 hours, during the four years immediately preceding the filing of the lawsuit through the present.
- e. The Expense Reimbursement Class consists of all of Defendants' current and former non-exempt employees in California who incurred expenses, including without limitation, cell phone, computer, and/or personal tools, in the discharge of their duties during the four years immediately preceding the filing of the lawsuit through the present.
- f. The Wage Statement Class consists of all members of the: (i) Overtime Class; (ii) Minimum Wage Class; (iii) Meal Period Class; and/or (iv) Rest Period Class, during the one year immediately preceding the filing of the lawsuit through the present.
- g. The Waiting Time Penalty Class consists of all members of the: (i) Overtime Class; (ii) Minimum Wage Class; (iii) Meal Period Class; and/or (iv) Rest Period

Class who separated their employment with Defendants during the three years immediately preceding the filing of the lawsuit through the present.

- h. The UCL Class consists of members of (i) Overtime Class; (ii) Minimum Wage Class; (iii) Meal Period Class, (iv) Rest Period; (v) Expense Reimbursement Class; (vi) Wage Statement Class; and/or (vii) Waiting Time Penalty Class; during the four years immediately preceding the filing of the lawsuit through the present

21. Plaintiff reserves the right under Rule 3.765(b) of the California Rules of Court, to amend or modify the description of the various classes with greater specificity or further division into subclasses or limitation to particular issues.

22. **Numerosity/Ascertainability:** The members of the Classes are so numerous that joinder of all members would be unfeasible and not practicable. The membership of the Classes is unknown to Plaintiff at this time; however, it is estimated that the members of the Classes number greater than three hundred (300) individuals. The identity of such membership is readily ascertainable via inspection of Defendants' employment records.

23. **Common Questions of Law and Fact Predominate/Well Defined Community of Interest:** There are common questions of law and fact as to Plaintiff and all other similarly situated employees, which predominate over questions affecting only individual members. Those common questions include, without limitation:

- i. Whether Defendants' timekeeping policies and/or practices resulted in the failure to properly compensate members of the Overtime and Minimum Wage Classes for all hours actually worked;
- ii. Whether Defendants violated the applicable Labor Code provisions including, but not limited to §§ 510 and 1194 by requiring overtime work and not paying for said work according to the overtime laws of the State of California;
- iii. Whether Defendants provided all legally compliant meal periods to members of the Meal Period Class pursuant to Labor Code §§ 226.7 and 512;
- iv. Whether Defendants authorized and permitted all legally compliant rest periods to members of the Rest Period Class pursuant to Labor Code §§ 226.7 and 516;

- 1 v. Whether Defendants properly reimbursed the members of the Reimbursement  
2 Class for all necessary business expenses incurred;
- 3 vi. Whether Defendants furnished legally compliant wage statements to members of  
4 the Wage Statement Class pursuant to Labor Code § 226;
- 5 vii. Whether Defendants paid all wages owed to its terminated/separated employees at  
6 the time of said termination/separation pursuant to Labor Code §§ 201-203; and
- 7 viii. Whether Defendants engaged in unlawful, unfair, illegal, and/or deceptive  
8 business practices by and through the wage and hour policies and practices  
9 described above, and whether as a result Defendants owe the classes restitution.

10 **24. Predominance of Common Questions:** Common questions of law and fact  
11 predominate over questions that affect only individual members of the Classes. The common  
12 questions of law set forth above are numerous and substantial and stem from Defendants' policies  
13 and/or practices applicable to each individual class member, such as Defendants' uniform  
14 minimum wage, overtime wage payment, meal and rest period policies/practices, and  
15 reimbursement policies/practices. As such, the common questions predominate over individual  
16 questions concerning each individual class member's showing as to their eligibility for recovery  
17 or as to the amount of their damages.

18 **25. Typicality:** The claims of Plaintiff are typical of the claims of the Classes because  
19 Plaintiff was employed by Defendants as a non-exempt employee in California during the  
20 statute(s) of limitations period applicable to each cause of action pled in the lawsuit. As alleged  
21 herein, Plaintiff, like the members of the Classes, was not provided all legally required minimum  
22 wages, overtime wages, was not provided with all required meal periods, was not authorized and  
23 permitted to take all required rest periods, did not receive meal and rest period premium wages  
24 when he was not provided compliant meal periods or not authorized or permitted to take  
25 compliant rest periods, was not reimbursed for necessary business expenditures, was not provide  
26 accurate, itemized wage statements, and was not provided with all wages due upon termination.

27 **26. Adequacy of Representation:** Plaintiff is fully prepared to take all necessary steps  
28 to represent fairly and adequately the interests of the members of the Classes. Moreover,

Plaintiff's attorneys are ready, willing and able to fully and adequately represent the members of the Classes and Plaintiff. Plaintiff's attorneys have prosecuted and defended numerous wage-and-hour class actions in state and federal courts in the past and are committed to vigorously prosecuting this action on behalf of the members of the Classes.

27. **Superiority:** The California Labor Code is broadly remedial in nature and serves an important public interest in establishing minimum working conditions and standards in California. These laws and labor standards protect the average working employee from exploitation by employers who have the responsibility to follow the laws and who may seek to take advantage of superior economic and bargaining power in setting onerous terms and conditions of employment. The nature of this action and the format of laws available to Plaintiff and members of the Classes make the class action format a particularly efficient and appropriate procedure to redress the violations alleged herein. If each employee were required to file an individual lawsuit, Defendants would necessarily gain an unconscionable advantage since they would be able to exploit and overwhelm the limited resources of each individual plaintiff with their vastly superior financial and legal resources. Moreover, requiring each member of the Classes to pursue an individual remedy would also discourage the assertion of lawful claims by employees who would be disinclined to file an action against their former and/or current employer for real and justifiable fear of retaliation and permanent damages to their careers at subsequent employment. Further, the prosecution of separate actions by the individual class members, even if possible, would create a substantial risk of inconsistent or varying verdicts or adjudications with respect to the individual class members against Defendants herein; and which would establish potentially incompatible standards of conduct for Defendants; and/or legal determinations with respect to individual class members which would, as a practical matter, be dispositive of the interest of the other class members not parties to adjudications or which would substantially impair or impede the ability of the class members to protect their interests. Further, the claims of the individual members of the Classes are not sufficiently large to warrant vigorous individual prosecution considering all of the concomitant costs and expenses attending thereto. As such, the Classes identified in Paragraph 20 are maintainable as a Class under § 382 of the

Code of Civil Procedure.

**FIRST CAUSE OF ACTION**

**FAILURE TO PAY ALL OVERTIME WAGES**

**(AGAINST ALL DEFENDANTS)**

28. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

29. This cause of action is brought pursuant to Labor Code §§ 204, 510, 558, 1194 and 1198 which provide that all non-exempt employees are entitled to all overtime wages for all overtime worked (hours in excess of 8 in one day and/or 40 in one week), and provide a private right of action for the failure to pay all overtime compensation for overtime work performed.

30. At all times relevant herein, Defendants were required to properly compensate Plaintiff and the members of the Overtime Class for all overtime hours worked pursuant to California Labor Code §§ 510 and 1194, and Wage Order 1. Labor Code § 510 and Wage Order 1, Section 3 require an employer to pay an employee “one and one-half (1½) times the regular rate of pay” for work in excess of 8 hours per workday and/or in excess of 40 hours per workweek. Labor Code § 510 and Wage Order 1, Section 3 also require an employer to pay an employee double the employee’s regular rate for work in excess of 12 hours each workday and/or in excess of 8 hours on the seventh consecutive day of work in the workweek. Defendants caused Plaintiff and the members of the Overtime Class to work in excess of 8 hours in a workday and/or 40 hours in a workweek but did not properly compensate Plaintiff and the members of the Overtime Class at one and one-half their regular rate of pay for such hours. Defendants also caused Plaintiff and the members of the Overtime Class to work in excess of 12 hours in a workday but did not properly compensate Plaintiff and the members of the Overtime Class at double their regular rate of pay for such hours.

31. The foregoing practices and policies are unlawful and create entitlement to recovery by Plaintiff and the members of the Overtime Class in a civil action for the unpaid amount of overtime premium owing, including interest thereon, as well as statutory penalties, civil penalties, and attorneys’ fees and costs of suit, pursuant to Labor Code §§ 204, 218.5, 218.6, 510, 558, 1194 and 1198, Wage Order 1, California Code of Civil Procedure § 1021.5 California

Code of Civil Procedure § 1021.5, and Civil Code §§ 3287(b) and 3289.

**SECOND CAUSE OF ACTION**

**FAILURE TO PAY ALL MINIMUM WAGES OWED**

**(AGAINST ALL DEFENDANTS)**

32. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

33. This cause of action is brought pursuant to Labor Code §§ 204, 558, 1194 and 1198 which provide that all non-exempt employees are entitled to all minimum wages for all hours worked, and provide a private right of action for the failure to pay all minimum wage compensation for all work performed.

34. At all times relevant herein, Defendants were required to properly compensate Plaintiff and the members of the Minimum Wage Class for all hours worked pursuant to California Labor Code §§ 1194, 1197 and 1198, and Wage Order 1. Wage Order 1, Section 4 requires an employer to pay to every employee on the established payday for the period involved not less than the applicable minimum wage for all hours worked in the payroll period. Defendants caused Plaintiff and the members of the Minimum Wage Class to work hours in a workweek but did not properly compensate Plaintiff and the members of the Minimum Wage Class at least minimum wages for such hours.

35. At all times relevant herein, Defendants lacked good faith and had no reasonable grounds for believing that their practices in failing to pay all minimum wages owed at the applicable rate was not a violation of any provision of the Labor Code relating to minimum wage, or an order of the Industrial Welfare Commission. Defendants therefore, in addition to owing minimum wages to Plaintiff and the members of the Minimum Wage Class, also owe liquidated damages in an amount equal to the wages unlawfully unpaid, and interest thereon, pursuant to Labor Code § 1194.2.

36. The foregoing practices and policies are unlawful and create entitlement to recovery by Plaintiff and the members of the Minimum Wage Class in a civil action for the unpaid amount of minimum wages owing, including interest thereon, as well as statutory penalties, liquidated damages, civil penalties, and attorneys' fees and costs of suit, pursuant to Labor Code

§§ 204, 218.5, 218.6, 558, 1194, 1194.2, 1197, 1197.1 and 1198, Wage Order 1, California Code of Civil Procedure § 1021.5 California Code of Civil Procedure § 1021.5, and Civil Code §§ 3287(b) and 3289.

**THIRD CAUSE OF ACTION**

**FAILURE TO PROVIDE MEAL PERIODS**

**(AGAINST ALL DEFENDANTS)**

37. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

38. Plaintiff is informed and believes, and based thereon alleges, that Defendants failed in their affirmative obligation to provide all of their non-exempt employees in California, including Plaintiff and members of the Meal Period Class, with all legally compliant meal periods in accordance with the mandates of the California Labor Code and Wage Order 1, § 11. Despite Defendants' violations, Defendants did not pay an additional hour of pay to Plaintiff and members of the Meal Period Class at their respective regular rates of compensation, in accordance with California Labor Code §§ 226.7, and 512.

39. As a result, Defendants are responsible for paying premium compensation for meal period violations including interest thereon, as well as statutory penalties, civil penalties, and costs of suit, pursuant to Labor Code §§ 226.7, 512, and 558, Wage Order 1, California Code of Civil Procedure § 1021.5 and Civil Code §§ 3287(b) and 3289.

**FOURTH CAUSE OF ACTION**

**FAILURE TO AUTHORIZE AND PERMIT ALL REST PERIODS**

**(AGAINST ALL DEFENDANTS)**

40. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

41. Wage Order 1, § 12 and California Labor Code §§ 226.7 and 516 establish the right of employees to be authorized and permitted to take a paid rest period of at least ten (10) minutes net rest time for each four (4) hour period worked, or *major fraction thereof*.

42. As alleged herein, Defendants failed to authorize and permit Plaintiff and members of the Rest Period Class to take all required rest periods.

43. The foregoing violations create an entitlement to recovery by Plaintiff and

members of the Rest Period Class in a civil action for the unpaid amount of rest period premiums owing, including interest thereon, as well as statutory penalties, civil penalties, and costs of suit according to California Labor Code §§ 226.7, 516, 558, Wage Order 1, California Code of Civil Procedure § 1021.5, and Civil Code §§ 3287(b) and 3289.

#### **FIFTH CAUSE OF ACTION**

#### **FAILURE TO PROVIDE ACCURATE, ITEMIZED WAGE STATEMENTS**

#### **(AGAINST ALL DEFENDANTS)**

44. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

45. Plaintiff is informed and believes, and based thereon alleges, that Defendants knowingly and intentionally, as a matter of uniform policy and practice, failed to furnish Plaintiff and members of the Wage Statement Class with complete and accurate wage statements with respect to their actual regular and overtime hours worked, total gross wages earned, and total net wages earned, in violation of Labor Code § 226 *et seq.*

46. Defendants' failures in furnishing Plaintiff and members of the Wage Statement Class with complete and accurate itemized wage statements resulted in actual injury, as said failures led to, among other things, the non-payment of all earned overtime and minimum wages, and meal and rest period premium wages, and deprived them of the information necessary to identify the discrepancies in Defendants' reported data.

47. Defendants' failures create an entitlement to recovery by Plaintiff and members of the Wage Statement Class in a civil action for all damages and/or penalties pursuant to Labor Code § 226 *et seq.*, including statutory penalties, civil penalties, reasonable attorneys' fees, and costs of suit according to California Labor Code § 226 *et seq.*

#### **SIXTH CAUSE OF ACTION**

#### **FAILURE TO INDEMNIFY ALL NECESSARY BUSINESS EXPENDITURES**

#### **(AGAINST ALL DEFENDANTS)**

48. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

49. This cause of action is brought pursuant to Labor Code § 2802, which requires an employer to "indemnify his or her employees for all necessary expenditures or losses incurred by

1 the employee in direct consequence of the discharge of his or her duties, or of his or her obedience  
2 to the directions of the employer.”

3 50. As alleged herein, and due to their unlawful reimbursement policies and/or  
4 practices, Defendants failed to indemnify Plaintiff and the members of the Reimbursement Class  
5 all of their necessary business expenses, including, among other things, expenses related to his  
6 use of his personal cellular phones, computer, and/or personal tools for business purposes.

7 51. As a proximate result of Defendants’ failure to indemnify Plaintiff and the  
8 members of the Reimbursement Class for their necessary business expenses incurred, Plaintiff  
9 and members of the Reimbursement Class are entitled to damages, attorneys’ fees and costs of  
10 suit, and interest thereon, in sums to be shown according to proof at trial, pursuant to Labor Code  
11 § 2802.

12 **SEVENTH CAUSE OF ACTION**

13 **FAILURE TO PAY ALL WAGES OWED UPON TERMINATION**

14 **(AGAINST ALL DEFENDANTS)**

15 52. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

16 53. This cause of action is brought pursuant to Labor Code §§ 201-203 which require  
17 an employer to pay all wages immediately at the time of termination of employment in the event  
18 the employer discharges the employee or the employee provides at least 72 hours of notice of  
19 his/her intent to quit. In the event the employee provides less than 72 hours of notice of his/her  
20 intent to quit, said employee’s wages become due and payable not later than 72 hours upon said  
21 employee’s last date of employment.

22 54. Defendants failed to timely pay Plaintiff all of his final wages at the time of  
23 termination, which include, among other things, underpaid minimum and overtime wages and  
24 meal period and rest period premium wages. Further, Plaintiff is informed and believes, and  
25 based thereon alleges, that as a matter of uniform policy and practice, Defendants continue to fail  
26 to pay members of the Waiting Time Penalty Class all earned wages at the end of employment in  
27 a timely manner pursuant to the requirements of Labor Code §§ 201-203. Defendants’ failure to  
28 pay all final wages was willful within the meaning of Labor Code § 203.

1           55. Defendants' willful failure to timely pay Plaintiff and the members of the Waiting  
2 Time Penalty Class their earned wages upon separation from employment results in a continued  
3 payment of wages up to thirty (30) days from the time the wages were due. Therefore, Plaintiff  
4 and members of the Waiting Time Penalty Class are entitled to compensation pursuant to Labor  
5 Code § 203, plus reasonable attorneys' fees and costs of suit.

6                                   **EIGHTH CAUSE OF ACTION**

7                                   **UNFAIR COMPETITION**

8                                   **(AGAINST ALL DEFENDANTS)**

9           56. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

10          57. Defendants have engaged and continue to engage in unfair and/or unlawful  
11 business practices in California in violation of California Business and Professions Code § 17200  
12 *et seq.*, by failing to pay all overtime and/or minimum wages owed, failing to provide all required  
13 meal periods and failing to authorize and permit all required rest periods, failing to pay meal and  
14 rest period premium wage payments, and failing to reimburse all necessary business expenditures.

15          58. Defendants' utilization of these unfair and/or unlawful business practices deprived  
16 Plaintiff and continues to deprive members of the Classes of compensation to which they are  
17 legally entitled, constitutes unfair and/or unlawful competition, and provides an unfair advantage  
18 over Defendants' competitors who have been and/or are currently employing workers and  
19 attempting to do so in honest compliance with applicable wage and hour laws.

20          59. Because Plaintiff is a victim of Defendants' unfair and/or unlawful conduct alleged  
21 herein, Plaintiff for himself and on behalf of the members of the Classes, seeks full restitution of  
22 monies, as necessary and according to proof, to restore any and all monies withheld, acquired  
23 and/or converted by Defendants pursuant to Business and Professions Code §§ 17203 and 17208.

24          60. The acts complained of herein occurred within the last four years immediately  
25 preceding the filing of the lawsuit in this action.

26          61. Plaintiff was compelled to retain the services of counsel to file this court action to  
27 protect his interests and those of the Classes, to obtain restitution and injunctive relief on behalf  
28 of Defendants' current non-exempt employees, and to enforce important rights affecting the

1 public interest. Plaintiff has thereby incurred the financial burden of attorneys' fees and costs,  
2 which he is entitled to recover under Code of Civil Procedure § 1021.5.

3 **NINTH CAUSE OF ACTION**

4 **LABOR CODE PRIVATE ATTORNEYS GENERAL ACT OF 2004**

5 **(AGAINST ALL DEFENDANTS)**

6 62. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

7 63. Defendants have committed several Labor Code violations against Plaintiff and  
8 other Aggrieved Employees. Plaintiff, an "Aggrieved Employee" within the meaning of Labor  
9 Code § 2698 et seq., acting on behalf of himself and other Aggrieved Employees, brings this  
10 representative action against Defendants to recover the civil penalties due to Plaintiff, the other  
11 aggrieved employees, and the State of California according to proof pursuant to Labor Code §  
12 2699 (a) and (f) including, but not limited to: (1) \$250.00 for each initial violation and \$1,000.00  
13 for each subsequent violation pursuant to Labor Code § 226.3 per employee per pay period; and/or  
14 (2) \$100.00 for each initial violation and \$200.00 for each subsequent violation per employee per  
15 pay period for those violations of the Labor Code for which no civil penalty is specifically  
16 provided, based on the following Labor Code violations:

- 17 a) Defendants violated Labor Code §§ 204, 510, 558, 1194, and 1198 by failing to  
18 pay Plaintiff and the aggrieved employees all overtime compensation earned;
- 19 b) Defendants violated Labor Code §§ 1194, 1194.2, and 1197 by failing to pay  
20 Plaintiff and the aggrieved employees the statutory minimum wage for all hours  
21 worked;
- 22 c) Defendants violated Labor Code §§ 226.7, 512, and 558 by failing to provide all  
23 legally required meal periods and failing to pay meal period premiums to  
24 Plaintiff and the aggrieved employees;
- 25 d) Defendants violated Labor Code §§ 226.7, 516, and 558 by failing to provide all  
26 legally required rest periods and failing to pay rest period premiums to Plaintiff  
27 and the aggrieved employees;
- 28

- 1 e) Defendants violated Labor Code § 2802 by failing to reimburse Plaintiff and the  
2 aggrieved employees for all necessary expenditures incurred;
- 3 f) Defendants violated Labor Code § 226 by failing to furnish Plaintiff and the  
4 aggrieved employees with accurate and compliant itemized wage statements;
- 5 g) Defendants violated Labor Code § 204 by failing to pay Plaintiff and the  
6 aggrieved employees all earned wages at least twice during each calendar month;
- 7 h) Defendants violated Labor Code § 1174 by failing to maintain accurate records  
8 on behalf of Plaintiff and the aggrieved employees; and
- 9 i) Defendants violated Labor Code §§ 201, 202 and 203 by failing to timely pay  
10 all final wages due to Plaintiff and other aggrieved employees.

11 64. On March 29, 2023, Plaintiff notified Defendants via certified mail, and the  
12 California Labor and Workforce Development Agency (“LWDA”) via e-mail, of Defendants’  
13 violations of the California Labor Code and Plaintiff’s intent to bring a claim for civil penalties  
14 under California Labor Code § 2698 et seq. with respect to violations of the California Labor  
15 Code identified in Paragraph 63 (a)-(i). Attached hereto as **Exhibit 1** is a true and correct copy of  
16 the March 29, 2023 correspondence. Now that sixty-five days have passed from Plaintiff notifying  
17 Defendants of these violations, Plaintiff has exhausted his administrative requirements for  
18 bringing a claim under the Labor Code Private Attorneys General Act with respect to these  
19 violations.

20 65. Plaintiff was compelled to retain the services of counsel to file this court action to  
21 protect his interests and the interests of other aggrieved employees, and to assess and collect the  
22 civil penalties owed by Defendants. Plaintiff has thereby incurred attorneys’ fees and costs, which  
23 she is entitled to recover under California Labor Code § 2699(g).

24 **PRAYER**

25 WHEREFORE, Plaintiff prays for judgment for himself and for all others on whose behalf  
26 this suit is brought against Defendants, as follows:

- 27 1. For an order certifying the proposed Classes;
- 28 2. For an order appointing Plaintiff as representative of the Classes;

3. For an order appointing Counsel for Plaintiff as Counsel for the Classes;
4. Upon the First Cause of Action, for compensatory, consequential, general and special damages according to proof pursuant to Labor Code §§ 204, 510, 558, 1194 and 1198.
5. Upon the Second Cause of Action, for compensatory, consequential, general and special damages according to proof pursuant to Labor Code §§ 204, 558, 1194, 1197, 1197.1 and 1198;
6. Upon the Third Cause of Action, for compensatory, consequential, general and special damages according to proof pursuant to Labor Code §§ 226.7, 512, and 558;
7. Upon the Fourth Cause of Action, for compensatory, consequential, general and special damages according to proof pursuant to Labor Code §§ 226.7, 516, and 558;
8. Upon the Fifth Cause of Action, for statutory wage statement penalties pursuant to Labor Code § 226 *et seq.*;
9. Upon the Sixth Cause of Action, for compensatory and special damages according to proof pursuant to Labor Code § 2802;
10. Upon the Seventh Cause of Action, for waiting time penalties pursuant to Labor § 203;
11. Upon the Eighth Cause of Action, for restitution to Plaintiff and members of the Classes of all money and/or property unlawfully acquired by Defendants by means of any acts or practices declared by this Court to be in violation of Business and Professions Code § 17200 *et seq.*;
12. Upon the Ninth Cause of Action, for civil penalties due to Plaintiff, other aggrieved employees, and the State of California according to proof pursuant to Labor Code §§ 558 and 2699(a) and (f) including, but not limited to: (1) \$100.00 for each initial violation for each failure to pay each employee and \$200.00 for each subsequent violation or willful or intentional violation pursuant to Labor Code § 210 for each failure to pay each employee, plus 25% of the amount unlawfully withheld; (2) \$250.00 for each initial violation and \$1,000.00 for each subsequent violation pursuant to Labor Code § 226.3 per employee per pay period; (3) \$50.00 for each initial violation and \$100.00 for each subsequent violation pursuant to Labor

Code § 558 per employee per pay period; and/or (4) \$100.00 for each initial violation and \$200.00 for each subsequent violation per employee per pay period for those violations of the Labor Code for which no civil penalty is specifically provided, based on the Labor Code violations cited in Paragraph 63 (a)-(i) above.

13. Prejudgment interest on all due and unpaid wages pursuant to California Labor Code § 218.6 and Civil Code §§ 3287 and 3289;

14. On all causes of action, for attorneys' fees and costs as provided by Labor Code § 218.5 and Code of Civil Procedure § 1021.5 and all other applicable statutes; and

15. For such other and further relief the Court may deem just and proper.

Dated: June 16, 2023  
Respectfully submitted,  
LIDMAN LAW, APC

By:



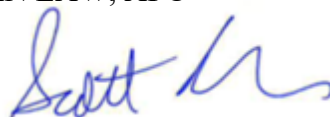
Scott M. Lidman  
Elizabeth Nguyen  
Milan Moore  
Attorneys for Plaintiff  
MATTHEW CRUZ

**DEMAND FOR JURY TRIAL**

Plaintiff hereby demands a jury trial with respect to all issues triable by jury.

Dated: June 16, 2023  
Respectfully submitted,  
LIDMAN LAW, APC

By:



Scott M. Lidman  
Elizabeth Nguyen  
Milan Moore  
Attorneys for Plaintiff  
MATTHEW CRUZ

EXHIBIT 1

EXHIBIT 1

# LIDMAN LAW

2155 CAMPUS DRIVE, SUITE 150, EL SEGUNDO, CA 90245

OFFICE: (424) 322-4772

FAX: (424) 322-4775

March 29, 2023

**VIA LWDA WEBSITE**

Labor and Workforce Development Agency  
Attn: PAGA Administrator  
1515 Clay Street, Suite 801  
Oakland, CA 94612

**VIA U.S. CERTIFIED MAIL – RETURN RECEIPT  
REQUESTED**

Cat Spec, LTD. L.P., a Texas limited partnership  
c/o CSC lawyers Incorporating Service  
2710 Gateway Oaks Drive, Suite 150N  
Sacramento, CA 95833

**VIA U.S. CERTIFIED MAIL – RETURN RECEIPT  
REQUESTED**

Stronghold, LTD, a Texas limited partnership  
c/o CSC lawyers Incorporating Service  
2710 Gateway Oaks Drive, Suite 150N  
Sacramento, CA 95833

Re: *Matthew Cruz v. Cat Spec, Ltd. L.P., et al.*

To Whom It May Concern:

Please be advised that this law firm represents Matthew Cruz in claims arising from his employment with Cat Spec, LTD. L.P., a Texas limited partnership; and Stronghold, LTD, a Texas limited partnership (“Defendants”). Mr. Cruz is an “aggrieved employee” as defined by Labor Code sections 2699, *et seq.* due to Defendants’ numerous violations of the Labor Code as set forth below. The purpose of this letter is to comply with Labor Code section 2699.3, which requires aggrieved employees to notify their employer and the Labor and Workforce Development Agency (“LWDA”) of the specific provisions of the Labor Code allegedly violated.

For purposes of this letter, an “aggrieved employee” should be considered to include all current and former hourly-paid employees in California who worked, at least in part, during the one year immediately preceding the date of this letter through the date of trial, the date judgment is entered, the date of settlement and/or other date approved by the Court.

Mr. Cruz was employed by Defendants as a non-exempt employee between approximately August 2022 and February 4, 2023. Mr. Cruz was a Catalyst Tech and was responsible for reactor and tower maintenance for refineries at the various locations of Defendants’ customers.

During Mr. Cruz’s employment with Defendants, Defendants maintained a uniform policy or

practice of failing to accurately record all time worked by Mr. Cruz and other hourly, non-exempt employees. Throughout Mr. Cruz's employment with Defendants, Defendants would keep track of Mr. Cruz's and the other hourly, non-exempt employees' time worked and would unlawfully shave their work time and/or round their work time such that they would not be fully paid for all time worked. Specifically, Defendants maintained a uniform policy or practice of having the supervisor record Mr. Cruz's and other hourly, non-exempt employees' hours. The supervisor would record rounded hours and not the actual time Mr. Cruz and the other hourly, non-exempt employees began working and/or stopped working. For example, if Mr. Cruz arrived at 5:10 a.m. and began working, the supervisor would record 5:30 a.m. as Mr. Cruz's start time. Similarly, at the end of the shift, if Mr. Cruz worked until 7:20 p.m., the supervisor would record 7:00 p.m. as Mr. Cruz's stop time. This time shaving/rounding practice utilized by Defendants were not-even handed over time and would round and shave in Defendants' favor such that Mr. Cruz and other hourly, non-exempt employees were routinely underpaid for their time worked. Therefore, this practice by Defendants resulted in Defendants not properly tracking the time worked by Mr. Cruz and other hourly, non-exempt employees, and also resulted in Defendants paying Mr. Cruz and other hourly, non-exempt employees less than they were owed for the work they performed, including failing to pay them all required minimum and overtime wages.

Further, during Mr. Cruz's employment with Defendants, he and other hourly, non-exempt employees typically worked in excess of 8 hours per workday and/or 40 hours per work week, and therefore, had they been properly paid for all of the time that they actually worked, they would have been paid additional overtime wages. Moreover, Mr. Cruz and other hourly, non-exempt employees often worked in excess of 12 hours in a shift but was not properly compensated at their double time rate for such hours.

Throughout Mr. Cruz's employment with Defendants, Mr. Cruz and other hourly, non-exempt employees were not provided all required meal periods due to Defendants' meal period policies and practices, which fail to provide 30-minute first meal periods before the end of the fifth hour of work. For example, Mr. Cruz is informed and believes, and thereon alleges, Defendants' meal period policies and practices permitted only one untimely meal period during each shift worked. Further, Defendants did not require Mr. Cruz and the other hourly, non-exempt employees to clock in and out for their meal periods. Instead, the supervisor wrote down the same exact lunch time for all the hourly, non-exempt employees working at the jobsite and Mr. Cruz and the other hourly, non-exempt employees were required to initial. Therefore, despite Defendants' failure to keep any records of Mr. Cruz's meal periods, Mr. Cruz is informed and believes that Defendants unlawfully and automatically deducted thirty minutes from Mr. Cruz's and other hourly, non-exempt employees' work time each shift for a purported meal period regardless of whether or not a meal period was taken.

Further, Defendants' meal period policies and practices fail to provide Mr. Cruz and the other hourly, non-exempt employees a second meal period for shifts over 10.0 hours. As a result, when Mr. Cruz and other hourly, non-exempt employees worked in excess of 10.0 hours, they were not provided with a second 30-minute meal period in violation of California law.

Although Mr. Cruz and the other hourly, non-exempt employees were not provided with all legally-compliant meal periods to which they were entitled, Defendants failed to compensate them with the required meal period premium for each workday in which they experienced a meal period violation as mandated by Labor Code § 226.7. Upon information and belief during at least a portion of the class period, Defendants maintained no policy, payroll code or other mechanism for the payment of meal

period premium payments under Labor Code § 226.7 in the event that a legally compliant meal period was not provided to their non-exempt employees.

Mr. Cruz and other hourly, non-exempt employees were also not authorized and permitted to take all required rest periods due to Defendants' rest period policies and practices. Mr. Cruz believes, and thereon alleges, that Defendants' rest period policies and practices fail to authorize and permit non-exempt employees to take a net paid 10-minute rest period for every four hours worked, or *major fraction thereof*. Further, Mr. Cruz and other hourly, non-exempt employees were unable to take any of his required rest periods due to heavy work demands.

Mr. Cruz believes, and thereon alleges, that on those occasions when Mr. Cruz and the other hourly, non-exempt employees were not authorized and permitted to take all legally-compliant rest periods to which they were entitled, Defendants failed to compensate Mr. Cruz and the other hourly, non-exempt employees with the required rest period premium for each workday in which they experienced a rest period violation as mandated by Labor Code § 226.7. Upon information and belief during at least a portion of the class period, Defendants maintained no policy, payroll code or other mechanism for the payment of rest period premium payments under Labor Code § 226.7 in the event that a legally compliant rest period was not provided to their non-exempt employees.

Defendants' policies and procedures also failed to reimburse Mr. Cruz and other hourly, non-exempt employees for necessary business expenses incurred during the relevant time period. Specifically, Defendants required Mr. Cruz and other hourly, non-exempt employees to use their personal cellular phones and computers to communicate with his supervisors in discharge of his duties. Further, Defendants required Mr. Cruz and other hourly, non-exempt employees to use their personal tools to discharge their duties. Accordingly, despite the non-exempt employees being required to use their personal cellular phones, computer, and/or personal tools, Defendants did not reimburse Mr. Cruz or other hourly, non-exempt employees for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of their duties, or of their obedience to the directions of the employer in violation of California law.

As a result of Defendants' failure to pay all overtime and/or minimum wages owed, as well as meal and rest period premium wages, Defendants maintained inaccurate payroll records and issued inaccurate wage statements to Mr. Cruz and other hourly, non-exempt employees.

As a further result of Defendants' failure to pay all overtime and/or minimum wages owed, and failure to pay all meal and rest period premium wages, Defendants failed to provide pay Mr. Cruz and other former hourly, non-exempt employees all wages owed upon their separation of employment with Defendants.

As described above, Defendants committed the following violations of the Labor Code and Industrial Welfare Commission Wage Order No. 1 ("Wage Order 1"):

#### Overtime Violations

Defendants were required to pay their aggrieved employees overtime wages for all hours worked in excess of eight hours per workday and/or forty hours per workweek. See Labor Code §§ 1194(a) and 1198; the Wage Order 1, § 3. According to Labor Code § 510(a), "Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight

hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee.” This Section further provides, “Any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight hours on any seventh day of a workweek shall be compensated equal to one and one-half times their regular rate of pay for all overtime hours worked. As explained above, throughout Mr. Cruz’s employment with Defendants, Defendants would keep track of Mr. Cruz’s time worked and would unlawfully shave Mr. Cruz’s work time and/or round Mr. Cruz’s work time such that Mr. Cruz would not be fully paid for all time worked. Specifically, Defendants maintained a uniform policy or practice of having the supervisor record Mr. Cruz’s hours. The supervisor would record rounded hours and not the actual time Mr. Cruz began working and/or stopped working. For example, if Mr. Cruz arrived at 5:10 a.m. and began working, the supervisor would record 5:30 a.m. as Mr. Cruz’s start time. Similarly, at the end of the shift, if Mr. Cruz worked until 7:20 p.m., the supervisor would record 7:00 p.m. as Mr. Cruz’s stop time. This time shaving/rounding practice utilized by Defendants were not-even handed over time and would round and shave in Defendants’ favor such that Mr. Cruz was routinely underpaid for his time worked. Further, during Mr. Cruz’s employment with Defendants, he typically worked in excess of 8 hours per workday and/or 40 hours per work week, and therefore, had Mr. Cruz been properly paid for all of the time that he actually worked, he would have been paid additional overtime wages. Moreover, Mr. Cruz often worked in excess of 12 hours in a shift but was not properly compensated at his double time rate for such hours. This practice by Defendants resulted in Defendants not properly tracking the time worked by Mr. Cruz and the aggrieved employees, and also resulted in Defendants paying them less than they were owed for the work they performed, including failing to pay them for all required overtime wages.

#### Minimum Wage Violations

Defendants were required to pay their aggrieved employees an hourly rate at least equal to the minimum wage for each hour actually worked. *See* Labor Code §§ 1194; 1194.2, 1197; The Wage Order 1, § 4. The aggrieved employees were not paid for all hours worked due to Defendants’ timekeeping and compensation practices. As alleged above, throughout Mr. Cruz’s employment with Defendants, Defendants would keep track of Mr. Cruz’s time worked and would unlawfully shave Mr. Cruz’s work time and/or round Mr. Cruz’s work time such that Mr. Cruz would not be fully paid for all time worked. Specifically, Defendants maintained a uniform policy or practice of having the supervisor record Mr. Cruz’s hours. The supervisor would record rounded hours and not the actual time Mr. Cruz began working and/or stopped working. For example, if Mr. Cruz arrived at 5:10 a.m. and began working, the supervisor would record 5:30 a.m. as Mr. Cruz’s start time. Similarly, at the end of the shift, if Mr. Cruz worked until 7:20 p.m., the supervisor would record 7:00 p.m. as Mr. Cruz’s stop time. This time shaving/rounding practice utilized by Defendants were not-even handed over time and would round and shave in Defendants’ favor such that Mr. Cruz was routinely underpaid for his time worked. Therefore, this practice by Defendants resulted in Defendants not properly tracking the time worked by Mr. Cruz, and also resulted in Defendants paying Mr. Cruz less than he was owed for the work he performed, including failing to pay him all required minimum wages.

#### Meal Period Violations

As alleged above, Defendants failed to provide their aggrieved employees with all required and compliant meal periods. *See* Labor Code §§ 226.7 and 512; Wage Order 1, § 11. As described above, Defendants’ meal period policies and practices permitted only one untimely meal period during each

shift worked. Further, Defendants did not require Mr. Cruz and the other aggrieved employees to clock in and out for their meal periods. Instead, the supervisor wrote down the same exact lunch time for all the non-exempt employees working at the jobsite and Mr. Cruz and the other non-exempt employees were required to initial. Therefore, despite Defendants' failure to keep any records of Mr. Cruz's meal periods, Mr. Cruz is informed and believes that Defendants unlawfully and automatically deducted thirty minutes from Mr. Cruz's work time each shift for a purported meal period regardless of whether or not a meal period was taken. Further, Defendants' meal period policies and practices fail to provide Mr. Cruz and the other aggrieved employees a second meal period for shifts over 10.0 hours. As a result, when Mr. Cruz worked in excess of 10.0 hours, they were not provided with a second 30-minute meal period in violation of California law. As a result, the aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday they experienced a meal period violation. *See* Labor Code § 226.7 ("If an employer fails to provide an employee a meal or rest or recovery period in accordance with ... [an] order of the Industrial Welfare Commission ... the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest or recovery period is not provided."). Although the aggrieved employees were not provided with all legally-compliant meal periods to which they were entitled, Defendants failed to compensate them with the required meal period premium for each workday in which they experienced a meal period violation as mandated by Labor Code § 226.7.

#### Rest Period Violations

Defendants also failed to authorize and permit their aggrieved employees to take all required rest periods. *See* Labor Code §§ 226.7 and 516; Wage Order 1, § 12. As alleged above, Defendants' rest period policies and practices fail to authorize and permit non-exempt employees to take a net paid 10-minute rest period for every four hours worked, or *major fraction thereof*. Further, Mr. Cruz was unable to take any of his required rest periods due to heavy work demands. As a result, the aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday that they were not authorized and permitted to take all legally required rest periods. *See* Labor Code § 226.7 ("If an employer fails to provide an employee a meal period or rest period in accordance with an applicable order of the Industrial Welfare Commission, the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest period is not provided.")

#### Failure to Reimburse Business Expenses

As described above, Defendants required Mr. Cruz to use his personal cellular phone and computer to communicate with his supervisors in discharge of his duties. Further, Defendants required Mr. Cruz to use his personal tools to discharge his duties. Accordingly, despite the aggrieved employees being required to use their personal cellular phones, computer, and/or personal tools, Defendants did not reimburse Mr. Cruz or other aggrieved employees for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of their duties, or of their obedience to the directions of the employer in violation of California law. Defendants' policy of not providing reimbursement for necessary work-related expenses is in violation of Wage Order 1 § 9, and Labor Code § 2802 ("An employer shall indemnify his or her employees for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer.") Mr. Cruz and the aggrieved employees are therefore entitled to reimbursement of such unpaid work expenses with interest.

### Wage Statement Violations

Defendants knowingly and intentionally, as a matter of uniform practice and policy, failed to furnish their aggrieved employees with accurate and complete, itemized wage statements that included, among other requirements, all minimum and overtime wages earned, total gross wages earned, total net wages earned, and meal and rest period premium wages, in violation of Labor Code § 226 *et seq.* Defendants' failure to furnish their aggrieved employees with complete and accurate, itemized wage statements resulted in actual injury, as said failures led to, among other things, the non-payment of all minimum and overtime wages earned, and unpaid meal period and premium wages, and deprived them of the information necessary to identify discrepancies in Defendants' reported data.

### Waiting Time Penalties

Labor Code §§ 201 and 202 require that employees receive all of their final wages at the time of their separation of employment. Defendants failed to timely pay Mr. Cruz and other aggrieved employees all of their final wages at the time of separation, which included, among other things, underpaid minimum and overtime wages, and meal and rest period premium wages. Pursuant to Labor Code § 203, Defendants' failure to pay all final wages due to their aggrieved employees was willful and, consequently, entitles the aggrieved employees to waiting time penalties equal to one day of wages at their standard hourly rate for each day Defendants failed to pay their final wages after their separation, up to a maximum of thirty days.

As an "aggrieved employee," Mr. Cruz will initiate a civil action on behalf of himself and other aggrieved employees to recover damages, statutory penalties, and civil penalties resulting from the wage and hour violations alleged herein. Based on Mr. Cruz's own investigation, and on information and belief, Defendants committed the following Labor Code violations:

- a) Defendants violated Labor Code §§ 204, 510, 558, 1194, and 1198 by failing to pay Mr. Cruz and the aggrieved employees all overtime compensation earned;
- b) Defendants violated Labor Code §§ 1194, 1194.2, and 1197 by failing to pay Mr. Cruz and the aggrieved employees the statutory minimum wage for all hours worked;
- c) Defendants violated Labor Code §§ 226.7, 512, and 558 by failing to provide all legally required meal periods and failing to pay meal period premiums to Mr. Cruz and the aggrieved employees;
- d) Defendants violated Labor Code §§ 226.7, 516, and 558 by failing to provide all legally required rest periods and failing to pay rest period premiums to Mr. Cruz and the aggrieved employees;
- e) Defendants violated Labor Code § 2802 by failing to reimburse Mr. Cruz and the aggrieved employees for all necessary expenditures incurred;
- f) Defendants violated Labor Code § 226 by failing to furnish Mr. Cruz and the aggrieved employees with accurate and compliant itemized wage statements;

- g) Defendants violated Labor Code § 204 by failing to pay Mr. Cruz and the aggrieved employees all earned wages at least twice during each calendar month;
- h) Defendants violated Labor Code § 1174 by failing to maintain accurate records on behalf of Mr. Cruz and the aggrieved employees; and
- i) Defendants violated Labor Code §§ 201, 202 and 203 by failing to timely pay all final wages due to Mr. Cruz and other aggrieved employees.

Pursuant to Labor Code section 2699.3(a)(2)(A), please notify us and Defendants if the LWDA intends to investigate these alleged violations of the Labor Code. Please contact me should you require additional information.

Very truly yours,  
LIDMAN LAW, APC



Scott M. Lidman

**PROOF OF SERVICE**

STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF LOS ANGELES )

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action; my business address is 2155 Campus Drive, Suite 150, El Segundo, California 90245.

On June 16, 2023, I served the foregoing document(s) described as: **FIRST AMENDED CLASS AND REPRESENTATIVE ACTION COMPLAINT** on the interested party(ies) in this action as follows:

**PETTIT KOHN INGRASSIA LUTZ & DOLIN PC**

Jennifer N. Lutz, Esq. (SBN 190460)  
jlutz@pettitkohn.com  
Haley A. Murphy, Esq. (SBN 343909)  
hmurphy@pettitkohn.com  
11622 El Camino Real, Suite 300  
San Diego, CA 92130  
Telephone: (858) 755-8500  
Facsimile: (858) 755-8504

Attorneys for Defendants  
STRONGHOLD, LTD. LIMITED PARTNERSHIP and  
CAT SPEC, LTD. L.P.

**[X] (BY ELECTRONIC SERVICE)** I caused a true and correct copy of the document(s) described above to be electronically served on counsel of record at the above-listed electronic service addresses by transmission to Case Anywhere.

**[X] (STATE)** I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on June 16, 2023, at El Segundo, California.

  
Dana Joudi