



Advocates for Workplace Fairness

VIA ONLINE SUBMISSION

California Labor and Workforce Development Agency

Attn: PAGA Administrator

Re: PAGA Notice of California Labor Code Claims against Meta Platforms, Inc.

Dear PAGA Administrator:

Outten & Golden LLP represents Sherry-Lynn Quesada, who was a non-exempt employee of Meta Platforms, Inc. (“Meta”). Ms. Quesada worked for Meta from approximately May 2020 until approximately July 2023 in Menlo Park, California.

Ms. Quesada represents a group of “Aggrieved Employees” who are defined as all non-exempt, hourly paid employees of Meta Platforms, Inc. (“Defendant”) who worked in California during the time period of May 3, 2023, until a date as determined by the Court. Plaintiff, on behalf of herself and the Aggrieved Employees, brings claims against Defendant for violating California’s Labor Code in numerous ways. A copy of the Complaint is attached here and incorporated as though all alleged facts and theories were set forth fully herein.

As set forth in more detail in the Complaint, on behalf of the Aggrieved Employees, Ms. Quesada alleges that Meta failed to:

- (1) pay all wages owed, including minimum, straight, and overtime wages, due to Defendant’s failure to compensate employees for work performed off the clock, including time spent booting up computers and necessary applications and responding to emails, instant messages, and other correspondence outside of their regularly scheduled shift;
- (2) properly calculate the regular rate of pay by failing to account for all non-discretionary compensation, including performance-based bonuses and incentives, equity grants, and other types of non-discretionary compensation, resulting in underpaid overtime and doubletime, meal period premium wages, rest break premium wages, sick pay wages, reporting time wages, and other compensation that must be paid at the regular rate of pay;
- (3) pay all overtime and doubletime wages owed by failing to compensate employees at 1.5x the regular rate of pay for all hours worked over 8 hours in a day, 40 hours in a week, and for the first 8 hours worked on the seventh consecutive day of work within a single workweek, and 2x the regular rate of pay for all hours worked over 12 hours in a day and for any hours beyond the first 8 hours worked on the seventh consecutive day of work within a single workweek;
- (4) provide legally compliant meal periods that were at least 30 minutes, uninterrupted, duty-free, and before the end of the fifth hour of work, and a second meal period on shifts that were greater than 10 hours in length, and during which the Aggrieved

- Employees were free to leave the premises;
- (5) pay Aggrieved Employees one hour of wages at the regular rate of pay every time they were not provided a legally compliant meal period;
 - (6) provide legally compliant, paid rest breaks that were at least 10 minutes, uninterrupted, duty-free, for every 4 hours worked or major fraction thereof, to be taken in the middle of each work period, and during which the Aggrieved Employees were free to leave the premises;
 - (7) pay Aggrieved Employees one hour of wages at the regular rate of pay each day they were not provided a legally compliant rest break;
 - (8) reimburse Aggrieved Employees for their reasonable and necessary business expenses, including for the use of their personal cell phones and internet, and for the purchase of tools and equipment necessary to establish a home office;
 - (9) provide Aggrieved Employees with complete, accurate, itemized wage statements that accurately reflected gross wages, net wages, total hours worked, and all applicable hourly rates in effect during the pay period; and
 - (10) timely pay Aggrieved Employees all wages earned each and every pay period;
 - (11) pay Aggrieved Employees all wages earned at the time of termination or within 72 hours of notice of resignation

This letter serves as notice of our intent to seek civil penalties pursuant to the Private Attorneys General act ("PAGA"), Cal. Lab. Code §§ 2698, *et seq.*, on behalf of Ms. Quesada and Aggrieved Employees for violations of California Labor Code §§ 201, 202, 203, 204, 210, 218.5, 226, 226.3, 226.7, 227.3, 246, 256, 510, 512, 558, 1174.5, 1182.12, 1194, 1194.2, 1197, 1198, 2802, and 2699, and the applicable Wage Orders.

The facts and claims contained herein are based on the limited information available at the time of this writing. Therefore, if through further review or informal or formal discovery, Ms. Quesada becomes aware of additional compensation or penalties owed to her and other current or non-exempt employees or of additional claims against Meta, she reserves the right to revise these facts and/or add any new claims by amending this letter.

* * *

Thank you for your attention to this matter. Please direct all communications and correspondence to our office going forward. If you have any questions, please do not hesitate to contact us at 212-245-1000.

Sincerely,



Jahan C. Sagafi

Attachment

Jahan C. Sagafi (SBN 224887)
Kaelyn Mahar (SBN 338257)
Alina Pastor-Chermak (SBN 3359889)
OUTTEN & GOLDEN LLP
One California Street, Suite 1250
San Francisco, CA 94111
Telephone: (415) 638-8800
Facsimile: (415) 638-8810
E-Mail: jsagafi@outtengolden.com
E-Mail: kmahar@outtengolden.com
E-Mail: apastor-cheramak@outtengolden.com

Justin M. Swartz*
OUTTEN & GOLDEN LLP
685 3rd Ave, 25th Floor
New York, NY 10017
Telephone: (866) 592-9280
Facsimile: (415) 638-8810
E-Mail: jswartz@outtengolden.com

Marilyn Linares*
SHAVITZ LAW GROUP
622 Banyan Trail Suite 200
Boca Raton, FL 33431
Telephone: (561) 447-8888
E-Mail: mlinares@shavitzlaw.com
*Pro hac vice motion forthcoming
*Attorneys for Plaintiff and
the Proposed Class and Collective*

SUPERIOR COURT OF CALIFORNIA
COUNTY OF SAN BERNARDINO

SHERRY-LYNN QUESADA, on behalf of herself and all
others similarly situated,
Plaintiff,
-against-
META PLATFORMS, INC.,
Defendant.

Index No.:
CLASS ACTION COMPLAINT
FOR:
COA
Jury Trial Demanded

Complaint

Case No.:

1 Plaintiff Sherry-Lynn Quesada (“Plaintiff”), individually and on behalf of all others
2 similarly situated, as class representative, upon personal knowledge as to herself, and upon
3 information and belief as to other matters, alleges as follows:

4 **NATURE OF THE ACTION**

5 1. This is a wage-and-hour, hybrid class and collective action brought under the Fair
6 Labor Standards Act (“FLSA”) and California state law. This lawsuit seeks to recover unpaid
7 wages, liquidated damages, interest, statutory penalties, civil penalties, and attorney fees and costs
8 under the FLSA, California Labor Code, California’s applicable Industrial Welfare Commission
9 (“IWC”) Wage Orders, California’s Unfair Competition Law (“UCL”) Business and Professions
10 Code § 17200, and the California Private Attorneys General Act, Labor Code §§ 2698 et seq.
11 (“PAGA”) for Plaintiff and similarly situated workers who have been employed by Meta Platforms,
12 Inc. (“Meta” or “Defendant”) as non-exempt employees.

13 **THE PARTIES**

14 **Plaintiff Sherry-Lynn Quesada**

15 2. Plaintiff Sherry-Lynn Quesada is an adult individual residing near Menlo Park,
16 California.

17 3. Plaintiff was employed by Defendant as a non-exempt hourly employee from
18 approximately May 2020 until approximately July 2023 in Menlo Park, California.

19 4. Throughout the relevant period, Plaintiff was a covered employee within the
20 meaning of the FLSA and the California Labor Code.

21 **Defendant**

22 5. Meta Platforms, Inc. (“Meta”) is a Delaware corporation with its headquarters in
23 Menlo Park, California.

24 6. Meta operates the world’s largest network of social media and sites, including
25 Facebook, Instagram and WhatsApp, with a combined user base of over three billion regular users.

7. Meta regularly conducts substantial business in the State of California.

8. Throughout the relevant period, Meta employed Plaintiff and other California Class Members and FLSA Collective Members (defined below) as non-exempt employees nationwide, including throughout the State of California.

9. Throughout the relevant period, Meta has been a covered employer within the meaning of the FLSA, the California Labor Code, and applicable IWC Wage Orders.

10. At all times relevant to the Complaint, Meta maintained control, oversight, and direction over Plaintiff, California Class Members, and FLSA Collective Members.

11. Meta applies the same employment policies, practices, and procedures to all California Class Members and FLSA Collective Members.

JURISDICTION AND VENUE

12. This is a civil class action brought pursuant to California Code of Civil Procedure § 382. The monetary damages sought by Plaintiff exceed the minimal jurisdictional limits of the Superior Court and will be established according to proof at trial.

13. This Court has jurisdiction over this action pursuant to California Code of Civil Procedure, Section 410.10 and California Business & Professions Code, Section 17203, and the California Constitution, Article VI, § 10, which grants the Superior Court original jurisdiction in all causes except those given by statutes to other courts. The statutes under which this action is brought do not specify any other basis for jurisdiction.

14. This Court further has jurisdiction over this action pursuant to Labor Code Section 2699(a) to recover civil penalties as authorized by law.

15. This Court has personal jurisdiction over Defendant because Defendant is a corporation that maintains its headquarters in California, is licensed to do business in California, regularly conducts business in California, and committed the unlawful acts alleged herein in California.

16. Venue is proper in this Court under California Code of Civil Procedure §§ 395 and 395.5 because many Class Members performed work for Defendant or were injured by Defendant in the county of San Bernardino, California and Defendant maintains offices and/or conducts business in this county.

COLLECTIVE ACTION ALLEGATIONS

17. Plaintiff brings this action pursuant to the FLSA, 29 U.S.C. § 216(b), on behalf of herself and all similarly situated current and former non-exempt employees who (1) work or have worked overtime hours for Defendant during the Collective Period, (2) who have received RSUs that vested during the applicable limitations period, and (3) who opt into this action (“FLSA Collective Members”).

18. Plaintiff and other FLSA Collective Members are similarly situated in that they are subject to Defendant's common compensation policy, pattern, or practice, including, without limitation, Defendant's failure to pay overtime premiums at the regular rate of pay by failing to account for all non-discretionary compensation, including performance-based bonuses and incentives, equity grants, and other forms of non-discretionary earnings over and above an employee's base hourly rate, when calculating the regular rate of pay, in violation of the FLSA.

19. Defendant is liable under the FLSA for, *inter alia*, failing to properly compensate Plaintiff and all other FLSA Collective Members when they worked over 40 hours in a workweek. The FLSA Collective Members are known to Defendant, are readily identifiable, and can be located through Defendant's records. Notice should be sent to the FLSA Collective Members, pursuant to 29 U.S.C. § 216(b).

20. The FLSA Collective period runs from May 3, 2021, and ends on the date as determined by the Court., pursuant to a Tolling Agreement the parties entered to toll the FLSA claims.

CLASS ACTION CLAIMS

21. Plaintiff also brings this action under Code of Civil Procedure § 382 on behalf of herself and all others similarly situated who were affected by Defendant's Labor Code, UCL, IWC Wage Order and PAGA violations.

22. All claims alleged herein arise under California law for which Plaintiff seeks relief authorized by California law.

23. Plaintiff's proposed Class consists of and is defined as follows:

All current and former non-exempt employees who (1) work or have worked overtime hours for Defendant in the State of California during the Class Period and (2) who have received RSUs that vested during the applicable limitations period.

24. Members of the Class described above will be collectively referred to as "Class Members" or the "Class." Plaintiff reserves the right to establish other or additional subclasses, or modify any Class or Subclass definition, as appropriate based on investigation, discovery and specific theories of liability.

25. The Class Period runs from May 3, 2020 and ends on the date as determined by the Court, pursuant to a Tolling Agreement the parties entered to toll claims brought under California law.

26. This action has been brought and may properly be maintained as a class action under the California Code of Civil Procedure § 382 because there are common questions of law and fact as to the Class that predominate over questions affecting only individual members including, but not limited to:

- a. whether Defendant failed to timely pay Class Members' wages due during employment and upon separation in violation of Cal. Labor Code §§ 201, 202, 203, and 204 and related IWC Wage Orders;

- b. whether the Defendant failed to pay for all time worked, including for any time worked off the clock;
- c. whether the Defendant failed to pay proper compensation to Class Members for all work hours in excess of 8 per workday and 40 per workweek in violation of Cal. Labor Code § 510 and related IWC Wage Orders;
- d. whether the Defendant failed to provide timely, duty-free, unpaid meal periods of at least 30 minutes to Class Members;
- e. whether the Defendant failed to provide timely, duty-free, paid rest breaks of at least 10 minutes to Class Members;
- f. whether the Defendant failed to pay one hour of premium pay at the regular rate of pay for each day that a Class Member did not receive a compliant meal period;
- g. whether the Defendant failed to pay one hour of premium pay at the regular rate of pay for each day that a Class Member did not receive a compliant rest break;
- h. whether the Defendant failed to properly calculate the regular rate of pay by failing to account for all forms of non-discretionary compensation when computing the regular rate of pay for purposes of overtime, doubletime, meal and rest premium payments, paid sick leave, and other forms of compensation that must be paid at the regular rate of pay;
- i. whether the Defendant failed to keep accurate time records for all hours worked by Class Members;
- i. whether Defendant failed to furnish Class Members with timely, accurate and itemized wage statements in violation of Cal. Labor Code § 226(a);

- j. whether the Defendant failed to reimburse Class Members for reasonable and necessary expenses incurred in performance of their job duties, including but not limited to, expenses incurred in connection to working remotely or from a home office, including internet and cell phone usage; the nature and extent of Class-wide injury and the appropriate measure of damages sustained by Class Members; and
- k. whether Defendant acted willfully or with reckless disregard with respect to the alleged violations, including its failure to pay Class Members.

27. There is a well-defined community of interest in this litigation and the Class Members are readily ascertainable:

28. Numerosity: Upon information and belief, there are thousands of members in the proposed Class. The proposed Class is so numerous that joinder of all members is impracticable, and the disposition of their claims as a class will benefit the parties and the Court.

29. Ascertainability: The Class Members are readily ascertainable. The number, identity, hours worked, and compensation of the Class Members are determinable from Defendant's regular business records. For purposes of notice, Class Members' names and addresses are readily available from the Defendant.

30. Typicality: Plaintiff's claims are typical of those claims that could be alleged by any member of the Class, and the relief sought is typical of the relief which would be sought by each member of the Class in separate actions. All the Class Members were subject to the same company practices of Defendant, as alleged herein. Defendant's company-wide policies and practices affected all Class Members similarly, and Defendant benefited from the same type of unfair and/or wrongful acts as to each Class Member. Plaintiff and other Class Members sustained similar losses, injuries, and damages arising from the same unlawful policies, practices, and procedures.

31. Adequacy: Plaintiff is able to fairly and adequately protect the interests of the Class and has no interests antagonistic to the Class. Plaintiff is represented by attorneys who are experienced and competent in both class action litigation and employment litigation and have previously represented plaintiffs in wage and hour cases.

32. Superiority: A class action is superior to other available methods for the fair and efficient adjudication of the controversy — particularly in the context of wage and hour litigation where individual class members lack the financial resources to vigorously prosecute a lawsuit against a corporate Defendant. Class action treatment will permit a large number of similarly situated persons to prosecute their common claims in a single forum simultaneously, efficiently, and without the unnecessary duplication of efforts and expense that numerous individual actions engender. Because the losses, injuries and damages suffered by each of the individual Class members are small in the sense pertinent to a class action analysis, the expenses and burden of individual litigation would make it extremely difficult or impossible for the individual Class members to redress the wrongs done to them.

33. Public Policy Considerations: Important public interests will be served by addressing the matter as a class action. The adjudication of individual litigation claims would result in a great expenditure of Court and public resources; however, treating the claims as a class action would result in a significant saving of these costs. The prosecution of separate actions by individual members of the Class would create a risk of inconsistent and/or varying adjudications with respect to the individual members of the Class, establishing incompatible standards of conduct for Defendant and resulting in the impairment of Class members' rights and the disposition of their interests through actions to which they were not parties. The issues in this action can be decided by means of common, class-wide proof. In addition, if appropriate, the Court can, and is empowered to, fashion methods to efficiently manage this action as a class action. Moreover, current employees are often afraid to assert their rights out of fear of direct or indirect retaliation.

Former employees are often fearful of bringing actions because they believe their former employers might damage their future endeavors through negative references and/or other means. Class actions provide the class members who are not named in the complaint with a type of anonymity that allows for the vindication of their rights at the same time as affording them privacy protections.

FACTUAL ALLEGATIONS

COMMON FACTUAL ALLEGATIONS

34. During the course of their employment with Defendant, Plaintiff, Class Members, and FLSA Collective Members regularly work in excess of 40 hours overtime-eligible hours in each workweek but are not properly compensated for those hours at one and one-half times their respective regular rates of pay for all hours worked over forty in each workweek.

35. When Defendant pays Plaintiff, Class Members, and FLSA Collective Members, it fails to include all non-discretionary compensation, including performance-based bonuses and incentives, equity, and other types of compensation, in their regular rates of pay, as required by the FLSA and California law. As a result, Plaintiff, Class Members, and FLSA Collective Members have been paid less than the required one-and-a-half times the regular rate of pay for their properly calculated regular hourly rates, as defined in the FLSA and California law, for all overtime-eligible hours worked under applicable law in excess of forty in a workweek.

36. Pursuant to a common policy, pattern or practice, Defendant treats Plaintiff, Class Members, and FLSA Collective Members similarly with respect to the violations claimed and fails to pay them overtime wages at the correct rate of pay, in violation of the FLSA and California law.

37. As part of its regular business practice, Defendant has intentionally, willfully, and repeatedly engaged in a pattern, practice, and/or policy of violating the FLSA and California law.

38. Defendant was aware or should be aware that the FLSA and California law require it to pay non-exempt employees an overtime premium using the correct regular rate of pay for all overtime-eligible hours worked under applicable law in excess of 40 hours per workweek.

FIRST CAUSE OF ACTION

**Violation of Fair Labor Standards Act, 29 U.S.C. §§ 201, *et seq.*, – Unpaid Overtime Wages
(Brought on Behalf of Plaintiff and the FLSA Collective Members)**

39. Plaintiff realleges and incorporates by reference all allegations in all preceding paragraphs.

40. At all relevant times, Plaintiff and other similarly situated FLSA Collective Members were engaged in commerce and/or the production of goods for commerce within the meaning of 29 U.S.C. § 207(a).

41. The overtime wage provisions set forth in 29 U.S.C. §§ 201, *et seq.*, of the FLSA apply to Defendant.

42. At all relevant times, Defendant was the employer of Plaintiff and other similarly situated FLSA Collective Members and was engaged in commerce and/or the production of goods for commerce within the meaning of 29 U.S.C. § 207(a).

43. At all relevant times, Plaintiff and other similarly situated FLSA Collective Members were employees within the meaning of 29 U.S.C. §§ 203(e) and 207(a).

44. During the course of their employment with Defendant, Plaintiff and FLSA Collective Members regularly worked overtime-eligible hours in each workweek but were not properly compensated for those hours, including because it failed to compensate them for all hours worked, and when it did compensate them, it failed to do so at the regular rate of pay.

45. Plaintiff and FLSA Collective Members were not compensated for all hours worked because they performed compensable activities while off the clock that was not compensated, including, among other activities, booting up their computers, opening applications prior to clocking in, and responding to emails, instant messages, and other correspondence outside of their shift.

46. When Defendant pays Plaintiff and FLSA Collective Members, it fails to include all non-discretionary compensation, including performance-based bonuses and incentives, equity

1 grants, and other types of compensation, in their regular rates of pay, as required by the FLSA. As
2 a result, Plaintiff and FLSA Collective Members have been paid less than the required one-and-a-
3 half times the regular rate of pay, as defined by the FLSA, for all overtime-eligible hours worked
4 under applicable law.

5 47. Pursuant to a common policy, pattern or practice, Defendant treats Plaintiff and
6 FLSA Collective Members similarly with respect to the violations claimed and fails to pay them
7 for all hours worked and fails to pay them overtime wages at the correct rate of pay, in violation of
8 the FLSA.

9 48. As part of its regular business practice, Defendant has intentionally, willfully, and
10 repeatedly engaged in a pattern, practice, and/or policy of violating the FLSA and California law.

11 49. Defendant was aware or should be aware that the FLSA and California law require
12 it to pay non-exempt employees an overtime premium using the correct regular rate of pay for all
13 overtime-eligible hours worked under applicable law.

14 50. Defendant's violations of the FLSA, as described in this Complaint, have been
15 willful and intentional.

16 51. Defendant has not made a good faith effort to comply with the FLSA with respect
17 to its compensation of Plaintiff and the FLSA Collective Members.

18 52. Because Defendant's violations of the FLSA have been willful, a three-year statute
19 of limitations applies, pursuant to 29 U.S.C. § 255.

20 53. As a result of Defendant's willful violations of the FLSA, Plaintiff and other
21 similarly situated FLSA Collective Members have suffered damages by being denied overtime
22 wages in accordance with 29 U.S.C. §§ 201, *et seq.*, in amounts to be determined at trial or through
23 undisputed record evidence, and are entitled to recovery of such amounts, liquidated damages,
24 prejudgment interest, attorneys' fees, costs, and other compensation pursuant to 29 U.S.C. § 216(b).

SECOND CAUSE OF ACTION
Failure to Pay Minimum and Overtime Wages – Off-the-Clock Work
(Violation of Labor Code §§ 510, 1194, 1197, 1197.1, and the applicable IWC Wage Order)
(Brought on behalf of Plaintiff and the California Class)

54. Plaintiff hereby re-alleges and incorporates by reference all paragraphs above as though fully set forth herein.

55. Labor Code § 1197 provides that the minimum wage for employees fixed by the commission or by any applicable state or local law is the minimum wage to be paid to employees, and the payment of a lower wage than the minimum is unlawful.

56. Labor Code § 510 provides that any work performed beyond 8 hours in a day or 40 hours in a workweek, and the first 8 hours worked on the seventh consecutive day of work within a single workweek be compensated at an overtime rate of one and one-half times the regular rate of pay.

57. Labor Code § 510 also provides that any work performed beyond 12 hours in a day or beyond 8 hours on the seventh consecutive day of work within a single workweek be compensated at a doubletime rate of two times the regular rate of pay.

58. Labor Code § 204 requires employers to timely compensate employees for all time worked.

59. Labor Code § 1194 provides a private right of action for employees to recover unpaid wages, plus interest, for work performed and to recover reasonable attorneys' fees and costs of suit in collecting those unpaid wages.

60. Defendant maintained a pattern of practice of requiring Class Members to perform work off the clock and without compensation.

61. Among other compensable activities, Defendant did not compensate Class Members for the time it took them to boot up their computers and open necessary applications to perform their everyday job duties. Defendant also did not compensate Class Members for the time

1 spent responding to emails, instant messages, and other correspondence outside of their regularly
2 scheduled shift.

3 62. Sometimes these activities were performed after exceeding the daily and weekly
4 overtime and doubletime thresholds established by Labor Code § 510.

5 63. Pursuant to a common policy, pattern, or practice, Defendant treats all Class
6 Members similarly with respect to the violations claims and fails to compensate them for all time
7 worked.

8 64. Defendant knew that Class Members were performing these compensable
9 activities off the clock and failed to compensate them for their time worked.

10 65. As a direct result of Defendant's unlawful practices, Class Members were not
11 compensated for all time worked and, thus, were not paid minimum, overtime, and doubletime
12 wages.

13 **THIRD CAUSE OF ACTION**
14 **Failure to Pay Overtime Wages – Regular Rate of Pay**
15 **(Violation of Labor Code § 510, 1194, 1198, and the applicable IWC Wage Order)**
16 **(Brought on behalf of Plaintiff and the California Class)**

17 66. Plaintiff hereby re-alleges and incorporates by reference all paragraphs above as
18 though fully set forth herein.

19 67. Plaintiff and class members were non-exempt employees entitled to the protections
20 of California Labor Code §§ 510 and 1194.

21 68. When Defendant pays overtime and doubletime to Plaintiff and Class Members, it
22 fails to include all non-discretionary compensation, including performance-based bonuses and
23 incentives, equity grants, and other types of compensation, in their regular rates of pay, as required
24 by California law. As a result, Plaintiff and Class Members have been paid less than the required
25 one-and-a-half times or two times the regular rate of pay for all overtime- and doubletime-eligible
26 hours worked under California law.

69. Pursuant to a common policy, pattern or practice, Defendant treats Plaintiff and Class Members similarly with respect to the violations claimed and fails to pay them overtime and doubletime wages at the correct rate of pay, in violation of California law.

70. As part of its regular business practice, Defendant has intentionally, willfully, and repeatedly engaged in a pattern, practice, and/or policy of violating California law.

71. Defendant was aware or should be aware that California law requires it to pay non-exempt employees an overtime premium using the correct regular rate of pay for all overtime-eligible hours worked under applicable law.

72. In violation of state law, Defendant has knowingly and willfully refused to perform its obligations and compensate Plaintiff and Class Members for all wages earned as alleged above.

FOURTH CAUSE OF ACTION
Failure to Provide Compliant Meal Periods and/or Pay Meal Premium Wages
Violation of Labor Code §§ 226.7, 512, and the Applicable IWC Wage Order
(Brought on behalf of Plaintiff and the California Class)

73. Plaintiff hereby re-alleges and incorporates by reference all paragraphs above as though fully set forth herein.

74. Labor Code § 512 provides that an employer shall not employ an employee for a work period of more than five hours per day without providing the employee with a meal period of not less than 30 minutes. Section 512 further provides that an employer shall not employ an employee for a work period of more than 10 hours per day without providing the employee with a second meal period of not less than 30 minutes.

75. Labor Code § 226.7 provides that, if an employer fails to provide an employee with the legally required meal periods, then the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that compliant meal

1 periods were not provided.

2 76. In *Ferra v. Loews Hollywood Hotel, LLC*, 11 Cal. 5th 858 (2021), the California
3 Supreme Court held that “regular rate of compensation”, as used in Labor Code § 226.7, has the
4 same meaning as “regular rate of pay” as used in Labor Code § 510.

5 77. During the relevant time period, and as a common policy, pattern, or practice,
6 Defendant failed to provide Plaintiff and Class Members all meal periods as required by law. Not
7 only did Defendant fail to schedule timely meal periods of at least 30 minutes, Defendant also
8 frequently required Plaintiff and Class Members to perform work during their meal periods,
9 interrupting them, or cutting them short such that Plaintiff and Class Members did not receive 30
10 minutes of uninterrupted, duty-free, off-the-clock time for their meal period.

11 78. When Plaintiff and Class Members did not receive timely meal periods of at least
12 30, uninterrupted, duty-free minutes, as a common policy, pattern, or practice, Defendant failed to
13 provide them with one hour of premium pay.

14 79. And as alleged above, Defendant failed to properly calculate the regular rate of
15 pay. As a result, as a common policy, pattern, or practice, if it did pay one hour of premium pay,
16 it failed to pay it at the regular rate of pay.

17 80. As a direct result of Defendant’s unlawful practices, Plaintiff and Class Members
18 have been damaged in an amount according to proof at trial.

19 **FIFTH CAUSE OF ACTION**
20 **Failure to Provide Compliant Rest Periods and/or Pay Rest Premium Wages**
21 **Violation of Labor Code §§ 226.7 and the Applicable IWC Wage Order**
(Brought on behalf of Plaintiff and the California Class)

22 81. Plaintiff hereby re-alleges and incorporates by reference all paragraphs above as
23 though fully set forth herein.

24 82. IWC Wage Order 4, Section 12, provides that, for any shift that is longer than
25 three-and-one-half hours, every employer shall authorize and permit all employees to take a paid

1 rest break of at least 10 minutes for every four hours worked or major fraction thereof. As far as
2 practicable, rest breaks should be provided in the middle of each work period.

3 83. The Wage Order and Labor Code § 226.7 also provide that, if an employer fails to
4 provide an employee with all legally required rest breaks, then the employer shall pay the
5 employee one additional hour of pay at the employee's regular rate of compensation for each
6 workday that all required rest breaks were not provided.

7 84. During the relevant time period, and as a common policy, pattern, or practice,
8 Defendant failed to provide Plaintiff and Class Members all rest breaks as required by law. Not
9 only did Defendant fail to schedule timely rest breaks of at least 10 minutes, Defendant also
10 frequently required Plaintiff and Class Members to perform work during their rest breaks
11 interrupting them, or cutting them short such that Plaintiff and Class Members did not receive 10
12 minutes of uninterrupted, duty-free time for their rest break.

13 85. When Plaintiff and Class Members did not receive timely rest breaks of at least 10,
14 uninterrupted, duty-free minutes, as a common policy, pattern, or practice, Defendant failed to
15 provide them with one hour of premium pay.

16 86. And as alleged above, Defendant failed to properly calculate the regular rate of
17 pay. As a result, as a common policy, pattern, or practice, if it did pay one hour of premium pay,
18 it failed to pay it at the regular rate of pay.

19 87. As a direct result of Defendant's unlawful practices, Plaintiff and Class Members
20 have been damaged in an amount according to proof at trial.

21 **SIXTH CAUSE OF ACTION**
22 **Failure to Provide Accurate, Itemized Wage Statements**
23 **Violation of Labor Code § 226**
(Brought on behalf of Plaintiff and the Class)

24 88. Plaintiff hereby re-alleges and incorporates by reference all paragraphs above as
25

1 though fully set forth herein.

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

13 90. During the relevant time period, Defendant has knowingly and intentionally failed
14 to comply with Labor Code § 226(a) on wage statements that were provided to Plaintiff and Class
15 Members. The deficiencies include, among other things, the failure to correctly state the gross and
16 net wages earned, accurate inclusive dates of the pay period, and all applicable hourly rates in
17 effect and the number of hours worked at each hourly rate by Plaintiffs and class members.

18 91. As a result of Defendant's violation of California Labor Code § 226(a), Plaintiff
19 and Class Members have suffered injury and damage to their statutorily protected rights.
20 Specifically, Plaintiff and Class Members have been injured by Defendant's intentional violation
21 of California Labor Code § 226(a) because they were denied both their legal right to receive, and
22 their protected interest in receiving, accurate itemized wage statements under California Labor
23 Code § 226(a). Plaintiff had to file this lawsuit in order to determine the extent of the
24 underpayment of wages, thereby causing Plaintiff to incur expenses and lost time. Plaintiff would
25 not have had to engage in these efforts and incur these costs had Defendant provided the accurate

1 wages earned. This has also delayed Plaintiff's ability to demand and recover the underpayment
2 of wages from Defendant.

3 92. California Labor Code § 226(a) requires an employer to pay the greater of all
4 actual damages or fifty dollars (\$50.00) for the initial pay period in which a violation occurred,
5 and one hundred dollars (\$100.00) per employee for each violation in subsequent pay periods,
6 plus attorney's fees and costs, to each employee who was injured by the employer's failure to
7 comply with California Labor Code § 226(a).

8 93. Defendant's violations of California Labor Code § 226(a) prevented Plaintiff and
9 Class Members from knowing, understanding and disputing the wages paid to them, and resulted
10 in an unjustified economic enrichment to Defendant. As a result of Defendant's knowing and
11 intentional failure to comply with California Labor Code § 226(a), Plaintiff and Class Members
12 have suffered an injury, and the exact amount of damages and/or penalties is all in an amount to
13 be shown according to proof at trial.

14 94. Plaintiff and Class Members are also entitled to injunctive relief under California
15 Labor Code § 226(h), compelling Defendant to comply with California Labor Code § 226, and
16 seek the recovery of attorneys' fees and costs incurred in obtaining this injunctive relief.

17 **SEVENTH CAUSE OF ACTION**
18 **Failure to Timely Pay Wages Upon Separation**
19 **Violation of Labor Code §§ 201-203, 210**
(Brought on Behalf of Plaintiff and the Class)

20 95. Plaintiff realleges and incorporates by reference all allegations in all preceding
21 paragraphs.

22 96. Labor Code § 201 provides that, if an employer discharges an employee, the wages
23 earned and unpaid at the time of discharge are due and payable immediately.

24 97. Labor Code § 202 provides that, if an employee resigns, the employer must pay all
25 wages earned and unpaid within the longer of either (a) 72 hours from the notice of resignation or

1 (b) the employee's last day of work.

2 98. Labor Code § 203 provides that, if an employer willfully fails to pay a terminated
3 employee all wages earned and unpaid in compliance with §§ 201 and 202, then the employee
4 will be entitled to one day's worth of wages at the employee's final wage rate from the date that
5 final wages were due until all outstanding wages have been paid, up to a cap of 30 days.

6 99. As alleged above, Defendant's common policies and practices result in unpaid
7 wages to Plaintiff and Class Members. Accordingly, when Plaintiff and Class Members
8 terminated their employment with Defendant, earned wages remained unpaid, entitling them to
9 waiting-time penalties under Labor Code § 203.

10 100. In addition, Defendant failed to pay Plaintiff and Class Members all accrued but
11 unused vacation time upon termination, resulting in wages that remain unpaid.

12 101. Defendant has not compensated Plaintiff and terminated Class Members for all
13 wages owed for more than 30 days, entitling each of them to the maximum penalty amount
14 allowed by law.

15 **EIGHTH CAUSE OF ACTION**
16 **Failure to Timely Pay Wages During Employment**
17 **Violation of Labor Code §§ 204, 210**
(Brought on Behalf of Plaintiff and the Class)

18 102. Plaintiff realleges and incorporates by reference all allegations in all preceding
19 paragraphs.

20 103. Labor Code § 204 provides that, with some exceptions, all wages earned by any
21 person in any employment are due and payable twice during each calendar month, on days
22 designated in advance by the employer as the regular paydays.

23 104. Labor Code § 210 provides that, if an employer fails to comply with Section 204,
24 it will be subject to a penalty of one hundred dollars (\$100) for any initial violation and two
25 hundred dollars (\$200) for any subsequent violation for each employee, plus 25 percent of the

1 amount unlawfully withheld.

2 105. As alleged above, Defendant's common policies and practices result in unpaid
3 wages to Plaintiff and Class Members during the course of their employment. Each pay period
4 that Plaintiff and Class Members performed work off the clock, were not provided all compliant
5 meal or rest breaks, and were not paid premium wages at the regular rate of pay, Defendant failed
6 to pay all wages earned in violation of Labor Code § 204.

7 **NINTH CAUSE OF ACTION**
8 **Failure to Pay Sick Pay Wages**
9 **Violation of Labor Code §§ 201-204, 210, 233, 246**
(Brought on Behalf of Plaintiff and the Class)

10 106. Plaintiff hereby re-alleges and incorporates by reference all paragraphs above as
11 though fully set forth herein.

12 107. Labor Code § 233 provides that an employer must permit an employee to use
13 accrued sick leave in accordance with Labor Code § 246.5 at the employee's then current rate of
14 entitlement.

15 108. Labor Code § 246 provides that an employee is entitled to sick pay wages for use
16 of accrued sick leave pursuant to Labor Code § 246.5.

17 109. Labor Code § 246(*l*) requires that paid sick time for nonexempt employees be
18 calculated in the same manner as the regular rate of pay for the workweek in which the employee
19 uses paid sick time, whether or not the employee actually works overtime in that workweek.

20 110. As a matter of common policy and practice, Defendant did not pay paid sick leave
21 at the regular rate of pay, resulting in unpaid wages to Plaintiff and Class Members during
22 employment and at termination.

TENTH CAUSE OF ACTION
Failure to Reimburse Necessary Business Expenses
Violation of Labor Code § 2802
(Brought on Behalf of Plaintiff and the Class)

111. Plaintiff hereby re-alleges and incorporates by reference all paragraphs above as though fully set forth therein.

112. Labor Code § 2802 provides that: “An employer shall indemnify his or her employee 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, even though unlawful, unless the employee, at the time of obeying the directions, believed them to be unlawful.”

113. Throughout the Class Period, Defendant required Plaintiff and Class Members to work from home, incurring expenses related to running a home office. Defendant required Plaintiff and Class Members to use their personal internet service for work purposes without paying for a reasonable portion of their internet bill related to work-related use. Defendant required Plaintiff and Class Members to download applications on their personal cell phones, including email and instant messaging applications, for work purposes without paying for a reasonable portion of their cell phone bill related to work-related use. Defendant did not provide Plaintiff and Class Members the necessary tools and equipment to establish a home office, requiring Plaintiff and Class Members the cost of doing so.

114. As a matter of common pattern and practice, Plaintiff and Class Members incurred reasonable and necessary expenses to complete their principal job duties, and Defendant has failed to reimburse them.

ELEVENTH CAUSE OF ACTION
Violation of Business and Professions Code §§ 17200, *et seq.*
(Brought on behalf of Plaintiff and the Class)

115. Plaintiff hereby re-alleges and incorporates by reference all paragraphs above as

1 though fully set forth herein.

2 116. Defendant is a “person” as that term is defined under Cal. Bus. and Prof. Code §
3 17021.

4 117. Defendant’s conduct, as alleged herein, has been and continues to be unfair,
5 unlawful and harmful to Plaintiff and Class Members. Plaintiff seeks to enforce important rights
6 affecting the public interest within the meaning of Code of Civil Procedure § 1021.5.

7 118. Defendant’s activities, as alleged herein, violate California law and constitute
8 unlawful business acts or practices in violation of California Business and Professions Code §§
9 17200, *et seq.*

10 119. A violation of Business and Professions Code §§ 17200, *et seq.* may be predicated
11 on the violation of any state or federal law.

12 120. Defendant’s policies and practices have violated state law at least in the ways
13 alleged in Paragraphs 32-107.

14 121. Defendant intentionally engaged in the alleged unlawful business practices to
15 artificially lower the cost of doing business, undercut their competitors, and establish and gain a
16 greater foothold in the marketplace.

17 122. By the conduct alleged herein, Defendant’s practices were unlawful and unfair in
18 that these practices violate public policy, were immoral, unethical, oppressive, unscrupulous or
19 substantially injurious to employees, and were without valid justification or utility for which this
20 Court should issue equitable and injunctive relief pursuant to Business and Professions Code §
21 17203, including restitution of wages wrongfully withheld.

22 123. Pursuant to Business and Professions Code §§ 17200, *et seq.* Plaintiff and Class
23 Members are entitled to restitution of the wages unlawfully withheld and retained by Defendant
24 during a period that commences four years prior to the filing of the Complaint; an award of
25 attorneys’ fees pursuant to Code of Civil Procedure § 1021.5 and other applicable laws; and an

award of costs.

TWELFTH CAUSE OF ACTION
Enforcement Of Labor Code § 2698 *et seq.* (PAGA)
(Brought on behalf of Plaintiff and the Class)

124. Plaintiff hereby re-alleges and incorporates by reference all paragraphs above as though fully set forth herein.

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

126. Plaintiff timely provided notice of Defendant’s violations of the Labor Code and her intent to seek civil penalties for them to the LWDA.

127. For all of the reasons alleged throughout this Complaint, Defendant’s conduct violates numerous Labor Code sections including, but not limited to, Sections 201, 202, 203, 204, 210, 226, 226.7, 227.3, 246, 510, 512, 558, 1182.12, 1194, 1194.2, 1197, 1198, 2800, and 2802 due to Defendant’s failure to pay all wages owed, including minimum straight, overtime, reporting time, and sick pay wages; failure to properly calculate the regular rate of pay; failure to provide compliant meal periods or rest breaks or to pay meal period or rest break premiums; failure to provide accurate and/or compliant wage statements; failure to reimburse all reasonable and necessary business expenses; and failure to timely pay wages during employment or upon separation.

128. Further, Labor Code § 558(a) provides “any employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provisions regulating hours and days of work in any order of the IWC shall be subject to a civil

1 penalty as follows: (1) For any violation, fifty dollars (\$50) for each underpaid employee for each
2 pay period for which the employee was underpaid in addition to an amount sufficient to recover
3 underpaid wages. (2) For each subsequent violation, one hundred dollars (\$100) for each
4 underpaid employee for each pay period for which the employee was underpaid in addition to an
5 amount sufficient to recover underpaid wages. (3) Wages recovered pursuant to this section shall
6 be paid to the affected employee.”

7 129. As set forth above, Defendant has violated numerous provisions of the Labor Code
8 regulating hours and days of work as well as the IWC Wage Orders. Accordingly, Plaintiff seeks
9 the remedies set forth in Labor Code § 558 for herself, the underpaid employees, and the State of
10 California.

11 130. Plaintiff and Class Members are “aggrieved employees” because they were
12 employed by the alleged violators and had one or more of the alleged violations committed
13 against them, and therefore are properly suited to represent the interests of all other aggrieved
14 employees.

15 131. For all provisions of the Labor Code except those for which a civil penalty is
16 specifically provided, Labor Code § 2699(f) imposes upon Defendant a penalty of one hundred
17 dollars (\$100.00) for each aggrieved employee per pay period for the initial violation and two
18 hundred dollars (\$200.00) for each aggrieved employee per pay period for each subsequent pay
19 period in which Defendant violated these provisions of the Labor Code.

20 132. Labor Code section 226.3 provides for civil penalties for violations of Section 226.
21 The civil penalty is \$250 for the initial violation and \$1,000 for each subsequent violation.

22 133. Pursuant to Labor Code §§ 2699(a), 2699.3 and 2699.5, Plaintiff is entitled to
23 recover civil penalties, in addition to other remedies, for violations of the Labor Code sections
24 cited above.

25 134. Plaintiffs, as representatives of the State of California, seek to recover all Labor

1 Code section 2699(f)(2) civil penalties for each Labor Code violation alleged herein, according to
2 proof, as to those penalties otherwise only available in public agency enforcement actions.

3 Funds recovered will be distributed in accordance with the PAGA, with 65% of penalties
4 recovered provided to the LWDA on behalf of the State of California. For bringing this action,
5 Plaintiffs are entitled to attorney's fees and costs incurred herein.

6 135. For bringing this action, Plaintiffs are entitled to attorney's fees and costs incurred
7 herein.

8 **PRAYER FOR RELIEF**

9 **WHEREFORE**, Plaintiff, individually and on behalf of Class and FLSA Collective,
10 requests the following relief:

11 A. For Plaintiff be allowed to give notice of this Class and collective action, or that the
12 Court issue such notice, to all members of the Class and FLSA Collective. Such notice should inform
13 them that this civil action has been filed, of the nature of the action, and of their right to join this
14 lawsuit, among other things;

15 B. For certification of this action as a class and collective action, including certifying the
16 Class and Collective.

17 C. For designation of Plaintiff as Class Representative for the class she seeks to
18 represent and counsel of record as Class Counsel;

19 D. For a service award for Plaintiff for serving as a class representative in an amount
20 to be approved by the Court;

21 E. For compensatory damages in an amount according to proof with interest thereon;

22 F. For economic and/or special damages in an amount according to proof with interest
23 thereon;

24 G. For unpaid overtime pay and an additional and equal amount as liquidated
25 damages pursuant to the FLSA and the supporting United States Department of Labor

1 regulations;

2 H. For payment of all regular, and/or overtime wages for all hours worked as required by
3 law in an amount according to proof;

4 I. For payment of all wages due upon separation of employment as required by law, in
5 an amount according to proof;

6 J. For liquidated damages in an amount equal to the wages unlawfully unpaid and
7 interest thereon pursuant to Labor Code § 1194.2;

8 K. For statutory penalties to the extent permitted by law, including those pursuant to
9 the Labor Code and IWC Wage Orders;

10 L. For reasonable attorneys' fees, costs of suit and interest to the extent permitted by law,
11 including pursuant to Code of Civil Procedure § 1021.5, Labor Code §§ 226(e) and 1194;

12 M. For restitution as provided by Business and Professions Code §§ 17200, *et seq.*;

13 N. For an order requiring Defendant to restore and disgorge all funds to each
14 employee acquired by means of any act or practice declared by this Court to be unlawful, unfair
15 or fraudulent and, therefore, constituting unfair competition under Business and Professions Code
16 §§ 17200, *et seq.*;

17 O. For pre-judgment interest and post-judgment interest as provided by law;

18 P. For issuance of a declaratory judgment that the practices complained of in this
19 Class and Collective Action Complaint are unlawful under appropriate state law;

20 Q. For appropriate equitable and injunctive relief to remedy violations, including but
21 not necessarily limited to an order enjoining Defendant from continuing its unlawful practices;

22 R. For such other relief as this Court shall deem just and proper.

23 **JURY DEMAND**

24 Plaintiff demands a jury to hear and decide all issues of fact.

1 Dated: October 15, 2025

Respectfully submitted,

2
3 San Francisco, CA

/s/

Jahan C. Sagafi (SBN 224887)

Kaelyn Mahar (SBN 338257)

Alina Pastor-Chermak (SBN 3359889)

OUTTEN & GOLDEN LLP

One California Street, Suite 1250

San Francisco, CA 94111

Telephone: (415) 638-8800

Facsimile: (415) 638-8810

E-Mail: jsagafi@outtengolden.com

E-Mail: kmahar@outtengolden.com

E-Mail: apastor-cheramak@outtengolden.com

Justin M. Swartz*

OUTTEN & GOLDEN LLP

685 3rd Ave, 25th Floor

New York, NY 10017

Telephone: (866) 592-9280

Facsimile: (415) 638-8810

E-Mail: jswartz@outtengolden.com

Marilyn Linares*

SHAVITZ LAW GROUP

622 Banyan Trail Suite 200

Boca Raton, FL 33431

Telephone: (561) 447-8888

E-Mail: mlinares@shavitzlaw.com

*Pro hac vice motion forthcoming

*Attorneys for Plaintiff and
the Proposed Class and Collective*