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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

MARCIA POWELL, individually, and on behalf
of all others similarly situated,

Plaintiff,

vs.

USI INSURANCE SERVICES, LLC, a limited
liability company; and DOES 1 through 10,
inclusive,

Defendants

Case No.: 23STCV26254
(Related Case: 23STCV08732)

**FIRST AMENDED REPRESENTATIVE
ACTION COMPLAINT:**

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

FILED
Superior Court of California
County of Los Angeles
12/21/2023

David W. Slayton, Executive Officer / Clerk of Court

By: R. Lozano Deputy

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1 Plaintiff Marcia Powell (“Plaintiff”), based upon facts that either have evidentiary support
2 or are likely to have evidentiary support after a reasonable opportunity for further investigation
3 and discovery, alleges as follows:

4 **INTRODUCTION & PRELIMINARY STATEMENT**

5 1. Plaintiff brings this action against Defendants USI Insurance Services, LLC, and
6 Does 1 through 10 (Defendants are collectively referred to as “Defendants”) for California Labor
7 Code violations stemming from Defendants’ failure to pay minimum wages, failure to pay overtime
8 wages, failure to provide meal periods, failure to authorize and permit rest periods, failure to
9 maintain accurate records of hours worked and meal periods, failure to indemnify necessary
10 business expenses, failure to timely pay all wages to terminated employees, and failure to furnish
11 accurate wage statements.

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

22 3. All non-exempt California employees of Defendants beginning October 26, 2022 to
23 the present, are “Aggrieved Employees.”

24 4. Plaintiff brings this action against Defendants seeking only to recover penalties on
25 behalf of all Aggrieved Employees that worked for Defendants, and on behalf of the State of
26 California. Plaintiff does not seek to recover anything other than penalties as permitted by
27 California Labor Code Section 2699 at this time. To the extent that statutory violations are
28 mentioned for wage violations, Plaintiff does not seek underlying general and/or special damages

1 for those violations, but simply penalties as permitted by California Labor Code Section 2699,
2 declaratory relief, and injunctive relief for themselves and all aggrieved employees as permitted
3 by the PAGA.

4 5. Defendants own/owned and operate/operated an industry, business, and
5 establishment within the State of California, including Los Angeles County. As such, and based
6 upon all the facts and circumstances incident to Defendants' business in California, Defendants are
7 subject to the California Labor Code, Wage Orders issued by the Industrial Welfare Commission
8 ("IWC").

9 6. Despite these requirements, throughout the statutory period Defendants maintained
10 a systematic, company-wide policy and practice of:

- 11 (a) Failing to pay employees for all hours worked, including all minimum
12 wages, and overtime wages in compliance with the California Labor Code
13 and IWC Wage Orders;
 - 14 (b) Failing to provide employees with timely and duty-free meal periods in
15 compliance with the California Labor Code and IWC Wage Orders, failing
16 to maintain accurate records of all meal periods taken or missed, and failing
17 to pay an additional hour's pay for each workday a meal period violation
18 occurred;
 - 19 (c) Failing to authorize and permit employees to take timely and duty-free rest
20 periods in compliance with the California Labor Code and IWC Wage
21 Orders, and failing to pay an additional hour's pay for each workday a rest
22 period violation occurred;
 - 23 (d) Failing to indemnify employees for necessary business expenses incurred;
 - 24 (e) Willfully failing to pay employees all minimum wages, overtime wages,
25 meal period premium wages, and rest period premium wages due within the
26 time period specified by California law when employment terminates; and
 - 27 (f) Failing to maintain accurate records of the hours that employees worked.
- 28

(g) Failing to provide employees with accurate, itemized wage statements containing all the information required by the California Labor Code and IWC Wage Orders.

7. On information and belief, Defendants, and each of them were on actual and constructive notice of the improprieties alleged herein and intentionally refused to rectify their unlawful policies. Defendants' violations, as alleged above, during all relevant times herein were willful and deliberate.

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

THE PARTIES

A. Plaintiff

9. Plaintiff is a California resident that worked for Defendants in the County of Los Angeles, State of California, as a commercial lines assistant from approximately January 2022 to November 2022.

10. Plaintiff reserves the right to seek leave to amend this complaint to add new plaintiffs, if necessary, in order to establish suitable representative(s) pursuant to *La Sala v. American Savings and Loan Association* (1971) 5 Cal.3d 864, 872, and other applicable law.

B. Defendants

11. Plaintiff is informed and believes, and based upon that information and belief alleges, that Defendant USI Insurance Services, LLC is:

(a) A limited liability company with its principal place of business in Los Angeles, California.

(b) A business entity conducting business in numerous counties throughout the State of California, including in Los Angeles County; and

(c) The former employer of Plaintiff, and the current and/or former employer of

Aggrieved Employees. Defendants suffered and permitted Plaintiff and Aggrieved Employees to work, and/or controlled their wages, hours, or working conditions.

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

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

14. Plaintiff is informed and believes and thereon alleges that at all relevant times each Defendant, directly or indirectly, or through agents or other persons, employed Plaintiff and Aggrieved Employees, and exercised control over their wages, hours, and working conditions. Plaintiff is informed and believes and thereon alleges that, at all relevant times, each Defendant was the principal, agent, partner, joint venturer, officer, director, controlling shareholder, subsidiary, affiliate, parent corporation, successor in interest and/or predecessor in interest of some or all of the other Defendants, and was engaged with some or all of the other Defendants in a joint enterprise for profit, and bore such other relationships to some or all of the other Defendants so as to be liable for their conduct with respect to the matters alleged below. Plaintiff is informed and believes and thereon alleges that each Defendant acted pursuant to and within the scope of the relationships alleged above, that each Defendant knew or should have known about, and authorized, ratified, adopted, approved, controlled, aided and abetted the conduct of all other Defendants.

ALLEGATIONS COMMON TO ALL CAUSES OF ACTION

15. Plaintiff is a California resident who worked for Defendants in the County of Los Angeles, State of California, as a commercial lines assistant during the statutory period. During

1 the statutory period, Defendants classified Plaintiff as non-exempt from California overtime
2 requirements, and paid Plaintiff an hourly wage.

3 16. Throughout the statutory period, Defendants failed to pay Plaintiff for all hours
4 worked (including minimum wages and overtime wages), failed to provide Plaintiff with
5 uninterrupted meal periods, failed to authorize and permit Plaintiff to take uninterrupted rest
6 periods, failed to indemnify Plaintiff for necessary business expenses, failed to timely pay all final
7 wages to Plaintiff when Defendants terminated Plaintiff's employment, and failed to furnish
8 accurate wage statements to Plaintiff. As discussed below, Plaintiff's experience working for
9 Defendants was typical and illustrative.

10 17. Throughout the statutory period, Defendants maintained a policy and practice of not
11 paying Plaintiff and Aggrieved Employees for all hours worked, including all overtime wages.
12 Throughout the statutory period, Plaintiff and Aggrieved Employees received non-discretionary
13 bonuses and other remuneration. However, Defendants failed to incorporate all remuneration when
14 calculating the correct overtime rate of pay, meal break premium rate of pay, and sick day rate of
15 pay, leading to underpayment. Also throughout the statutory period, Plaintiff and Aggrieved
16 Employees were required to work "off the clock" and uncompensated. For example, Plaintiff and
17 Aggrieved Employees were required to perform work prior to clocking into work, and after clocking
18 out for work, off the clock and uncompensated. In maintaining a practice of not paying all wages
19 owed, Defendants failed to maintain accurate records of the hours Plaintiff and Aggrieved
20 Employees worked.

21 18. Throughout the statutory period, Defendants have wrongfully failed to provide
22 Plaintiff and Aggrieved Employees with legally compliant meal periods. Defendants sometimes,
23 but not always, required Plaintiff and Aggrieved Employees to work in excess of five consecutive
24 hours a day without providing 30-minute, continuous and uninterrupted, duty-free meal period for
25 every five hours of work, or without compensating Plaintiff and Aggrieved Employees for meal
26 periods that were not provided by the end of the fifth hour of work or tenth hour of work.
27 Defendants also did not adequately inform Plaintiff and Aggrieved Employees of their right to take
28 a meal period by the end of the fifth hour of work, or, for shifts greater than 10 hours, by the end

1 of the tenth hour of work. Further, Defendants automatically deducted meal periods, despite them
2 being short regularly due to the fact that Plaintiff and Aggrieved Employees were required to walk
3 to specified areas for their meal periods. Also, Defendants maintained a policy and practice of not
4 permitting Plaintiff and Aggrieved Employees to leave the premises during meal and rest periods.
5 Accordingly, Defendants' policy and practice was to not provide meal periods to Plaintiff and
6 Aggrieved Employees in compliance with California law.

7 19. Throughout the statutory period, Defendants have wrongfully failed to authorize
8 and permit Plaintiff and Aggrieved Employees to take timely and duty-free rest periods.
9 Defendants sometimes, but not always, required Plaintiff and Aggrieved Employees to work in
10 excess of four consecutive hours a day without Defendants authorizing and permitting them to take
11 a 10-minute, continuous and uninterrupted, rest period for every four hours of work (or major
12 fraction of four hours), or without compensating Plaintiff and Aggrieved Employees for rest
13 periods that were not authorized or permitted. Defendants also did not adequately inform Plaintiff
14 and Aggrieved Employees of their right to take a rest period. Moreover, Defendants did not have
15 adequate policies or practices permitting or authorizing rest periods for Plaintiff and Aggrieved
16 Employees, nor did Defendants have adequate policies or practices regarding the timing of rest
17 periods. Defendants also did not have adequate policies or practices to verify whether Plaintiff
18 and Aggrieved Employees were taking their required rest periods. Further, Defendants did not
19 maintain accurate records of employee work periods, and therefore Defendants cannot demonstrate
20 that Plaintiff and Aggrieved Employees took rest periods during the middle of each work period.
21 Accordingly, Defendants' policy and practice was to not authorize and permit Plaintiff and
22 Aggrieved Employees to take rest periods in compliance with California law.

23 20. Throughout the statutory period, Defendants wrongfully required Plaintiff and
24 Aggrieved Employees to pay expenses that they incurred in direct discharge of their duties for
25 Defendants without reimbursement, which included expenses relating to working from home, such
26 as home internet costs, printer costs, personal computer costs, and office supplies. Also, Plaintiff
27 and Aggrieved Employees were required to use their own personal cellular telephones for work
28 purposes, without full reimbursement.

1 21. Throughout the statutory period, Defendants willfully failed and refused to timely
2 pay Plaintiff and Aggrieved Employees at the conclusion of their employment all wages for all
3 minimum wages, overtime wages, meal period premium wages, and rest period premium wages.

4 22. Throughout the statutory period, Defendants failed to furnish Plaintiff and
5 Aggrieved Employees with accurate, itemized wage statements showing all applicable hourly rates,
6 and all gross and net wages earned (including correct hours worked, correct wages earned for hours
7 worked, correct overtime hours worked, correct wages for meal periods that were not provided in
8 accordance with California law, correct wages for rest periods that were not authorized and
9 permitted to take in accordance with California law, and Defendant's address). Further, the wage
10 statements do not show Defendant's address as required by California law. As a result of these
11 violations of California Labor Code § 226(a), Plaintiff and Aggrieved Employees suffered injury
12 because, among other things:

- 13 (a) the violations led them to believe that they were not entitled to be paid
14 minimum wages, overtime wages, meal period premium wages, and rest
15 period premium wages to which they were entitled, even though they were
16 entitled;
- 17 (b) the violations led them to believe that they had been paid the minimum,
18 overtime, meal period premium, and rest period premium wages, even
19 though they had not been;
- 20 (c) the violations led them to believe they were not entitled to be paid minimum,
21 overtime, meal period premium, and rest period premium wages at the
22 correct California rate even though they were;
- 23 (d) the violations led them to believe they had been paid minimum, overtime,
24 meal period premium, and rest period premium wages at the correct
25 California rate even though they had not been;
- 26 (e) the violations hindered them from determining the amounts of minimum,
27 overtime, meal period premium, and rest period premium owed to them;

- 1 (f) in connection with their employment before and during this action, and in
2 connection with prosecuting this action, the violations caused them to have
3 to perform mathematical computations to determine the amounts of wages
4 owed to them, computations they would not have to make if the wage
5 statements contained the required accurate information;
- 6 (g) by understating the wages truly due them, the violations caused them to lose
7 entitlement and/or accrual of the full amount of Social Security, disability,
8 unemployment, and other governmental benefits;
- 9 (h) the wage statements inaccurately understated the wages, hours, and wages
10 rates to which Plaintiff and Aggrieved Employees were entitled, and
11 Plaintiff and Aggrieved Employees were paid less than the wages and wage
12 rates to which they were entitled.

13 Thus, Plaintiff and Aggrieved Employees are owed the amounts provided for in California Labor
14 Code § 226(e), including actual damages.

15 **FIRST CAUSE OF ACTION**

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

18 23. Plaintiff incorporates by reference and re-alleges as if fully stated herein paragraphs
19 1 through 22 in this First Amended Complaint.

20 24. At all times herein mentioned, Defendants were subject to the Labor Code of the
21 State of California and the applicable Industrial Welfare Commission Orders.

22 25. California Labor Code § 2699(a) specifically provides for a private right of action
23 to recover penalties for violations of the Labor Code: “Notwithstanding any other provision of law,
24 any provision of this code that provides for a civil penalty to be assessed and collected by the Labor
25 and Workforce Development Agency or any of its departments, divisions, commissions, boards,
26 agencies, or employees, for a violation of this code, may, as an alternative, be recovered through a
27 civil action brought by an aggrieved employee on behalf of himself or herself and other current or
28 former employees pursuant to the procedures specified in Section 2699.3.”

1 26. Plaintiff has exhausted her administrative remedies pursuant to California Labor
2 Code § 2699.3. On April 19, 2023, Plaintiff gave written notice by online filing to the Labor and
3 Workforce Development Agency and by certified mail to Defendants of the specific provisions of
4 the Labor Code that Defendants have violated against Plaintiff and current and former aggrieved
5 employees, including the facts and theories to support the violations. At the time of this filing, 65
6 days has elapsed since Plaintiff provided notice, but the Labor and Workforce Development
7 Agency has not indicated that it intends to investigate Defendants' Labor Code violations discussed
8 in the notice. Accordingly, Plaintiff may commence a civil action to recover penalties under Labor
9 Code § 2699 pursuant to § 2699.3 for the violations of the Labor Code described in this Complaint.
10 These penalties include, but are not limited to, penalties under California Labor Code §§ 210,
11 226.3, 558, 1197.1, and 2699(f)(2).

12 27. In addition, Plaintiff seeks penalties for Defendants' violation of California Labor
13 Code § 1174(d). Pursuant to California Labor Code § 1174.5, any person, including any entity,
14 employing labor who willfully fails to maintain accurate and complete records required by
15 California Labor Code § 1174 is subject to a penalty under § 1174.5. Pursuant to the applicable
16 IWC Order § 7(A)(3), every employer shall keep time records showing when the employee begins
17 and ends each work period. Meal periods and total hours worked daily shall also be recorded.
18 Additionally, pursuant to the applicable IWC Order § 7(A)(5), every employer shall keep total
19 hours worked in the payroll period and applicable rates of pay.

20 28. During the time period of employment for Plaintiff and the Aggrieved Employees,
21 Defendants failed to maintain records pursuant to the Labor Code and IWC Orders by failing to
22 maintain accurate records showing meal periods, and accurate records showing when employees
23 begin and end each work period. Defendants' failure to provide and maintain records required by
24 the Labor Code IWC Wage Orders deprived Plaintiff and the Aggrieved Employees the ability to
25 know, understand and question the accuracy and frequency of meal periods, and the accuracy of
26 their hours worked stated in Defendants' records. Therefore, Plaintiff and the Aggrieved
27 Employees had no way to dispute the resulting failure to pay wages, all of which resulted in an
28 unjustified economic enrichment to Defendants. As a direct result, Plaintiff and the Aggrieved

1 Employees have suffered and continue to suffer, substantial losses related to the use and enjoyment
2 of such wages, lost interest on such wages and expenses and attorney's fees in seeking to compel
3 Defendants to fully perform its obligation under state law, all to their respective damage in amounts
4 according to proof at trial. Because of Defendants' knowing failure to comply with the Labor Code
5 and applicable IWC Wage Orders, Plaintiff and the Aggrieved Employees have also suffered an
6 injury in that they were prevented from knowing, understanding, and disputing the wage payments
7 paid to them.

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

12 30. In addition, Plaintiff seeks an award of reasonable attorney's fees and costs pursuant
13 to California Labor Code § 2699(g)(1), which states, "Any employee who prevails in any action
14 shall be entitled to an award of reasonable attorney's fees and costs."

15 **PRAYER FOR RELIEF**

16 Plaintiff, on behalf of herself, the State of California, and similarly Aggrieved Employees
17 of Defendants, prays for relief and judgment against Defendants, jointly and severally, as follows:

18 **As to the First Cause of Action**

19 31. That the Court declare, adjudge and decree that Defendants violated the California
20 Labor Code by failing to pay wages for all hours worked (including minimum, regular rate, and
21 overtime wages), failing to provide meal periods, failing to maintain accurate records of meal
22 periods, failing to authorize and permit rest periods, failing to maintain accurate records of all
23 hours worked and meal periods, failing to indemnify necessary business expenses, failing to pay
24 final wages at termination, and failing to furnish accurate wage statements;

25 32. For all civil penalties pursuant to California Labor Code § 2699, et seq., and all
26 other applicable Labor Code provisions;

27 33. For reasonable attorneys' fees and costs of suit incurred herein pursuant to
28 California Labor Code § 2699;

34. For such other and further relief as the Court may deem equitable and appropriate.

Dated: December 21, 2023

Respectfully submitted,

MOON LAW GROUP, PC

By: 

Kane Moon
Lilit Ter-Astvatsatryan
Linh H. Tran

Attorneys for Plaintiff

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PROOF OF SERVICE

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the State of California, County of Los Angeles. I am over the age of 18 and not a party to the within suit; my business address is 1055 W. 7th Street, Suite 1880, Los Angeles, CA 90017.

On the date indicated below, I served the document described as: **FIRST AMENDED REPRESENTATIVE ACTION COMPLAINT** on the interested parties in this action by sending [] the original [or] [✓] a true copy thereof [✓] to interested parties as follows [or] [] as stated on the attached service list:

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[✓] **BY U.S. MAIL:** I deposited such envelope in the mail at Los Angeles, California. The envelope was mailed with postage thereon fully prepaid. I am “readily familiar” with the firm’s practice of collection and processing correspondence for mailing. Under that practice it would be deposited with U.S. postal service on that same day with postage thereon fully prepaid at Los Angeles, California in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this **December 21, 2023** at Los Angeles, California.

Karen Castillo
Type or Print Name


Signature