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

DONOVAN SAWALL, individually, and
 on behalf of other members of the general
 public similarly situated, and as an
 aggrieved employee pursuant to Private
 Attorneys General Act ("PAGA"),

Plaintiff,

vs.

PUENTE HILLS HYUNDAI, LLC, a
 California limited liability company; GEN
 OF SOUTH BAY, LLC, a California
 limited liability company; LAGUNA
 NIGUEL CADILLAC, LLC, a California
 limited liability company; LAGUNA
 NIGUEL HYUNDAI, LLC, a California
 limited liability company; SOUTH BAY
 AUTO GROUP, LLC, a California limited
 liability company; SOUTH BAY
 HYUNDAI, LLC, a California limited
 liability company; 20710 HAWTHORNE,
 LLC, a California limited liability
 company; SOUTH BAY MAZDA, an
 unknown business entity; and DOES 1
 through 10, inclusive,

Defendants.

Case No.: 25STCV32093

**FIRST AMENDED CLASS ACTION
 COMPLAINT & ENFORCEMENT
 ACTION UNDER THE PRIVATE
 ATTORNEYS GENERAL ACT,
 CALIFORNIA LABOR CODE §§ 2698, *ET
 SEQ.***

- (1) Violation of California Labor Code §§ 510 and 1198 (Unpaid Overtime);
- (2) Violation of California Labor Code §§ 1182.12, 1194, 1197, 1197.1, and 1198 (Unpaid Minimum Wages);
- (3) Violation of California Labor Code §§ 226.7, 512(a), 516, and 1198 (Failure to Provide Meal Periods);
- (4) Violation of California Labor Code §§ 226.7, 516, and 1198 (Failure to Authorize and Permit Rest Periods);
- (5) Violation of California Labor Code §§ 226(a), 1174(d), and 1198 (Non-Compliant Wage Statements and Failure to Maintain Payroll Records);
- (6) Violation of California Labor Code §§ 201 and 202 (Wages Not Timely Paid Upon Termination);
- (7) Violation of California Labor Code § 204 (Failure to Timely Pay Wages During Employment);
- (8) Violation of California Labor Code § 2802 (Unreimbursed Business Expenses);
- (9) Civil Penalties for Violations of California Labor Code, Pursuant to PAGA, §§ 2698, *et seq.*;

FILED
 Superior Court of California
 County of Los Angeles
 03/19/2026

David W. Slayton, Executive Officer / Clerk of Court
 By: _____ M. Miro Deputy

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- (10) Violation of California Business & Professions Code §§ 17200, *et seq.* (Unlawful Business Practices); and
- (11) Violation of California Business & Professions Code §§ 17200, *et seq.* (Unfair Business Practices)

Jury Trial Demanded

1 Plaintiff Donovan Sawall, individually and on behalf of all other members of the
2 public similarly situated, and as an aggrieved employee and on behalf of all aggrieved
3 employees, alleges as follows:

4 JURISDICTION AND VENUE

5 1. This class action is brought pursuant to California Code of Civil Procedure
6 section 382 and California Labor Code sections 2698, *et seq.* (“PAGA”) to recover civil
7 penalties and any other available relief on behalf of Plaintiff, the State of California, and other
8 current and former employees who worked for Defendants in California as non-exempt,
9 hourly paid employees and received at least one wage statement and against whom one or
10 more violations of any provision in Division 2 Part 2 Chapter 1 of the Labor Code or any
11 provision regulating hours and days of work in the applicable Industrial Welfare Commission
12 (“IWC”) Wage Order were committed, as set forth in this complaint. The monetary damages,
13 penalties, and restitution sought by Plaintiff exceed the minimal jurisdiction limits of the
14 Superior Court and will be established according to proof at trial. This Court has jurisdiction
15 over this action pursuant to the California Constitution, Article VI, section 10. The statutes
16 under which this action is brought do not specify any other basis for jurisdiction. Plaintiff’s
17 share of damages, penalties, and other relief sought in this action does not exceed \$75,000.

18 2. This Court has jurisdiction over Defendants because Defendants are either
19 citizens of California, have sufficient minimum contacts in California, or otherwise
20 intentionally avail themselves of the California market so as to render the exercise of
21 jurisdiction over them by the California courts consistent with traditional notions of fair play
22 and substantial justice. There is no basis for federal diversity jurisdiction in this action
23 because there is no complete diversity, and this case falls within the statutory exceptions to
24 “minimal diversity” jurisdiction under the Class Action Fairness Act, 28 U.S.C. § 1332(d)(4).
25 Upon information and belief, two-thirds or more of the class members and Defendants are
26 citizens of California and/or (a) two-thirds of the class members and Defendants are citizens
27 of California; (b) the alleged wage and hour violations occurred in California; (c) significant
28 relief is being sought against Defendants whose violations of California wage and hour laws

1 form a significant basis for Plaintiff's claims; and (d) no other class action has been filed
2 within the past three (3) years on behalf of the same proposed class against Defendants
3 asserting the same or similar factual allegations.

4 3. Venue is proper in this Court, because Defendant PUENTE HILLS HYUNDAI,
5 LLC filed Statement of Information forms with the California Secretary of State designating a
6 principal place of business in City of Industry, County of Los Angeles, in accordance with
7 California Corporations Code section 2105(a)(3). Cal. Code Civ. P. § 395.5. Venue is also
8 proper in this Court because Defendants employ persons in this county, and employed
9 Plaintiff in this county, and thus a substantial portion of the transactions and occurrences
10 related to this action occurred in this county.

11 THE PARTIES

12 4. Plaintiff Donovan Sawall is a resident of Los Angeles, in Los Angeles County,
13 California. Defendants employed Plaintiff as a non-exempt, hourly paid employee from
14 approximately January 2023 to May 2025. Plaintiff worked for Defendants as a Service-Lot
15 Porter at their auto dealership in City of Industry, California. During his employment,
16 Plaintiff typically worked eight (8) hours or more per day and five (5) days per week.
17 Plaintiff's primary job duties included, without limitation, washing, cleaning, and parking
18 vehicles on the lot and driving a customer shuttle.

19 5. PUENTE HILLS HYUNDAI, LLC was and is, upon information and belief, a
20 California limited liability company, and at all times hereinafter mentioned, an employer
21 whose employees are engaged throughout this county and the State of California.

22 6. GEN OF SOUTH BAY, LLC was and is, upon information and belief, a
23 California limited liability company, and at all times hereinafter mentioned, an employer
24 whose employees are engaged throughout this county and the State of California.

25 7. LAGUNA NIGUEL CADILLAC, LLC was and is, upon information and
26 belief, a California limited liability company, and at all times hereinafter mentioned, an
27 employer whose employees are engaged throughout this county and the State of California.

28 8. LAGUNA NIGUEL HYUNDAI, LLC was and is, upon information and belief,

1 a California limited liability company, and at all times hereinafter mentioned, an employer
2 whose employees are engaged throughout this county and the State of California.

3 9. SOUTH BAY AUTO GROUP, LLC was and is, upon information and belief, a
4 California limited liability company, and at all times hereinafter mentioned, an employer
5 whose employees are engaged throughout this county and the State of California.

6 10. SOUTH BAY HYUNDAI, LLC was and is, upon information and belief, a
7 California limited liability company, and at all times hereinafter mentioned, an employer
8 whose employees are engaged throughout this county and the State of California.

9 11. 20710 HAWTHORNE, LLC was and is, upon information and belief, a
10 California limited liability company, and at all times hereinafter mentioned, an employer
11 whose employees are engaged throughout this county and the State of California.

12 12. SOUTH BAY MAZDA was and is, upon information and belief, an unknown
13 business entity, and at all times hereinafter mentioned, an employer whose employees are
14 engaged throughout this county and the State of California.

15 13. Plaintiff is unaware of the true names or capacities of the Defendants sued
16 herein under the fictitious names DOES 1 through 10, but will seek leave of this Court to
17 amend the complaint and serve such fictitiously named Defendants once their names and
18 capacities become known.

19 14. Plaintiff is informed and believes, and thereon alleges, that DOES 1 through 10
20 were the partners, agents, owners, or managers of PUENTE HILLS HYUNDAI, LLC; GEN
21 OF SOUTH BAY, LLC; LAGUNA NIGUEL CADILLAC, LLC; LAGUNA NIGUEL
22 HYUNDAI, LLC; SOUTH BAY AUTO GROUP, LLC; SOUTH BAY HYUNDAI, LLC;
23 20710 HAWTHORNE, LLC; and SOUTH BAY MAZDA at all relevant times.

24 15. Plaintiff is informed and believes, and thereon alleges, that each and all of the
25 acts and omissions alleged herein was performed by, or is attributable to PUENTE HILLS
26 HYUNDAI, LLC; GEN OF SOUTH BAY, LLC; LAGUNA NIGUEL CADILLAC, LLC;
27 LAGUNA NIGUEL HYUNDAI, LLC; SOUTH BAY AUTO GROUP, LLC; SOUTH BAY
28 HYUNDAI, LLC; 20710 HAWTHORNE, LLC; SOUTH BAY MAZDA; and/or DOES 1

1 through 10 (collectively, “Defendants” or “PUENTE HILLS HYUNDAI”), each acting as the
2 agent, employee, alter ego, and/or joint venturer of, or working in concert with, each of the
3 other co-Defendants and was acting within the course and scope of such agency, employment,
4 joint venture, or concerted activity with legal authority to act on the others’ behalf. The acts
5 of any and all Defendants were in accordance with, and represent, the official policy of
6 Defendants.

7 16. At all relevant times, Defendants, and each of them, ratified each and every act
8 or omission complained of herein. At all relevant times, Defendants, and each of them, aided
9 and abetted the acts and omissions of each and all the other Defendants in proximately causing
10 the damages herein alleged.

11 17. Plaintiff is informed and believes, and thereon alleges, that each of said
12 Defendants is in some manner intentionally, negligently, or otherwise responsible for the acts,
13 omissions, occurrences, and transactions alleged herein.

14 18. Under California law, Defendants are jointly and severally liable as employers
15 for the violations alleged herein because they have each exercised sufficient control over the
16 wages, hours, working conditions, and employment status of Plaintiff and class members.
17 Each Defendant had the power to hire and fire Plaintiff and class members, supervised and
18 controlled their work schedule and/or conditions of employment, determined their rate of pay,
19 and maintained their employment records. Defendants suffered or permitted Plaintiff and
20 class members to work and/or “engaged” Plaintiff and class members so as to create a
21 common-law employment relationship. As joint employers of Plaintiff and class members,
22 Defendants are jointly and severally liable for the civil penalties and all other relief available
23 to Plaintiff and class members under the law.

24 19. Plaintiff is informed and believes, and thereon alleges, that at all relevant times,
25 Defendants, and each of them, have acted as joint employers with respect to Plaintiff and class
26 members because Defendants have:

- 27 (a) jointly exercised meaningful control over the work performed by
28 Plaintiff and class members;

- 1 (b) jointly exercised meaningful control over Plaintiff's and class members'
2 wages, hours, and working conditions, including the quantity, quality
3 standards, speed, scheduling, and operative details of the tasks
4 performed by Plaintiff and class members;
- 5 (c) jointly required that Plaintiff and class members perform work which is
6 an integral part of Defendants' businesses; and
- 7 (d) jointly exercised control over Plaintiff and class members as a matter of
8 economic reality in that Plaintiff and class members were dependent on
9 Defendants, who shared the power to set the wages of Plaintiff and class
10 members and determined their working conditions, and who jointly
11 reaped the benefits from the underpayment of their wages and
12 noncompliance with other statutory provisions governing their
13 employment.

14 20. Plaintiff is informed and believes, and thereon alleges, that at all relevant times
15 there has existed a unity of interest and ownership between Defendants such that any
16 individuality and separateness between the entities has ceased.

17 21. PUENTE HILLS HYUNDAI, LLC; GEN OF SOUTH BAY, LLC; LAGUNA
18 NIGUEL CADILLAC, LLC; LAGUNA NIGUEL HYUNDAI, LLC; SOUTH BAY AUTO
19 GROUP, LLC; SOUTH BAY HYUNDAI, LLC; 20710 HAWTHORNE, LLC; SOUTH BAY
20 MAZDA; and/or DOES 1 through 10 are therefore alter egos of each other.

21 22. Adherence to the fiction of the separate existence of Defendants would permit
22 an abuse of the corporate privilege, and would promote injustice by protecting Defendants
23 from liability for the wrongful acts committed by them under the name "PUENTE HILLS
24 HYUNDAI."

25 23. Plaintiff further alleges, upon information and belief, that Defendants PUENTE
26 HILLS HYUNDAI, LLC; GEN OF SOUTH BAY, LLC; LAGUNA NIGUEL CADILLAC,
27 LLC; LAGUNA NIGUEL HYUNDAI, LLC; SOUTH BAY AUTO GROUP, LLC; SOUTH
28 BAY HYUNDAI, LLC; 20710 HAWTHORNE, LLC; and SOUTH BAY MAZDA are alter

egos of each other for the following reasons:

- (a) On the California Secretary of State's website (<https://bizfileonline.sos.ca.gov/>), Defendants PUENTE HILLS HYUNDAI, LLC; GEN OF SOUTH BAY, LLC; and 20710 HAWTHORNE, LLC share the same mailing address, "3810 WILSHIRE B[OU]L[E]V[AR]D [#]911, LOS ANGELES CA 90010";
- (b) According to their most recent "Statement of Information" forms filed with the California Secretary of State, PUENTE HILLS HYUNDAI, LLC; GEN OF SOUTH BAY, LLC; LAGUNA NIGUEL CADILLAC, LLC; LAGUNA NIGUEL HYUNDAI, LLC; SOUTH BAY AUTO GROUP, LLC; SOUTH BAY HYUNDAI, LLC; and 20710 HAWTHORNE, LLC share the same manager and/or member Sam Sang Ho Lim;
- (c) On the California Secretary of State's website, PUENTE HILLS HYUNDAI, LLC and GEN OF SOUTH BAY, LLC share the same agent for service of process, "Sam Sang Ho Lim";
- (d) On the California Secretary of State's website, LAGUNA NIGUEL CADILLAC, LLC; LAGUNA NIGUEL HYUNDAI, LLC; SOUTH BAY AUTO GROUP, LLC; SOUTH BAY HYUNDAI, LLC; and 20710 HAWTHORNE, LLC share the same agent for service of process, "Newton Lim"; and
- (e) On information and belief, PUENTE HILLS HYUNDAI, LLC; GEN OF SOUTH BAY, LLC; LAGUNA NIGUEL CADILLAC, LLC; LAGUNA NIGUEL HYUNDAI, LLC; SOUTH BAY AUTO GROUP, LLC; SOUTH BAY HYUNDAI, LLC; 20710 HAWTHORNE, LLC.; and SOUTH BAY MAZDA utilize the same standardized employment forms and issue the same employment policies.

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GENERAL ALLEGATIONS

24. Defendants are a local car dealership chain based in Southern California. Upon information and belief, Defendants maintain a single, centralized Human Resources (“HR”) department at their company headquarters in City of Industry and/or Torrance, California, which is responsible for the recruiting and hiring of new employees, and communicating and implementing Defendants’ company-wide policies, including timekeeping policies and meal and rest period policies, to employees throughout California.

25. In particular, Plaintiff and class members, on information and belief, received the same standardized documents and/or written policies. Upon information and belief, the usage of standardized documents and/or written policies, including new-hire documents, indicate that Defendants dictated policies at the corporate level and implemented them company-wide, regardless of their employees’ assigned locations or positions. Upon information and belief, Defendants set forth uniform policies and procedures in several documents provided at an employee’s time of hire.

26. Upon information and belief, Defendants maintain a centralized Payroll department at their company headquarters in City of Industry and/or Torrance, California, which processes payroll for all non-exempt, hourly paid employees working for Defendants at their various locations in California, including Plaintiff and class members. Based upon information and belief, Defendants issue the same formatted wage statements to all non-exempt, hourly paid employees in California, irrespective of their work locations. Upon information and belief, Defendants process payroll for departing employees in the same manner throughout the State of California, regardless of the manner in which each employee’s employment ends.

27. Defendants continue to employ non-exempt, hourly paid employees in California.

28. Plaintiff is informed and believes, and thereon alleges, that at all times herein mentioned, Defendants were advised by skilled lawyers and other professionals, employees and advisors knowledgeable about California labor and wage law, employment and personnel

1 practices, and about the requirements of California law.

2 29. Plaintiff is informed and believes, and thereon alleges, that Plaintiff and class
3 members were not paid for all hours worked because all hours worked were not recorded.

4 30. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
5 should have known that Plaintiff and class members were entitled to receive certain wages for
6 overtime compensation and that they were not receiving certain wages for overtime
7 compensation.

8 31. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
9 should have known that Plaintiff and class members were entitled to receive at least minimum
10 wages for compensation and that they were not receiving at least minimum wages for work
11 that was required to be done off-the-clock. In violation of the California Labor Code, Plaintiff
12 and class members were not paid at least minimum wages for work done off-the-clock.

13 32. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
14 should have known that Plaintiff and class members were entitled to meal periods in
15 accordance with the California Labor Code and applicable IWC Wage Order or payment of
16 one (1) additional hour of pay at their regular rates of pay when they were not provided with
17 timely, uninterrupted, thirty (30) minute meal periods and that Plaintiff and class members
18 were not provided with all meal periods or payment of one (1) additional hour of pay at their
19 regular rates of pay when they did not receive a timely, uninterrupted, thirty (30) minute meal
20 period.

21 33. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
22 should have known that Plaintiff and class members were entitled to rest periods in
23 accordance with the California Labor Code and applicable IWC Wage Order or payment of
24 one (1) additional hour of pay at their regular rates of pay when they were not authorized and
25 permitted to take a compliant rest period and that Plaintiff and class members were not
26 authorized and permitted to take compliant rest periods or provided with payment of one (1)
27 additional hour of pay at their regular rates of pay when they were not authorized and
28 permitted to take a compliant rest period.

1 34. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
2 should have known that Plaintiff and class members were entitled to receive complete and
3 accurate wage statements in accordance with California law. In violation of the California
4 Labor Code, Plaintiff and class members were not provided complete and accurate wage
5 statements.

6 35. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
7 should have known that they had a duty to maintain accurate and complete payroll records in
8 accordance with the California Labor Code and applicable IWC Wage Order, but willfully,
9 knowingly, and intentionally failed to do so.

10 36. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
11 should have known that Plaintiff and class members were entitled to timely payment of all
12 wages earned upon termination of employment. In violation of the California Labor Code,
13 Plaintiff and class members did not receive payment of all wages due, including, but not
14 limited to, overtime wages, minimum wages, and/or meal and rest period premiums, within
15 permissible time periods.

16 37. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
17 should have known that Plaintiff and class members were entitled to timely payment of wages
18 during their employment. In violation of the California Labor Code, Plaintiff and class
19 members did not receive payment of all wages, including, but not limited to, overtime wages,
20 minimum wages, and/or meal and rest period premiums, within permissible time periods.

21 38. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
22 should have known that Plaintiff and class members were entitled to receive their full wages
23 due without having to execute a release of claims. In violation of the California Labor Code,
24 Defendants required Plaintiff and class members to release their claims for unpaid wages as a
25 condition to receiving their paychecks.

26 39. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
27 should have known that Plaintiff and class members were entitled to the portion of wages
28 previously paid and subsequently unlawfully deducted by Defendants.

1 40. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
2 should have known that Plaintiff and class members were entitled to payment of wages as
3 designated by statute. In violation of the California Labor Code, Defendants secretly paid
4 Plaintiff and class members lower wages than required by statute while purporting to pay
5 them proper wages.

6 41. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
7 should have known that Plaintiff and class members were entitled to receive full
8 reimbursement for all business-related expenses and costs they incurred during the course and
9 scope of their employment and that they did not receive full reimbursement of applicable
10 business-related expenses and costs incurred.

11 42. Plaintiff is informed and believes, and thereon alleges, that at all times herein
12 mentioned, Defendants knew or should have known that Defendants had a duty to provide
13 Plaintiff and class members with written notice of the material terms of their employment with
14 Defendants as required by the California Wage Theft Prevention Act, but failed to do so.

15 43. Plaintiff is informed and believes, and thereon alleges, that at all times herein
16 mentioned, Defendants knew or should have known that they had a duty to compensate
17 Plaintiff and class members for all hours worked, and that Defendants had the financial ability
18 to pay such compensation, but willfully, knowingly, and intentionally failed to do so, and
19 falsely represented to Plaintiff and class members that they were properly denied wages, all in
20 order to increase Defendants' profits.

21 **PAGA REPRESENTATIVE ALLEGATIONS**

22 44. At all times herein set forth, PAGA provides that any provision of law under
23 the Labor Code and applicable IWC Wage Order that provides for a civil penalty to be
24 assessed and collected by the Labor and Workforce Development Agency ("LWDA") for
25 violations of the California Labor Code and applicable IWC Wage Order may, as an
26 alternative, be recovered by aggrieved employees in a civil action brought on behalf of
27 themselves and other current or former employees pursuant to procedures outlined in
28 California Labor Code section 2699.3.

1 45. PAGA defines an “aggrieved employee” in Labor Code section 2699(c)(1) as
2 “any person who was employed by the alleged violator and personally suffered each of the
3 violations alleged.”

4 46. Plaintiff and other current and former employees of Defendants are “aggrieved
5 employees” as defined by Labor Code section 2699(c)(1) in that they are all Defendants’
6 current or former employees and each of the alleged violations were committed against them.

7 47. Pursuant to California Labor Code sections 2699.3 and 2699.5, aggrieved
8 employees, including Plaintiff, may pursue a civil action arising under PAGA after the
9 following requirements have been met:

- 10 (a) The aggrieved employee or representative shall give written notice by
11 online filing with the LWDA and by certified mail to the employer of
12 the specific provisions of the California Labor Code alleged to have
13 been violated, including the facts and theories to support the alleged
14 violation.
- 15 (b) An aggrieved employee’s notice filed with the LWDA pursuant to
16 2699.3(a) and any employer response to that notice shall be
17 accompanied by a filing fee of seventy-five dollars (\$75).
- 18 (c) The LWDA shall notify the employer and the aggrieved employee or
19 representative by certified mail that it does not intend to investigate the
20 alleged violation (“LWDA Notice”) within sixty (60) calendar days of
21 the postmark date of the aggrieved employee’s notice. Upon receipt of
22 the LWDA Notice, or if no LWDA Notice is provided within sixty-five
23 (65) calendar days of the postmark date of the aggrieved employee’s
24 notice, the aggrieved employee may commence a civil action pursuant
25 to California Labor Code section 2699 to recover civil penalties.

26 48. Pursuant to California Labor Code sections 2699.3(c), aggrieved employees,
27 through Plaintiff, may pursue a civil action arising under PAGA for violations of any
28 provision other than those listed in Section 2699.5 after the following requirements have been

met:

- (a) The aggrieved employee or representative shall give written notice by online filing with the LWDA and by certified mail to the employer of the specific provisions of the California Labor Code alleged to have been violated (other than those listed in Section 2699.5), including the facts and theories to support the alleged violation.
- (b) An aggrieved employee's notice filed with the LWDA pursuant to 2699.3(c) and any employer response to that notice shall be accompanied by a filing fee of seventy-five dollars (\$75).
- (c) The employer may cure the alleged violation within thirty-three (33) calendar days of the postmark date of the notice sent by the aggrieved employee or representative. The employer shall give written notice within that period of time by certified mail to the aggrieved employee or representative and by online filing with the LWDA if the alleged violation is cured, including a description of actions taken, and no civil action pursuant to Section 2699 may commence. If the alleged violation is not cured within the 33-day period, the aggrieved employee may commence a civil action pursuant to Section 2699.

49. On or about November 6, 2025, Plaintiff provided written notice by online filing to the LWDA and by Certified Mail to Defendants of the specific provisions of the California Labor Code alleged to have been violated, including facts and theories to support the alleged violations, in accordance with California Labor Code section 2699.3. Plaintiff's written notice was accompanied with the applicable filing fee of seventy-five dollars (\$75). The LWDA PAGA Administrator confirmed receipt of Plaintiff's written notice and assigned Plaintiff PAGA Case Number LWDA-CM-1136613-25. A true and correct copy of Plaintiff's written notice to the LWDA and Defendants dated November 6, 2025, is attached hereto as "Exhibit 1".

50. As of the filing date of this amended complaint, over 65 days have passed since

1 Plaintiff sent the notice described above to the LWDA, and the LWDA has not responded that
2 it intends to investigate Plaintiff's claims and Defendants have not cured the violations.

3 51. Thus, Plaintiff has satisfied the administrative prerequisites under California
4 Labor Code sections 2699.3(a) and 2699.3(c) to recover civil penalties against Defendants for
5 violations of California Labor Code sections 201, 202, 204, 206.5, 221, 223, 224, 226(a),
6 226.7, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2802, and 2810.5.

7 52. Labor Code section 558(a) provides "[a]ny employer or other person acting on
8 behalf of an employer who violates, or causes to be violated, a section of this chapter or any
9 provision regulating hours and days of work in any order of the Industrial Welfare
10 Commission shall be subject to a civil penalty as follows: (1) For any initial violation, fifty
11 dollars (\$50) for each underpaid employee for each pay period for which the employee was
12 underpaid (2) For each subsequent violation, one hundred dollars (\$100) for each
13 underpaid employee for each pay period for which the employee was underpaid" Labor
14 Code section 558(c) provides "[t]he civil penalties provided for in this section are in addition
15 to any other civil or criminal penalty provided by law."

16 53. Defendants, at all times relevant to this complaint, were employers or persons
17 acting on behalf of an employer(s) who violated Plaintiff's and other aggrieved employees'
18 rights by violating various sections of the California Labor Code as set forth above.

19 54. As set forth below, Defendants have violated numerous provisions of both the
20 Labor Code sections regulating hours and days of work as well as the applicable IWC Wage
21 Order.

22 55. Pursuant to PAGA, and in particular, California Labor Code sections 1194.5,
23 2699(a), 2699(k), 2699.3(a), 2699.3(c), 2699.5, and section 558, Plaintiff, acting in the public
24 interest as a private attorney general, seeks assessment and collection of civil penalties and
25 injunctive relief for himself, all other aggrieved employees, and the State of California against
26 Defendants for violations of California Labor Code sections 201, 202, 204, 206.5, 221, 223,
27 224, 226(a), 226.7, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2802, and
28 2810.5.

1 **CLASS ACTION ALLEGATIONS**

2 56. Plaintiff brings this action on his own behalf, as well as on behalf of each and
3 all other persons similarly situated, and thus seeks class certification under California Code of
4 Civil Procedure section 382.

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

7 58. Plaintiff's proposed class consists of and is defined as follows:

8 All persons who worked for Defendants as non-exempt, hourly
9 paid employees in California, within four years prior to the filing
of the initial complaint until the date of trial ("Class").

10 59. Plaintiff's proposed subclass consists of and is defined as follows:

11 All persons who worked for Defendants as non-exempt, hourly
12 paid employees in California and who received at least one wage
13 statement within one (1) year prior to the filing of the initial
complaint until the date of trial ("Subclass").

14 60. Members of the Class and Subclass are referred to herein as "class members."

15 61. Plaintiff reserves the right to redefine the Class and Subclass and to add
16 additional subclasses as appropriate based on further investigation, discovery, and specific
17 theories of liability.

18 62. There are common questions of law and fact as to class members that
19 predominate over questions affecting only individual members, including, but not limited to:

- 20 (a) Whether Defendants required Plaintiff and class members to work over
21 eight (8) hours per day, over twelve (12) hours per day, or over forty
22 (40) hours per week and failed to pay all legally required overtime
23 compensation to Plaintiff and class members;
- 24 (b) Whether Defendants failed to pay Plaintiff and class members at least
25 minimum wages for all hours worked;
- 26 (c) Whether Defendants failed to provide Plaintiff and class members with
27 meal periods;
- 28 (d) Whether Defendants failed to authorize and permit Plaintiff and class

1 members to take rest periods;

- 2 (e) Whether Defendants provided Plaintiff and class members with
3 complete and accurate wage statements as required by California Labor
4 Code section 226(a);
- 5 (f) Whether Defendants maintained accurate payroll records as required by
6 California Labor Code section 1174(d);
- 7 (g) Whether Defendants failed to pay earned overtime wages, minimum
8 wages, and/or meal and rest period premiums due to Plaintiff and class
9 members upon their discharge;
- 10 (h) Whether Defendants failed timely to pay overtime wages, minimum
11 wages, and/or meal and rest period premiums due to Plaintiff and class
12 members during their employment;
- 13 (i) Whether Defendants unlawfully required Plaintiff and class members to
14 execute releases of claims as a condition to receiving their earned
15 wages;
- 16 (j) Whether Defendants unlawfully deducted a portion of wages previously
17 paid to Plaintiff and class members, in violation of California Labor
18 Code sections 221 and 224;
- 19 (k) Whether Defendants secretly paid Plaintiff and class members lower
20 wages than required by statute while purporting to pay the proper
21 wages, in violation of California Labor Code section 223;
- 22 (l) Whether Defendants failed to reimburse Plaintiff and class members for
23 necessary and required business-related expenditures and/or losses
24 incurred by them in the scope of their employment;
- 25 (m) Whether Defendants failed to provide written notice of information
26 material to Plaintiff's and class members' employment with Defendants;
- 27 (n) Whether Defendants engaged in unlawful and unfair business practices
28 in violation of California Business & Professions Code sections 17200,

1 *et seq.*; and

- 2 (o) The appropriate amount of damages, restitution, or monetary penalties
3 resulting from Defendants' violations of California law.

4 63. There is a well-defined community of interest in the litigation and the class
5 members are readily ascertainable:

- 6 (a) Numerosity: The class members are so numerous that joinder of all
7 members would be unfeasible and impractical. The membership of the
8 entire class is unknown to Plaintiff at this time; however, the class is
9 estimated to be greater than one hundred (100) individuals and the
10 identity of such membership is readily ascertainable by inspection of
11 Defendants' employment records.
- 12 (b) Typicality: Plaintiff is qualified to, and will, fairly and adequately
13 protect the interests of each class member with whom he has a well-
14 defined community of interest, and Plaintiff's claims (or defenses, if
15 any) are typical of all class members as demonstrated herein.
- 16 (c) Adequacy: Plaintiff is qualified to, and will, fairly and adequately
17 protect the interests of each class member with whom he has a well-
18 defined community of interest and typicality of claims, as demonstrated
19 herein. Plaintiff acknowledges that he has an obligation to make known
20 to the Court any relationship, conflicts or differences with any class
21 member. Plaintiff's attorneys, the proposed class counsel, are versed in
22 the rules governing class action discovery, certification, and settlement.
23 Plaintiff has incurred, and throughout the duration of this action, will
24 continue to incur costs and attorneys' fees that have been, are, and will
25 be necessarily expended for the prosecution of this action for the
26 substantial benefit of each class member.
- 27 (d) Superiority: The nature of this action makes the use of class action
28 adjudication superior to other methods. A class action will achieve

economies of time, effort, and expense as compared with separate lawsuits, and will avoid inconsistent outcomes because the same issues can be adjudicated in the same manner and at the same time for the entire class.

- (e) Public Policy Considerations: Employers in the State of California violate employment and labor laws every day. Current employees are often afraid to assert their rights out of fear of direct or indirect retaliation. Former employees are 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 while simultaneously protecting their privacy.

FIRST CAUSE OF ACTION

Violation of California Labor Code §§ 510 and 1198—Unpaid Overtime (Against all Defendants)

64. Plaintiff incorporates by reference and re-alleges as if fully stated herein each and every allegation set forth above.

65. Labor Code section 1198 makes it illegal to employ an employee under conditions of labor that are prohibited by the applicable IWC Wage Order. California Labor Code section 1198 requires that “. . . the standard conditions of labor fixed by the commission shall be the . . . standard conditions of labor for employees. The employment of any employee . . . under conditions of labor prohibited by the order is unlawful.”

66. California Labor Code section 1198 and the applicable IWC Wage Order provide that it is unlawful to employ persons without compensating them at a rate of pay either time-and-one-half or two-times that person’s regular rate of pay, depending on the number of hours worked by the person on a daily or weekly basis.

67. Specifically, the applicable IWC Wage Order provides that Defendants are and

1 were required to pay Plaintiff and class members working more than eight (8) hours in a day
2 or more than forty (40) hours in a workweek, at the rate of time and one-half (1 ½) for all
3 hours worked in excess of eight (8) hours in a day or more than forty (40) hours in a
4 workweek.

5 68. The applicable IWC Wage Order further provides that Defendants are and were
6 required to pay Plaintiff and class members working more than twelve (12) hours in a day,
7 overtime compensation at a rate of two (2) times their regular rate of pay. An employee's
8 regular rate of pay includes all remuneration for employment paid to, or on behalf of, the
9 employee, including nondiscretionary bonuses and incentive pay.

10 69. California Labor Code section 510 codifies the right to overtime compensation
11 at one and one-half (1 ½) times the regular rate of pay for hours worked in excess of eight (8)
12 hours in a day or forty (40) hours in a week or for the first eight (8) hours worked on the
13 seventh (7th) day of work, and to overtime compensation at twice the employee's regular rate
14 of pay for hours worked in excess of twelve (12) hours in a day or in excess of eight (8) hours
15 in a day on the seventh (7th) day of work.

16 70. During the relevant time period, Defendants willfully failed to pay all overtime
17 wages owed to Plaintiff and class members. During the relevant time period, Plaintiff and
18 class members were not paid overtime premiums for all of the hours they worked in excess of
19 eight (8) hours in a day, in excess of twelve (12) hours in a day, and/or in excess of forty (40)
20 hours in a week, because all hours worked were not recorded.

21 71. First, during the relevant time period, Defendants had, and continue to have, a
22 company-wide practice and/or policy of discouraging and impeding Plaintiff and class
23 members from recording hours worked that were outside of their scheduled shifts in order to
24 limit the amount of overtime employees could accrue. Specifically, Defendants' management
25 pressured Plaintiff and class members to record their scheduled shift start-times and shift end-
26 times instead of their actual hours worked to limit the overtime hours employees were eligible
27 to be compensated for. This policy of limiting overtime led Plaintiff and class members to
28 work off-the-clock after their scheduled shifts in order to complete their assigned tasks.

1 Because Defendants discouraged overtime accrual, Plaintiff and class members were required
2 to complete assigned tasks outside of their scheduled shifts without being compensated for the
3 time they worked. For example, Plaintiff spent approximately 15 minutes three (3) to four (4)
4 times per month taking out trash before his scheduled shift start time. As another example,
5 Plaintiff spent approximately 10 to 15 minutes dropping off customers three (3) to four (4)
6 times per month when driving the shuttle after his scheduled shift end time. Thus, Defendants
7 failed to track all of the time that employees spent performing work-related tasks outside of
8 their shifts, and Plaintiff and class members received no compensation for this time.

9 72. Second, during the relevant time period, Defendants had, and continue to have,
10 a company-wide policy and/or practice of understaffing their facilities while assigning heavy
11 workloads, including requiring employees to attend to washing, cleaning, and transporting 30
12 to 40 vehicles per day. Defendants' policies and/or practices resulted in a failure to provide
13 Plaintiff and class members with adequate meal period coverage, because there were too few
14 employees on duty to handle the workload, and thus, Plaintiff and class members were not
15 always afforded uninterrupted 30-minute meal periods during shifts when they were entitled
16 to receive a meal period. Defendants also had a practice of failing to schedule meal periods,
17 which further caused Plaintiff and class members to not be relieved of their duties for
18 compliant meal periods.

19 73. For example, Plaintiff would clock out and work through his meal periods in
20 order to keep up with the demands of his workload and attend to washing, cleaning, and
21 transporting vehicles, particularly when there were only two (2) porters working a shift.
22 Additionally, when he was able to take his meal periods, Plaintiff would be interrupted by
23 customers, coworkers, and/or his supervisor, requiring that he communicate his status on
24 customer drop-offs and pick-ups and/or assist in locating a vehicle. Thus, Plaintiff and class
25 members worked through meal periods and/or had meal periods cut short or interrupted in
26 order to handle their workloads. Defendants did not compensate Plaintiff and class members
27 for the time they spent working off the clock during meal periods.

28 74. Third, Defendants required Plaintiff and class members to use their company-

1 issued walkie-talkies to communicate with supervisors and coworkers at all times, including
2 during unpaid meal periods. Defendants expected that Plaintiff and class members promptly
3 respond to calls at all times to discuss work-related matters. For example, during Plaintiff's
4 meal periods, Defendants' supervisors and coworkers would contact Plaintiff on his walkie-
5 talkie to discuss work-related matters, but did not compensate him for this time. Defendants
6 knew or should have known that Plaintiff and class members were being made to respond to
7 management while off-the-clock and during meal periods in order to meet Defendants'
8 expectations, but failed to compensate them for this time worked.

9 75. Fourth, on information and belief, Defendants' management pressured Plaintiff
10 and class members to clock out for meal periods, even when they did not receive a compliant
11 meal period. For example, Plaintiff would clock out for his meal period but would work
12 through his meal period, out of fear of being disciplined by Defendants. Thus, Defendants did
13 not record all hours worked during meal periods, and Plaintiff and class members performed
14 work during meal periods for which they were not paid.

15 76. Defendants knew or should have known that as a result of these company-wide
16 practices and/or policies, Plaintiff and class members were performing their assigned duties
17 off-the-clock outside of their shifts and during meal periods, and were suffered or permitted to
18 perform work for which they were not paid. Because Plaintiff and class members worked
19 shifts of eight (8) hours or more a day, or forty (40) hours a week or more, some of this off-
20 the-clock work qualified for overtime premium pay. Therefore, Plaintiff and class members
21 were not paid overtime wages for all of the overtime hours they actually worked.

22 77. Defendants' failure to pay Plaintiff and class members the balance of overtime
23 compensation as required by California law, violates the provisions of California Labor Code
24 sections 510 and 1198. Pursuant to California Labor Code section 1194, Plaintiff and class
25 members are therefore entitled to recover from Defendants their unpaid overtime
26 compensation, as well as interest, costs, and attorneys' fees.

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SECOND CAUSE OF ACTION
Violation of California Labor Code §§ 1182.12, 1194, 1197, 1197.1, and 1198—Unpaid
Minimum Wages
(Against all Defendants)

78. Plaintiff incorporates by reference and re-alleges as if fully stated herein each and every allegation set forth above.

79. At all relevant times, California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198 provide that the minimum wage for employees fixed by the IWC is the minimum wage to be paid to employees, and the payment of a wage less than the minimum so fixed is unlawful. Compensable work time is defined in IWC Wage Order No. 7-2001 as “the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so.” Cal. Code Regs. Tit. 8, § 11070(2)(H) (defining “Hours Worked”).

80. First, as set forth above, due to Defendants’ policies and/or practices of limiting the amount of overtime employees could accrue and pressuring employees to record only their scheduled hours in the timekeeping system rather than actual hours worked, Plaintiff and class members performed work off-the-clock outside of their scheduled shifts, including taking out the trash and picking up and dropping off customers via shuttle. Defendants failed to track this time that Plaintiff and class members spent working off-the-clock, and Plaintiff and class members received no compensation for this time.

81. Second, due to Defendants’ policies and/or practices of understaffing, assigning heavy workloads, failing to schedule meal periods, and requiring employees to respond to their company-issued walkie-talkies during meal periods, Plaintiff and class members were impeded from taking all uninterrupted meal periods to which they were entitled and were required to work off-the-clock during meal periods, have their meal periods interrupted, and/or were otherwise not relieved of all duties during unpaid meal periods.

82. Moreover, as stated, Defendants’ management pressured Plaintiff and class members to record compliant meal periods, even when meal periods were missed, short,

1 and/or interrupted. Thus, Defendants systematically failed to pay Plaintiff and class members
2 for actual hours worked during unpaid meal periods because these hours were not always
3 correctly recorded.

4 §3. Defendants did not pay minimum wages for all hours worked by Plaintiff and
5 class members. To the extent that these off-the-clock hours did not qualify for overtime
6 premium payment, Defendants did not pay at least minimum wages for those hours worked
7 off-the-clock in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and
8 1198.

9 §4. Defendants' failure to pay Plaintiff and class members minimum wages violates
10 California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198. Pursuant to
11 California Labor Code section 1194.2, Plaintiff and class members are therefore entitled to
12 recover from Defendants liquidated damages in an amount equal to the wages unlawfully
13 unpaid and interest thereon.

14 **THIRD CAUSE OF ACTION**

15 **Violation of California Labor Code §§ 226.7, 512(a), 516, and 1198—Meal Period**

16 **Violations**

17 **(Against all Defendants)**

18 §5. Plaintiff incorporates by reference and re-alleges as if fully stated herein each
19 and every allegation set forth above.

20 §6. At all relevant times herein set forth, California Labor Code section 512(a)
21 provides that an employer may not require, cause, or permit an employee to work for a period
22 of more than five (5) hours per day without providing the employee with a meal period of not
23 less than thirty (30) minutes, except that if the total work period per day of the employee is
24 not more than six (6) hours, the meal period may be waived by mutual consent of both the
25 employer and the employee. Under California law, first meal periods must start after no more
26 than five hours. *Brinker Rest. Corp. v. Superior Court*, 53 Cal. 4th 1004, 1041-1042 (2012).

27 §7. At all relevant times herein set forth, California Labor Code sections 226.7,
28 512(a), 516, and 1198 provide that no employer shall require an employee to work during any

1 meal period mandated by an applicable order of the IWC.

2 88. At all relevant times herein set forth, Labor Code sections 226.7 and 512(a),
3 and the applicable IWC Wage Order also require employers to provide a second meal period
4 of not less than thirty (30) minutes if an employee works over ten (10) hours per day or to pay
5 an employee one (1) additional hour of pay at the employee's regular rate, except that if the
6 total hours worked is no more than twelve (12) hours, the second meal period may be waived
7 by mutual consent of the employer and the employee only if the first meal period was not
8 waived.

9 89. First, during the relevant time period, as stated, Defendants had, and continue
10 to have company-wide policies and/or practices of understaffing their facilities while
11 assigning heavy workloads, resulting in a failure to provide Plaintiff and class members with
12 adequate meal period coverage. Because Defendants did not employ or staff a sufficient
13 number of employees to meet their demands, there was no one available to relieve employees
14 needing meal period coverage, and Plaintiff and class members were not always afforded
15 timely, uninterrupted meal periods to which they were entitled. Moreover, Defendants failed
16 to schedule meal periods, which further caused Plaintiff and class members to not be relieved
17 of their duties for compliant meal periods. As a result, Plaintiff and class members had to
18 work through all or part of their meal periods, had their meal periods interrupted, and/or had
19 to wait extended periods of time before taking meal periods. For example, as stated, Plaintiff
20 would miss his meal periods in order to keep up with the demands of his workload and attend
21 to washing, cleaning, and transporting 30 to 40 vehicles per day, particularly when there were
22 only two porters working a shift. As another example, Plaintiff and class members had their
23 meal periods interrupted in order to pick up and drop off customers when driving the shuttle.
24 Additionally, Plaintiff took his meal periods late, after the fifth hour of work, due to the heavy
25 workload.

26 90. Second, as also stated, Defendants had a company-wide policy and/or practice
27 of requiring that Plaintiff and class members carry and respond to company-issued walkie-
28 talkies at all times, including during meal periods, in order to meet Defendants' expectations.

1 As a result, Defendants' management and coworkers contacted Plaintiff and class members on
2 their company-issued walkie-talkies during meal periods to discuss work-related matters,
3 resulting in noncompliant, interrupted meal periods.

4 ¶1. Third, as also stated, on information and belief, because Defendants frowned
5 upon employees accruing meal period premiums, Defendants' management pressured Plaintiff
6 and class members to record compliant meal periods, regardless of whether they had received
7 a compliant meal period or not, in order to strictly limit the meal period premiums that would
8 need to be paid by Defendants. For example, as stated, Plaintiff would clock out for his meal
9 period but would work through his meal period, out of fear of being disciplined by
10 Defendants. Plaintiff and class members did not sign valid meal period waivers on days that
11 they were entitled to meal periods and were not relieved of all duties.

12 ¶2. At all times herein mentioned, Defendants knew or should have known that, as
13 a result of these policies, Plaintiff and class members were prevented from being relieved of
14 all duties to take timely, uninterrupted meal periods. Defendants further knew or should have
15 known that Defendants did not pay Plaintiff and class members all meal period premiums
16 when meal periods were late, interrupted, shortened, and/or missed.

17 ¶3. Furthermore, Defendants engaged in a company-wide practice and/or policy of
18 not paying meal period premiums owed when compliant meal periods are not provided.
19 Because of this practice and/or policy, Plaintiff and class members have not received premium
20 pay for all missed, late, and interrupted meal periods. As a result, Defendants failed to
21 provide Plaintiff and class members compliant meal periods in violation of California Labor
22 Code sections 226.7, 512(a), and 516 and failed to pay the full meal period premiums due.

23 ¶4. Defendants' conduct violates the applicable IWC Wage Order, and California
24 Labor Code sections 226.7, 512(a), 516, and 1198. Plaintiff and class members are therefore
25 entitled to recover from Defendants one (1) additional hour of pay at the employee's regular
26 rate of compensation for each work day that the meal period was not provided.

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1 **FOURTH CAUSE OF ACTION**

2 **Violation of California Labor Code §§ 226.7, 516, and 1198—Rest Period Violations**
3 **(Against all Defendants)**

4 ¶95. Plaintiff incorporates by reference and re-alleges as if fully stated herein each
5 and every allegation set forth above.

6 ¶96. At all relevant times herein set forth, the applicable IWC Wage Order and
7 California Labor Code sections 226.7, 516, and 1198 were applicable to Plaintiff's and class
8 members' employment by Defendants.

9 ¶97. At all relevant times, the applicable IWC Wage Order provides that "[e]very
10 employer shall authorize and permit all employees to take rest periods, which insofar as
11 practicable shall be in the middle of each work period" and that the "rest period time shall be
12 based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4)
13 hours or major fraction thereof" unless the total daily work time is less than three and one-half
14 (3 ½) hours.

15 ¶98. At all relevant times, California Labor Code section 226.7 provides that no
16 employer shall require an employee to work during any rest period mandated by an applicable
17 order of the California IWC. To comply with its obligation to authorize and permit rest
18 periods under California Labor Code section 226.7 and the applicable IWC Wage Order, an
19 employer must "relinquish any control over how employees spend their break time, and
20 relieve their employees of all duties—including the obligation that an employee remain on
21 call. A rest period, in short, must be a period of rest." *Augustus v. ABM Security Services,*
22 *Inc.*, 2 Cal. 5th 257, 273 (2016).

23 ¶99. Pursuant to the applicable IWC Wage Order and California Labor Code section
24 226.7(c), Plaintiff and class members are entitled to recover from Defendants one (1)
25 additional hour of pay at their regular rates of pay for each work day that a required rest
26 period was not authorized and permitted.

27 ¶100. During the relevant time period, Defendants regularly failed to authorize and
28 permit Plaintiff and class members to take a ten (10) minute rest period per each four (4) hour

1 period worked or major fraction thereof. As with meal periods, Defendants' company-wide
2 practice of assigning heavy workloads prevented Plaintiff and class members from being
3 relieved of all duty to take rest periods. Additionally, Defendants failed to schedule rest
4 periods, which, coupled with Defendants' failure to provide adequate rest period coverage,
5 further led to Plaintiff and class members not being authorized and permitted to take rest
6 periods. In addition, as stated, Defendants engaged in a company-wide policy and/or practice
7 requiring that Plaintiff and class members carry and respond to company-issued walkie-talkies
8 at all times, including during rest periods, to respond to work-related questions, which
9 prevented Plaintiff and class members from being able to take uninterrupted rest periods.

10 101. Furthermore, during the relevant time period, on information and belief,
11 Defendants maintained a company-wide on-premises rest period policy, which effectively
12 required that Plaintiff and class members remain on the work premises during their rest
13 periods. Because Plaintiff and class members were restricted from leaving the premises
14 during rest periods, they were denied the ability to use their rest periods freely for their own
15 purposes, such as running personal errands. Thus, Defendants effectively maintained control
16 over Plaintiff and class members during rest periods.

17 102. As a result of Defendants' practices and policies, Plaintiff and class members
18 worked shifts in excess of 3.5 hours, in excess of 6 hours, and/or in excess of 10 hours without
19 receiving all uninterrupted rest periods to which they were entitled. For example, Plaintiff had
20 to forgo his rest periods due to the lack of coverage and heavy workload.

21 103. Defendants have also engaged in a company-wide practice and/or policy of not
22 paying rest period premiums owed when compliant rest periods are not authorized and
23 permitted. Because of this practice and/or policy, Plaintiff and class members have not
24 received premium pay for all missed rest periods. As a result, Defendants denied Plaintiff and
25 class members rest periods and failed to pay them rest period premiums due, in violation of
26 Labor Code sections 226.7 and 516, and the applicable IWC Wage Order.

27 104. Defendants' conduct violates the applicable IWC Wage Order and California
28 Labor Code sections 226.7, 516, and 1198. Plaintiff and class members are therefore entitled

1 to recover from Defendants one (1) additional hour of pay at the employee's regular rate of
2 compensation for each work day that a compliant rest period was not authorized and
3 permitted.

4 **FIFTH CAUSE OF ACTION**

5 **Violation of California Labor Code §§ 226(a), 1174(d), and 1198—Non-Compliant Wage** 6 **Statements and Failure to Maintain Accurate Payroll Records** 7 **(Against all Defendants)**

8 105. Plaintiff incorporates by reference and re-alleges as if fully stated herein each
9 and every allegation set forth above.

10 106. At all relevant times herein set forth, California Labor Code section 226(a)
11 provides that every employer shall furnish each of his or her employees an accurate and
12 complete itemized wage statement in writing, including, but not limited to, the name and
13 address of the legal entity that is the employer, the inclusive dates of the pay period, total
14 hours worked, and all applicable rates of pay.

15 107. At all relevant times, Defendants have knowingly and intentionally provided
16 Plaintiff and Subclass members with uniform, incomplete, and inaccurate wage statements.
17 For example, Defendants issued uniform wage statements to Plaintiff and Subclass members
18 that fail to correctly list: gross wages earned; total hours worked; net wages earned; and all
19 applicable hourly rates in effect during the pay period, including rates of pay for overtime
20 wages, and the corresponding number of hours worked at each hourly rate. Specifically,
21 Defendants violated sections 226(a)(1), 226(a)(2), 226(a)(5), and 226(a)(9).

22 108. Because Defendants did not accurately record the time Plaintiff and Subclass
23 members spent working off-the-clock and deducted time from their records for meal periods
24 that were interrupted and/or missed (and therefore time for which they should have been paid),
25 Defendants did not list the correct amount of gross wages and net wages earned by Plaintiff
26 and Subclass members in compliance with sections 226(a)(1) and 226(a)(5). For the same
27 reason, Defendants failed to accurately list the total number of hours worked by Plaintiff and
28 Subclass members, in violation of section 226(a)(2), and failed to list the applicable hourly

1 rates of pay in effect during the pay period and the corresponding accurate number of hours
2 worked at each hourly rate, in violation of section 226(a)(9).

3 109. The wage statement deficiencies also include, among other things, failing to list
4 the number of piece-rate units earned and any applicable piece rate if the employee is paid on
5 a piece-rate basis; failing to list all deductions; failing to list the inclusive dates of the period
6 for which aggrieved employees were paid; failing to list the name of the employee and only
7 the last four digits of his or her social security number or an employee identification number
8 other than a social security number; failing to list the name and address of the legal entity that
9 is the employer; and/or failing to state all hours worked as a result of not recording or stating
10 hours worked off-the-clock.

11 110. California Labor Code section 1174(d) provides that “[e]very person employing
12 labor in this state shall . . . [k]eep a record showing the names and addresses of all employees
13 employed and the ages of all minors” and “[k]eep, at a central location in the state or at the
14 plants or establishments at which employees are employed, payroll records showing the hours
15 worked daily by and the wages paid to, and the number of piece-rate units earned by and any
16 applicable piece rate paid to, employees employed at the respective plants or
17 establishments” At all relevant times, and in violation of Labor Code section 1174(d),
18 Defendants willfully failed to maintain accurate payroll records for Plaintiff and Subclass
19 members showing the daily hours they worked and the wages paid thereto as a result of failing
20 to record the off-the-clock hours that they worked.

21 111. California Labor Code section 1198 provides that the maximum hours of work
22 and the standard conditions of labor shall be those fixed by the Labor Commissioner and as
23 set forth in the applicable IWC Wage Order. Section 1198 further provides that “[t]he
24 employment of any employees for longer hours than those fixed by the order or under
25 conditions of labor prohibited by the order is unlawful.” Pursuant to the applicable IWC
26 Wage Order, employers are required to keep accurate time records showing when the
27 employee begins and ends each work period and meal period. During the relevant time
28 period, Defendants engaged in company-wide practices and/or policies of failing to record

1 actual hours worked, and thereby failed to keep accurate records of work period and meal
2 period start and end times for Plaintiff and Subclass members, in violation of section 1198.

3 112. Plaintiff and Subclass members are entitled to recover from Defendants the
4 greater of their actual damages caused by Defendants' failure to comply with California Labor
5 Code section 226(a), or an aggregate penalty not exceeding four thousand dollars (\$4,000) per
6 employee.

7 **SIXTH CAUSE OF ACTION**

8 **Violation of California Labor Code §§ 201 and 202—Wages Not Timely Paid Upon** 9 **Termination** 10 **(Against all Defendants)**

11 113. Plaintiff incorporates by reference and re-alleges as if fully stated herein each
12 and every allegation set forth above.

13 114. This cause of action is dependent upon, and wholly derivative of, the overtime
14 wages, minimum wages, and/or meal and rest period premiums that were not timely paid to
15 Plaintiff and those class members no longer employed by Defendants upon their termination.

16 115. At all times relevant herein set forth, Labor Code sections 201 and 202 provide
17 that if an employer discharges an employee, the wages earned and unpaid at the time of
18 discharge are due and payable immediately, and that if an employee voluntarily leaves his or
19 her employment, his or her wages shall become due and payable not later than seventy-two
20 (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of
21 his or her intention to quit, in which case the employee is entitled to his or her wages at the
22 time of quitting.

23 116. Defendants willfully failed to pay Plaintiff and class members who are no
24 longer employed by Defendants the earned and unpaid wages set forth above, including but
25 not limited to, overtime wages, minimum wages, and/or meal and rest period premiums, either
26 at the time of discharge, or within seventy-two (72) hours of their leaving Defendants'
27 employ.

28 117. Defendants' failure to pay Plaintiff and class members who are no longer

1 employed by Defendants their wages earned and unpaid at the time of discharge, or within
2 seventy-two (72) hours of their leaving Defendants' employ, violates Labor Code sections 201
3 and 202. Plaintiff and class members are therefore entitled to recover from Defendants the
4 statutory penalty wages for each day they were not paid, at their regular rate of pay, up to a
5 thirty (30) day maximum pursuant to California Labor Code section 203.

6 **SEVENTH CAUSE OF ACTION**

7 **Violation of California Labor Code § 204—Failure to Timely Pay Wages During** 8 **Employment** 9 **(Against all Defendants)**

10 118. Plaintiff incorporates by reference and re-alleges as if fully stated herein each
11 and every allegation set forth above.

12 119. This cause of action is dependent upon, and wholly derivative of, the overtime
13 wages, minimum wages, and/or meal and rest period premiums that were not timely paid to
14 Plaintiff and class members during their employment.

15 120. At all times relevant herein set forth, Labor Code section 204 provides that all
16 wages earned by any person in any employment between the first (1st) and the fifteenth (15th)
17 days, inclusive, of any calendar month, other than those wages due upon termination of an
18 employee, are due and payable between the sixteenth (16th) and the twenty-sixth (26th) day of
19 the month during which the labor was performed. Labor Code section 204 further provides
20 that all wages earned by any person in any employment between the sixteenth (16th) and the
21 last day, inclusive, of any calendar month, other than those wages due upon termination of an
22 employee, are due and payable between the first (1st) and the tenth (10th) day of the following
23 month.

24 121. At all times relevant herein, Labor Code section 204 provides that all wages
25 earned for labor in excess of the normal work period shall be paid no later than the payday for
26 the next regular payroll period. Alternatively, at all times relevant herein, Labor Code section
27 204 provides that the requirements of this section are deemed satisfied by the payment of
28 wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more than

seven (7) calendar days following the close of the payroll period.

122. During the relevant time period, Defendants willfully failed to pay Plaintiff and class members all wages due including, but not limited to, overtime wages, minimum wages, and/or meal and rest period premiums, within the time periods specified by California Labor Code section 204.

123. Defendants' failure to pay Plaintiff and class members all wages due violates Labor Code section 204. Plaintiff and class members are therefore entitled to recover from Defendants the statutory penalty wages pursuant to California Labor Code section 210.

EIGHTH CAUSE OF ACTION

Violation of California Labor Code § 2802—Unpaid Business-Related Expenses (Against all Defendants)

124. Plaintiff incorporates by reference and re-alleges as if fully stated herein each and every allegation set forth above.

125. At all times herein set forth, California Labor Code section 2802 provides that an employer must reimburse employees for all necessary expenditures and losses incurred by the employee in the performance of his or her job. The purpose of Labor Code section 2802 is to prevent employers from passing off their cost of doing business and operating expenses on to their employees. *Cochran v. Schwan's Home Service, Inc.*, 228 Cal. App. 4th 1137, 1144 (2014). The applicable wage order, IWC Wage Order No. 7-2001, provides that: "[w]hen tools or equipment are required by the employer or are necessary to the performance of a job, such tools and equipment shall be provided and maintained by the employer, except that an employee whose wages are at least two (2) times the minimum wage provided herein may be required to provide and maintain hand tools and equipment customarily required by the trade or craft." IWC Wage Order No. 7-2001 also provides that: "[w]hen uniforms are required by the employer to be worn by the employee as a condition of employment, such uniforms shall be provided and maintained by the employer."

126. First, during the relevant time period, Defendants, on a company-wide basis, required that Plaintiff and class members use their own personal mobile devices, including,

1 but not limited to, cellular phones, and/or mobile data to carry out their job duties, but failed
2 to reimburse them for all of the costs of their work-related mobile device expenses. For
3 example, Plaintiff and class members were required to use their personal mobile devices for
4 work-related tasks, including communicating with customers via phone calls and text
5 messages and using GPS navigation when picking up or dropping off customers via shuttles.
6 Further, Plaintiff and class members used their mobile devices and data to download and use
7 the “Payactiv” mobile application to clock in and out for shifts and meal periods. Although
8 Defendants required Plaintiff and class members to utilize their personal mobile devices
9 and/or mobile data to carry out their work-related responsibilities, Defendants failed to
10 reimburse them for these costs.

11 127. Second, during the relevant time period, Defendants, on a company-wide basis,
12 required that Plaintiff and class members use their own personal vehicles to travel to
13 Defendants’ other locations when company vehicles were unavailable. For example, on three
14 (3) occasions, Plaintiff drove approximately 50 miles roundtrip to other dealerships, including
15 in Cerritos, California, and Tustin, California, to pick up parts and drive them back to his
16 dealership. Defendants required Plaintiff and class members to utilize their personal vehicles
17 to carry out their work-related responsibilities, but Defendants failed to reimburse them for
18 their mileage or travel expenses.

19 128. Third, during the relevant time period, Defendants required Plaintiff and class
20 members to wear uniforms, including automotive shirts and pants. However, due to the nature
21 of the work, Plaintiff’s uniform shirts would become soiled with car cleaning and chemical
22 products and/or acquire an unpleasant odor such that he was required to wash his uniform
23 items separately from his normal laundry, thus incurring additional laundry and/or utility
24 expenses for the upkeep of his uniforms. Thus, Defendants failed to maintain uniforms they
25 required Plaintiff and class members to wear during their shifts and forced them to incur the
26 cost of maintaining employee uniforms.

27 129. Defendants could have provided Plaintiff and class members with company
28 mobile devices and access to laundering services; or Defendants could have reimbursed

1 employees for the costs of their mobile device usage, mileage and travel expenses, and
2 laundering expenses or provided a uniform maintenance allowance. Instead, Defendants
3 passed these operating costs onto Plaintiff and class members. At all relevant times, Plaintiff
4 did not earn at least two (2) times the minimum wage.

5 130. Defendants' company-wide policy and/or practice of not reimbursing
6 employees for expenses necessarily incurred and passing on their operating costs to Plaintiff
7 and class members violates California Labor Code section 2802. Defendants have
8 intentionally and willfully failed to reimburse Plaintiff and class members for necessary
9 business-related expenses and costs.

10 131. Pursuant to California Labor Code section 2802, Plaintiff and class members
11 are entitled to recover from Defendants their business-related expenses incurred during the
12 course and scope of their employment, plus interest, costs, and attorneys' fees.

13 **NINTH CAUSE OF ACTION**

14 **For Civil Penalties Pursuant to California Labor Code §§ 2698, *et seq.***

15 **(Against all Defendants)**

16 132. Plaintiff incorporates by reference and re-alleges as if fully stated herein each
17 and every allegation set forth above.

18 133. California Labor Code sections 2698, *et seq.* permit Plaintiff to recover civil
19 penalties for the violation(s) of the Labor Code sections enumerated in Labor Code section
20 2699.5. Section 2699.5 enumerates Labor Code sections 201, 202, 204, 206.5, 221, 223, 224,
21 1174(d), and 1198. Labor Code section 2699.3(c) permits aggrieved employees, including
22 Plaintiff, to recover civil penalties for violations of those Labor Code sections not found in
23 section 2699.5, including sections 226(a), 226.7, 510, 512(a), 516, 1182.12, 1194, 1197,
24 1197.1, 2802, and 2810.5.

25 134. Defendants' conduct, as alleged herein, violates numerous sections of the
26 California Labor Code, including, but not limited to, the following:

- 27 (a) Violation of Labor Code sections 510 and 1198, and the applicable IWC
28 Wage Order for Defendants' failure to compensate Plaintiff and other

- aggrieved employees with all required overtime pay, as alleged herein;
- (b) Violation of Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198, and the applicable IWC Wage Order for Defendants' failure to compensate Plaintiff and other aggrieved employees with at least minimum wages for all hours worked, as alleged herein;
- (c) Violation of Labor Code sections 226.7, 512(a), 516, and 1198, and the applicable IWC Wage Order for Defendants' failure to provide Plaintiff and other aggrieved employees with meal periods, as alleged herein;
- (d) Violation of Labor Code sections 226.7, 516, and 1198, and the applicable IWC Wage Order for Defendants' failure to authorize and permit Plaintiff and other aggrieved employees to take rest periods, as alleged herein;
- (e) Violation of Labor Code sections 226(a) and 1198, and the applicable IWC Wage Order for failure to provide accurate and complete wage statements to Plaintiff and other aggrieved employees, as alleged herein;
- (f) Violation of Labor Code sections 1174(d) and 1198, and the applicable IWC Wage Order for failure to maintain payroll records, as alleged herein;
- (g) Violation of Labor Code sections 201 and 202 for failure to pay all earned wages upon termination, as alleged herein;
- (h) Violation of Labor Code section 204 for failure to pay all earned wages during employment, as alleged herein;
- (i) Violation of Labor Code section 206.5 for requiring Plaintiff and other aggrieved employees to execute releases of claims as a condition to receiving their earned wages, as set forth below;
- (j) Violation of Labor Code sections 221 and 224 for unlawfully deducting a portion of wages previously paid to Plaintiff and other aggrieved employees, as set forth below;

- 1 (k) Violation of Labor Code section 223 for secretly paying Plaintiff and
2 other aggrieved employees lower wages than required by statute, while
3 purporting to pay the proper wages, as set forth below;
- 4 (l) Violation of Labor Code section 2802 for failure to reimburse Plaintiff
5 and other aggrieved employees for all business expenses necessarily
6 incurred, as alleged herein; and
- 7 (m) Violation of Labor Code section 2810.5(a)(1)(A)-(C), for failure to
8 provide notice of material terms of employment, as set forth below.

9 135. At all relevant times herein set forth, California Labor Code section 206.5
10 prohibits employers from requiring employees to execute releases of a claim or right “on
11 account of wages due, or to become due, or made as an advance on wages to be earned, unless
12 payment of those wages has been made. A release required or executed in violation of the
13 provisions of this section shall be null and void as between the employer and the
14 employee. . . . ‘[E]xecution of a release’ includes requiring an employee, as a condition of
15 being paid, to execute a statement of the hours he or she worked during a pay period which the
16 employer knows to be false.”

17 136. During the relevant time period, Defendants required Plaintiff and other
18 aggrieved employees to release their claims for unpaid wages as a condition to receiving their
19 final paychecks. For example, prior to receiving his final paycheck, Defendants required
20 Plaintiff to sign a form attesting that he received “all final wages” and that “no additional
21 compensation or benefits are due.” Defendants compelled Plaintiff and other aggrieved
22 employees to sign these false verifications when they, in fact, had not received all earned and
23 unpaid wages, including but not limited to, overtime wages, minimum wages, and/or meal and
24 rest period premiums.

25 137. Defendants’ policy and practice of requiring Plaintiff and other aggrieved
26 employees to release their claims for uncompensated hours worked and/or pay owed to them,
27 as a condition to receiving their wages, is in violation of California Labor Code section 206.5.
28 Plaintiff and other aggrieved employees are therefore entitled to recover civil penalties

1 pursuant to Labor Code sections 2699(a), (f), and (k).

2 138. At all times relevant herein, California Labor Code section 221 provides that it
3 shall be unlawful for any employer to collect or receive from an employee any part of wages
4 theretofore paid by said employer to said employee. California Labor Code section 224 also
5 provides in pertinent part that it is lawful to withhold a portion of the employee's wages if "a
6 deduction is expressly authorized in writing by the employee."

7 139. During the relevant time period, Defendants unlawfully deducted a portion of
8 wages previously paid to Plaintiff and other aggrieved employees in violation of California
9 Labor Code section 221. During the relevant time period, Defendants maintained a company-
10 wide policy that improperly deducted wages from Plaintiff's and other aggrieved employees'
11 pay, pursuant to their policies of requiring employees have AFLAC supplemental insurance.
12 On information and belief, such deductions were not expressly authorized in writing by
13 Plaintiff and other aggrieved employees.

14 140. Defendants' practice, which resulted in a discount of wages to employees, is
15 tantamount to taking deductions from Plaintiff's and other aggrieved employees' paychecks
16 without their written authorization and therefore constitutes an unlawful deduction of wages,
17 in violation of Labor Code sections 221 and 224. Plaintiff and other aggrieved employees are
18 therefore entitled to recover civil penalties pursuant to Labor Code sections 225.5 and/or
19 2699(a), (f), and (k).

20 141. At all times relevant herein, California Labor Code section 223 makes it
21 unlawful for an employer to secretly pay wages lower than required by statute while
22 purporting to pay legal wages.

23 142. During the relevant time period, Defendants willfully and systematically
24 deducted supplemental insurance from Plaintiff's and other aggrieved employees' wages
25 without their express written authorization. Defendants' deduction from their employees'
26 wages resulted in the payment of less than statutorily required wages to Plaintiff and other
27 aggrieved employees. In doing so, Defendants acted with the intent to deprive Plaintiff and
28 other aggrieved employees of statutory wages, including, but not limited to, overtime wages

1 and minimum wages, to which they were entitled to under California law. Thus, Defendants
2 paid Plaintiff and other aggrieved employees lower wages than those they were entitled to
3 while purporting that Plaintiff and other aggrieved employees were properly paid.

4 143. Defendants' failure to pay Plaintiff and other aggrieved employees the correct
5 designated wage, while purporting to pay legal wages, is a violation of California Labor Code
6 section 223. Plaintiff and other aggrieved employees are therefore entitled to recover civil
7 penalties pursuant to Labor Code sections 225.5 and/or 2699(a), (f), and (k).

8 144. At all relevant times herein, California's Wage Theft Prevention Act was
9 enacted to ensure that employers provide employees with basic information material to their
10 employment relationship at the time of hiring, and to ensure that employees are given written
11 and timely notice of any changes to basic information material to their employment. Codified
12 at California Labor Code section 2810.5, the Wage Theft Prevention Act provides that at the
13 time of hiring, an employer must provide written notice to employees containing basic and
14 material payroll information, including, among other things, the rate(s) of pay and basis
15 thereof, whether paid by the hour, shift, day, week, salary, piece, commission, or otherwise,
16 including any rates for overtime, the regular payday designated by the employer, and any
17 allowances claims as part of the minimum wage, including meal or lodging allowances. Labor
18 Code § 2810.5(a)(1)(A)-(C).

19 145. At all relevant times, Defendants failed, on a company-wide basis, to provide
20 written notice to Plaintiff and other aggrieved employees that lists the requisite information
21 set forth in Labor Code section 2810.5(a)(1)(A)-(C).

22 146. Defendants' failure to provide Plaintiff and other aggrieved employees with
23 written notice of basic information regarding their employment with Defendants is in violation
24 of California Labor Code section 2810.5. Plaintiff and other aggrieved employees are
25 therefore entitled to recover civil penalties pursuant to Labor Code sections 2699(a), (f), and
26 (k).

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1 **TENTH CAUSE OF ACTION**

2 **Violation of California Business & Professions Code §§ 17200, *et seq.* –**

3 **Unlawful Business Practices**

4 **(Against all Defendants)**

5 147. Plaintiff incorporates by reference and re-alleges as if fully stated herein each
6 and every allegation set forth above.

7 148. Defendants are “persons” as defined by California Business & Professions
8 Code section 17201, as they are corporations, firms, partnerships, joint stock companies,
9 and/or associations.

10 149. Defendants’ conduct, as alleged herein, has been, and continues to be, unfair,
11 unlawful and harmful to Plaintiff, class members, and to the general public. Plaintiff has
12 suffered injury in fact and has lost money as a result of Defendants’ unlawful business
13 practices. Plaintiff seeks to enforce important rights affecting the public interest within the
14 meaning of Code of Civil Procedure section 1021.5.

15 150. Defendants’ activities, as alleged herein, are violations of California law, and
16 constitute unlawful business acts and practices in violation of California Business &
17 Professions Code sections 17200, *et seq.*

18 151. A violation of California Business & Professions Code sections 17200, *et seq.*
19 may be predicated on the violation of any state or federal law. In the instant case, Defendants’
20 policies and practices have violated state law in at least the following respects:

- 21 (a) Requiring non-exempt, hourly paid employees, including Plaintiff and
22 class members, to work overtime without paying them proper
23 compensation in violation of California Labor Code sections 510 and
24 1198, and the applicable IWC Wage Order, as alleged herein;
- 25 (b) Failing to pay at least minimum wage to Plaintiff and class members in
26 violation of California Labor Code sections 1182.12, 1194, 1197,
27 1197.1, and 1198, and the applicable IWC Wage Order, as alleged
28 herein;

- 1 (c) Failing to provide all meal periods to Plaintiff and class members in
2 violation of California Labor Code sections 226.7, 512(a), 516, and
3 1198, and the applicable IWC Wage Order, as alleged herein;
- 4 (d) Failing to authorize and permit Plaintiff and class members to take all
5 rest periods in violation of California Labor Code sections 226.7, 516,
6 and 1198, and the applicable IWC Wage Order, as alleged herein;
- 7 (e) Failing to provide Plaintiff and class members with accurate wage
8 statements and failing to maintain accurate payroll records in violation
9 of California Labor Code sections 226(a), 1174(d), and 1198, and the
10 applicable IWC Wage Order, as alleged herein;
- 11 (f) Failing timely to pay all earned wages to Plaintiff and class members in
12 violation of California Labor Code section 204, as alleged herein;
- 13 (g) Requiring Plaintiff and class members to execute releases of claims as a
14 condition to receiving their earned wages, in violation of California Labor
15 Code section 206.5, as set forth below;
- 16 (h) Collecting or receiving wages already paid from Plaintiff and class
17 members in violation of California Labor Code sections 221 and 224, as
18 set forth below;
- 19 (i) Failing to pay the statutorily designated wage scale in violation of
20 California Labor Code section 223, as set forth below;
- 21 (j) Failing to reimburse Plaintiff and class members for all business
22 expenses necessarily incurred in violation of California Labor Code
23 section 2802, as alleged herein; and
- 24 (k) Failing to provide written notice of information material to Plaintiff's and
25 class members' employment with Defendants in violation of California
26 Labor Code section 2810.5(a)(1)(A)-(C), as set forth below.

27 152. At all relevant times herein set forth, California Labor Code section 206.5
28 prohibits employers from requiring employees to execute releases of a claim or right "on

1 account of wages due, or to become due, or made as an advance on wages to be earned, unless
2 payment of those wages has been made. A release required or executed in violation of the
3 provisions of this section shall be null and void as between the employer and the
4 employee. . . . '[E]xecution of a release' includes requiring an employee, as a condition of
5 being paid, to execute a statement of the hours he or she worked during a pay period which the
6 employer knows to be false."

7 153. During the relevant time period, Defendants required Plaintiff and class
8 members to release their claims for unpaid wages as a condition to receiving their final
9 paychecks. For example, prior to receiving his final paycheck, Defendants required Plaintiff
10 to sign a form attesting that he received "all final wages" and that "no additional
11 compensation or benefits are due." Defendants compelled Plaintiff and class members to sign
12 these false verifications when they, in fact, had not received all earned and unpaid wages,
13 including but not limited to, overtime wages, minimum wages, and/or meal and rest period
14 premiums.

15 154. Defendants' policy and practice of requiring Plaintiff and class members to
16 release their claims for uncompensated hours worked and/or pay owed to them, as a condition
17 to receiving their wages, is in violation of California Labor Code section 206.5.

18 155. At all times relevant herein, California Labor Code section 221 provides that it
19 shall be unlawful for any employer to collect or receive from an employee any part of wages
20 theretofore paid by said employer to said employee. California Labor Code section 224 also
21 provides in pertinent part that it is lawful to withhold a portion of the employee's wages if "a
22 deduction is expressly authorized in writing by the employee."

23 156. During the relevant time period, upon information and belief, Defendants
24 unlawfully deducted a portion of wages previously paid to Plaintiff and class members in
25 violation of California Labor Code section 221. During the relevant time period, Defendants
26 maintained a company-wide policy that improperly deducted wages from Plaintiff's and class
27 members' pay, pursuant to their policies of requiring employees have AFLAC supplemental
28 insurance. On information and belief, such deductions were not expressly authorized in

1 writing by Plaintiff and class members.

2 157. Defendants' practice which resulted in a discount of wages to employees, is
3 tantamount to taking deductions from Plaintiff's and class members' paychecks without their
4 written authorization and therefore constitutes an unlawful deduction of wages, in violation of
5 Labor Code sections 221 and 224.

6 158. At all times, California Labor Code section 223 makes it unlawful for an
7 employer to secretly pay wages lower than required by statute while purporting to pay legal
8 wages.

9 159. During the relevant time period, as stated, on information and belief,
10 Defendants willfully and systematically deducted supplemental insurance from Plaintiff's and
11 class members' wages without their express written authorization. Defendants' deduction
12 from their employees' wages resulted in the payment of less than statutorily required wages to
13 Plaintiff and class members. In doing so, Defendants acted with the intent to deprive Plaintiff
14 and class members of statutory wages, including, but not limited to, overtime wages and
15 minimum wages, to which they were entitled to under California law. Thus, Defendants paid
16 Plaintiff and class members lower wages than those they were entitled to while purporting that
17 Plaintiff and class members were properly paid.

18 160. Defendants' failure to pay Plaintiff and class members the correct designated
19 wage, while purporting to pay legal wages, is a violation of California Labor Code section
20 223.

21 161. At all relevant times herein, California's Wage Theft Prevention Act was
22 enacted to ensure that employers provide employees with basic information material to their
23 employment relationship at the time of hiring, and to ensure that employees are given written
24 and timely notice of any changes to basic information material to their employment. Codified
25 at California Labor Code section 2810.5, the Wage Theft Prevention Act provides that at the
26 time of hiring, an employer must provide written notice to employees containing basic and
27 material payroll information, including, among other things, the rate(s) of pay and basis
28 thereof, whether paid by the hour, shift, day, week, salary, piece, commission, or otherwise,

1 including any rates for overtime, the regular payday designated by the employer, and any
2 allowances claims as part of the minimum wage, including meal or lodging allowances. Labor
3 Code § 2810.5(a)(1)(A)-(C).

4 162. At all relevant times, on information and belief, Defendants failed, on a
5 company-wide basis, to provide written notice to Plaintiff and class members that lists the
6 requisite information set forth in Labor Code section 2810.5(a)(1)(A)-(C). Defendants' failure
7 to provide Plaintiff and class members with written notice of basic information regarding their
8 employment with Defendants is in violation of California Labor Code section 2810.5.

9 163. As a result of the violations of California law herein described, Defendants
10 unlawfully gained an unfair advantage over other businesses. Plaintiff and class members
11 have suffered pecuniary loss by Defendants' unlawful business acts and practices alleged
12 herein.

13 164. Pursuant to California Business & Professions Code sections 17200, *et seq.*,
14 Plaintiff and class members are entitled to restitution of the wages withheld and retained by
15 Defendants during a period that commences four years prior to the filing of the initial
16 complaint; a permanent injunction requiring Defendants to pay all outstanding wages due to
17 Plaintiff and class members; and an award of attorneys' fees pursuant to California Code of
18 Civil Procedure section 1021.5 and other applicable laws; and an award of costs.

19 **ELEVENTH CAUSE OF ACTION**

20 **Violation of California Business & Professions Code §§ 17200, *et seq.* –**

21 **Unfair Business Practices**

22 **(Against all Defendants)**

23 165. Plaintiff incorporates by reference and re-alleges as if fully stated herein each
24 and every allegation set forth above.

25 166. Defendants are "persons" as defined by California Business & Professions
26 Code section 17201, as they are corporations, firms, partnerships, joint stock companies,
27 and/or associations.

28 167. Defendants' conduct, as alleged herein, has been, and continues to be, unfair,

1 and harmful to Plaintiff, class members, and to the general public. Plaintiff has suffered
2 injury in fact and has lost money as a result of Defendants' unfair business practices. Plaintiff
3 seeks to enforce important rights affecting the public interest within the meaning of Code of
4 Civil Procedure section 1021.5.

5 168. Defendants' activities, namely Defendants' company-wide practice and/or
6 policy of not paying Plaintiff and class members all meal and rest period premiums due to
7 them under Labor Code section 226.7, deprived Plaintiff and class members of the
8 compensation guarantee and enhanced enforcement implemented by section 226.7. The
9 statutory remedy provided by section 226.7 is a "'dual-purpose' remedy intended primarily to
10 compensate employees, and secondarily to shape employer conduct." *Safeway, Inc. v.*
11 *Superior Court*, 238 Cal. App. 4th 1138, 1149 (2015). The statutory benefits of section 226.7
12 were guaranteed to Plaintiff and class members as part of their employment with Defendants,
13 and thus Defendants' practice and/or policy of denying these statutory benefits constitutes an
14 unfair business practice in violation of California Business & Professions Code sections
15 17200, *et seq.* (*Id.*)

16 169. A violation of California Business & Professions Code sections 17200, *et seq.*
17 may be predicated on any unfair business practice. In the instant case, Defendants' policies
18 and practices have violated the spirit of California's meal and rest period laws and constitute
19 acts against the public policy behind these laws.

20 170. Pursuant to California Business & Professions Code sections 17200, *et seq.*,
21 Plaintiff and class members are entitled to restitution for the class-wide loss of the statutory
22 benefits implemented by section 226.7 withheld and retained by Defendants during a period
23 that commences four years prior to the filing of the initial complaint; a permanent injunction
24 requiring Defendants to pay all statutory benefits implemented by section 226.7 due to
25 Plaintiff and class members; an award of attorneys' fees pursuant to California Code of Civil
26 Procedure section 1021.5 and other applicable laws; and an award of costs.

27 **REQUEST FOR JURY TRIAL**

28 Plaintiff requests a trial by jury.

1 **PRAYER FOR RELIEF**

2 Plaintiff, on behalf of all others similarly situated, prays for relief and judgment
3 against Defendants, jointly and severally, as follows:

4 1. For damages, unpaid wages, penalties, injunctive relief, and attorneys' fees in
5 excess of thirty-five thousand dollars (\$35,000), exclusive of interest and costs. Plaintiff
6 reserves the right to amend his prayer for relief to seek a different amount.

7 **Class Certification**

8 2. That this case be certified as a class action;

9 3. That Plaintiff be appointed as the representative of the Class and Subclass;

10 4. That counsel for Plaintiff be appointed as class counsel.

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

12 5. That the Court declare, adjudge, and decree that Defendants violated California
13 Labor Code sections 510 and 1198, and the applicable IWC Wage Order by willfully failing to
14 pay all overtime wages due to Plaintiff and class members;

15 6. For general unpaid wages at overtime wage rates and such general and special
16 damages as may be appropriate;

17 7. For pre-judgment interest on any unpaid overtime compensation commencing
18 from the date such amounts were due, or as otherwise provided by law;

19 8. For reasonable attorneys' fees and for costs of suit incurred herein pursuant to
20 California Labor Code section 1194(a); and

21 9. For such other and further relief as the Court may deem equitable and
22 appropriate.

23 **As to the Second Cause of Action**

24 10. That the Court declare, adjudge and decree that Defendants violated California
25 Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198, and the applicable IWC Wage
26 Order by willfully failing to pay minimum wages to Plaintiff and class members;

27 11. For general unpaid wages and such general and special damages as may be
28 appropriate;

12. For pre-judgment interest on any unpaid compensation from the date such amounts were due, or as otherwise provided by law;

13. For reasonable attorneys' fees and for costs of suit incurred herein pursuant to California Labor Code section 1194(a);

14. For liquidated damages pursuant to California Labor Code section 1194.2; and

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

As to the Third Cause of Action

16. That the Court declare, adjudge, and decree that Defendants violated California Labor Code sections 226.7, 512(a), 516, and 1198, and the applicable IWC Wage Order by willfully failing to provide all meal periods to Plaintiff and class members;

17. That the Court make an award to the Plaintiff and class members of one (1) hour of pay at each employee's regular rate of pay for each workday that a meal period was not provided;

18. For all actual, consequential, and incidental losses and damages, according to proof;

19. For premiums pursuant to California Labor Code section 226.7(c);

20. For pre-judgment interest on any unpaid meal period premiums from the date such amounts were due, or as otherwise provided by law;

21. For attorneys' fees pursuant to California Code of Civil Procedure section 1021.5, or as otherwise provided by law; and

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

As to the Fourth Cause of Action

23. That the Court declare, adjudge and decree that Defendants violated California Labor Code sections 226.7, 516, and 1198, and the applicable IWC Wage Order by willfully failing to authorize and permit Plaintiff and class members to take all rest periods;

24. That the Court make an award to the Plaintiff and class members of one (1) hour

of pay at each employee's regular rate of pay for each workday that a rest period was not authorized and permitted;

25. For all actual, consequential, and incidental losses and damages, according to proof;

26. For premiums pursuant to California Labor Code section 226.7(c);

27. For pre-judgment interest on any unpaid rest period premiums from the date such amounts were due, or as otherwise provided by law;

28. For attorneys' fees pursuant to California Code of Civil Procedure section 1021.5, or as otherwise provided by law; and

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

As to the Fifth Cause of Action

30. That the Court declare, adjudge and decree that Defendants violated the recordkeeping provisions of California Labor Code section 226(a) and the applicable IWC Wage Order as to Plaintiff and Subclass members, and willfully failed to provide accurate itemized wage statements thereto;

31. For all actual, consequential, and incidental losses and damages, according to proof;

32. For injunctive relief pursuant to California Labor Code section 226(h);

33. For statutory penalties pursuant to California Labor Code section 226(e);

34. For attorneys' fees and costs pursuant to California Labor Code section 226(e)(1); and

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

As to the Sixth Cause of Action

36. That the Court declare, adjudge and decree that Defendants violated California Labor Code sections 201 and 202 by willfully failing to pay overtime wages, minimum wages, and/or meal and rest period premiums owed at the time of termination of the employment of

1 Plaintiff and other terminated class members;

2 37. For all actual, consequential and incidental losses and damages, according to
3 proof;

4 38. For waiting time penalties according to proof pursuant to California Labor
5 Code section 203 for all employees who have left Defendants' employ;

6 39. For pre-judgment interest on any unpaid wages from the date such amounts
7 were due, or as otherwise provided by law;

8 40. For attorneys' fees pursuant to California Code of Civil Procedure section
9 1021.5, or as otherwise provided by law; and

10 41. For such other and further relief as the Court may deem equitable and
11 appropriate.

12 **As to the Seventh Cause of Action**

13 42. That the Court declare, adjudge and decree that Defendants violated California
14 Labor Code section 204 by willfully failing to timely pay Plaintiff and class members
15 overtime wages, minimum wages, and/or meal and rest period premiums during their
16 employment;

17 43. For all actual, consequential and incidental losses and damages, according to
18 proof;

19 44. For statutory penalties according to proof pursuant to California Labor Code
20 section 210;

21 45. For pre-judgment interest on any unpaid wages from the date such amounts
22 were due, or as otherwise provided by law;

23 46. For attorneys' fees pursuant to California Code of Civil Procedure section
24 1021.5, or as otherwise provided by law; and

25 47. For such other and further relief as the Court may deem equitable and
26 appropriate.

27 **As to the Eighth Cause of Action**

28 48. That the Court declare, adjudge and decree that Defendants violated California

1 Labor Code section 2802 by willfully failing to reimburse and/or indemnify all business-
2 related expenses and costs incurred by Plaintiff and class members;

3 49. For unpaid business-related expenses and such general and special damages as
4 may be appropriate;

5 50. For pre-judgment interest on any unpaid business-related expenses from the
6 date such amounts were due pursuant to California Labor Code section 2802(b), or as
7 otherwise provided by law;

8 51. For all actual, consequential, and incidental losses and damages, according to
9 proof;

10 52. For attorneys' fees and costs pursuant to California Labor Code section
11 2802(c), or as otherwise provided by law; and

12 53. For such other and further relief as the Court may deem equitable and
13 appropriate.

14 **As to the Ninth Cause of Action**

15 54. That the Court declare, adjudge and decree that Defendants violated the
16 following California Labor Code provisions as to Plaintiff and other aggrieved employees:
17 510 and 1198 (by failing to pay all overtime compensation); 1182.12, 1194, 1197, 1197.1, and
18 1198 (by failing to pay at least minimum wages for all hours worked); 226.7, 512(a), 516, and
19 1198 (by failing to provide all meal periods); 226.7, 516, and 1198 (by failing to authorize and
20 permit all rest periods); 226(a), 1174(d), and 1198 (by failing to provide accurate wage
21 statements and maintain accurate payroll records); 201 and 202 (by failing to timely pay all
22 earned wages upon termination); 204 (by failing to timely pay all earned wages during
23 employment); 206.5 (by requiring employees to release claims as a condition to receive
24 earned wages); 221 and 224 (by collecting and/or receiving wages already paid); 223 (by
25 secretly paying wages lower than required by statute); 2802 (by failing to reimburse business
26 expenses); and 2810.5 (by failing to provide notice of material terms of employment);

27 55. For civil penalties pursuant to the California Labor Code, including sections
28 210, 225.5, 226.3, 256, 558, 1174.5, and/or 2699(a), (f), and (k), for violations of California

Labor Code sections 201, 202, 204, 206.5, 221, 223, 224, 226(a), 226.7, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2802, and 2810.5;

56. For injunctive relief pursuant to California Labor Code sections 1194.5 and/or 2699(k) to bring Defendants into compliance with the requirements of California Labor Code sections 201, 202, 204, 206.5, 221, 223, 224, 226(a), 226.7, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2802, and 2810.5;

57. For attorneys' fees and costs pursuant to California Labor Code section 2699(k)(1), and any and all other relevant statutes, for Defendants' violations of California Labor Code sections 201, 202, 204, 206.5, 221, 223, 224, 226(a), 226.7, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2802, and 2810.5;

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

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

As to the Tenth Cause of Action

60. That the Court declare, adjudge and decree that Defendants' conduct of failing to provide Plaintiff and class members all overtime wages due to them, failing to provide Plaintiff and class members all minimum wages due to them, failing to provide Plaintiff and class members all meal periods, failing to authorize and permit Plaintiff and class members to take all rest periods, failing to provide Plaintiff and class members accurate and complete wage statements, failing to maintain accurate payroll records for Plaintiff and class members, failing to timely pay Plaintiff and class members all earned wages during employment, requiring employees to release claims as a condition to receive earned wages, unlawfully deducting a portion of wages previously paid, secretly paying a lower wage, failing to reimburse Plaintiff and class members for business-related expenses, and failing to provide written notice of material terms of employment constitutes an unlawful business practice in violation of California Business and Professions Code sections 17200, *et seq.*;

61. For restitution of unpaid wages to Plaintiff and all class members and prejudgment interest from the day such amounts were due and payable;

62. For the appointment of a receiver to receive, manage, and distribute any and all funds disgorged from Defendants and determined to have been wrongfully acquired by Defendants as a result of violations of California Business & Professions Code sections 17200, *et seq.*;

63. For reasonable attorneys' fees and costs of suit incurred herein pursuant to California Code of Civil Procedure section 1021.5; and

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

As to the Eleventh Cause of Action

65. That the Court declare, adjudge and decree that Defendants' conduct of denying Plaintiff and class members the statutory benefits guaranteed under section 226.7 constitutes an unfair business practice in violation of California Business and Professions Code sections 17200, *et seq.*;

66. For restitution of the statutory benefits under section 226.7 unfairly withheld from Plaintiff and class members and prejudgment interest from the day such amounts were due and payable;

67. For the appointment of a receiver to receive, manage, and distribute any and all funds disgorged from Defendants and determined to have been wrongfully acquired by Defendants as a result of violations of California Business & Professions Code sections 17200, *et seq.*;

68. For reasonable attorneys' fees and costs of suit incurred herein pursuant to California Code of Civil Procedure section 1021.5;

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

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

Dated: March 19, 2026

Respectfully submitted,

Capstone Law APC

By: Alex Wallin
Roxanna Tabatabaeepour
Ryan Tish
Alexander Wallin

Attorneys for Plaintiff Donovan Sawall

EXHIBIT “1”



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November 6, 2025

VIA ONLINE SUBMISSION

California Labor & Workforce Development Agency
ATTN: PAGA Administrator
(<https://dir.govfa.net/411>)

Subject: *Donovan Sawall v. Puente Hills Hyundai, LLC, et al.*

Dear PAGA Administrator:

This office represents Donoval Sawall in connection with his claims under the California Labor Code. Mr. Sawall was an employee of PUENTE HILLS HYUNDAI, LLC; GEN OF SOUTH BAY, LLC; LAGUNA NIGUEL CADILLAC, LLC; LAGUNA NIGUEL HYUNDAI, LLC; SOUTH BAY AUTO GROUP, LLC; SOUTH BAY HYUNDAI, LLC; 20710 HAWTHORNE, LLC; and/or SOUTH BAY MAZDA. For the purpose of this letter, Mr. Sawall collectively refers to these entities as "PHH."

The employers may be contacted directly at the addresses below:

PUENTE HILLS HYUNDAI, LLC
3810 WILSHIRE BLVD. #911
LOS ANGELES, CA 90010

GEN OF SOUTH BAY, LLC
3810 WILSHIRE BLVD. #911
LOS ANGELES, CA 90010

LAGUNA NIGUEL CADILLAC, LLC
28332 CAMINO CAPISTRANO
LAGUNA NIGUEL, CA 92677

LAGUNA NIGUEL HYUNDAI, LLC
28432 CAMINO CAPISTRANO
LAGUNA NIGUEL, CA 92677

SOUTH BAY AUTO GROUP, LLC
20626 HAWTHORNE BLVD.
TORRANCE, CA 90503

SOUTH BAY HYUNDAI, LLC
20433 HAWTHORNE BLVD.
TORRANCE, CA 90503

20710 HAWTHORNE, LLC
3810 WILSHIRE BLVD. #911
LOS ANGELES, CA 90010

SOUTH BAY MAZDA
20626 HAWTHORNE BLVD.
TORRANCE, CA 90503

Mr. Sawall intends to seek civil penalties, attorneys' fees, costs, and other available relief for violations of the California Labor Code, which are recoverable under sections 2698, *et seq.*, the Labor Code Private Attorneys General Act of 2004 ("PAGA"). Mr. Sawall seeks relief on behalf of

himself, the State of California, and other persons who are or were employed by PHH as a non-exempt, hourly paid employee in California and who received at least one wage statement (“aggrieved employees”). This letter is sent in compliance with the notice and reporting requirements of California Labor Code section 2699.3.

PHH employed Mr. Sawall as an hourly paid, non-exempt employee from approximately January 2023 to May 2025. Mr. Sawall worked for PHH as a Service-Lot Porter at its auto dealership located at 17621 Gale Avenue, City of Industry, California 91748. During his employment, Mr. Sawall typically worked eight (8) or more hours per day, and five (5) days per week. At the time Mr. Sawall’s employment with PHH ended, he earned approximately \$19.00 per hour. His job duties included, without limitation, washing, cleaning, and parking vehicles on the lot and driving a customer shuttle.

PHH has committed each of the following Labor Code violations against Mr. Sawall, the facts and theories of which follow, making him an “aggrieved employee” pursuant to California Labor Code section 2699(c)(1):¹

PHH’s Company-Wide and Uniform Payroll and HR Practices

PUENTE HILLS HYUNDAI, LLC; GEN OF SOUTH BAY, LLC; LAGUNA NIGUEL CADILLAC, LLC; LAGUNA NIGUEL HYUNDAI, LLC; SOUTH BAY AUTO GROUP, LLC; SOUTH BAY HYUNDAI, LLC; and 20710 HAWTHORNE, LLC are California limited liability companies. SOUTH BAY MAZDA is an unknown business entity. Together, they own and operate a chain of car dealerships, with approximately eight (8) dealerships in California. Upon information and belief, PHH maintains a single, centralized Human Resources (HR) department at its corporate headquarters in City of Industry and/or Torrance, California, for all non-exempt, hourly paid employees working for PHH in California, including Mr. Sawall and other aggrieved employees. At all relevant times, PHH issued and maintained uniform, standardized scheduling and timekeeping practices and procedures for all non-exempt, hourly paid employees in California, including Mr. Sawall and other aggrieved employees, regardless of their location or position.

Upon information and belief, PHH maintains a centralized Payroll department at its corporate headquarters in City of Industry and/or Torrance, California, which processes payroll for all non-exempt, hourly paid employees working for PHH in California, including Mr. Sawall and other aggrieved employees. Further, PHH issues the same formatted wage statements in the same manner for all non-exempt, hourly paid employees in California, including Mr. Sawall and other aggrieved employees, irrespective of their location, position, or manner in which each employee’s employment ended. In other words, PHH utilized the same methods and formulas when calculating wages due to Mr. Sawall and other aggrieved employees in California.

¹ These facts, theories, and claims are based on Mr. Sawall’s experience and counsel’s review of those records currently available relating to Mr. Sawall’s employment. Discovery conducted in litigation of wage and hour claims such as these often reveals additional claims that the aggrieved employee was not initially aware of (because the aggrieved employee was not aware of the law’s requirements, the employer misinformed its employee of the law’s requirements, or because the employer effectively hid the violations). Thus, Mr. Sawall reserves the right to supplement this letter with additional facts, theories, and claims if he becomes aware of them subsequent to the submission of this letter.

Violation of California Labor Code §§ 510 and 1198 – Unpaid Overtime

California Labor Code sections 510 and 1198 and the applicable Industrial Welfare Commission (“IWC”) Wage Order require employers to pay employees working more than eight (8) hours in day or more than forty (40) hours in a workweek at the rate of time-and-one-half (1 ½) times the regular rate of pay for all hours worked in excess of eight (8) hours in a day or more than forty (40) hours in a workweek. The applicable IWC Wage Order further provides that employers are required to pay employees working more than twelve (12) hours in a day overtime compensation at a rate of two (2) times their regular rate of pay. An employee’s regular rate of pay includes all remuneration for employment paid to, or on behalf of, the employee, including nondiscretionary bonuses and incentive pay.

PHH willfully failed to pay all overtime wages owed to Mr. Sawall and other aggrieved employees. During the relevant time period, Mr. Sawall and other aggrieved employees were not paid overtime premiums for all of the hours they worked in excess of eight (8) hours in a day, in excess of twelve (12) hours in a day, and/or in excess of forty (40) hours in a week, because all hours that they worked were not recorded.

First, during the relevant time period, PHH had, and continues to have, a company-wide practice and/or policy of discouraging and impeding Mr. Sawall and other aggrieved employees from recording hours worked that were outside of their scheduled shifts in order to limit the amount of overtime employees could accrue. Specifically, PHH’s management pressured Mr. Sawall and other aggrieved employees to record their scheduled shift start-times and shift end-times instead of their actual hours worked to limit the overtime hours employees were eligible to be compensated for. This policy of limiting overtime led Mr. Sawall and other aggrieved employees to work off-the-clock after their scheduled shifts in order to complete their assigned tasks. Because PHH discouraged overtime accrual, Mr. Sawall and other aggrieved employees were required to complete assigned tasks outside of their scheduled shifts without being compensated for the time they worked. For example, Mr. Sawall spent approximately 15 minutes three (3) to four (4) times per month taking out trash before his scheduled shift start time. As another example, Mr. Sawall spent approximately 10 to 15 minutes dropping off customers three (3) to four (4) times per month when driving the shuttle after his scheduled shift end time. Thus, PHH failed to track all of the time that employees spent performing work-related tasks outside of their shifts, and Mr. Sawall and other aggrieved employees received no compensation for this time.

Second, during the relevant time period, PHH had, and continues to have, a company-wide policy and/or practice of understaffing its facilities while assigning heavy workloads, including requiring employees to attend to washing, cleaning, and transporting 30 to 40 vehicles per day. PHH’s policies and/or practices resulted in a failure to provide Mr. Sawall and other aggrieved employees with adequate meal period coverage, because there were too few employees on duty to handle the workload, and thus, Mr. Sawall and other aggrieved employees were not always afforded uninterrupted 30-minute meal periods during shifts when they were entitled to receive a meal period. PHH also had a practice of failing to schedule meal periods, which further caused Mr. Sawall and other aggrieved employees to not be relieved of their duties for compliant meal periods.

For example, Mr. Sawall would clock out and work through his meal periods in order to keep up with the demands of his workload and attend to washing, cleaning, and transporting vehicles, particularly when there were only two (2) porters working a shift. Additionally, when he was able to take his meal periods, Mr. Sawall would be interrupted by customers, coworkers, and/or his supervisor,

requiring that he communicate his status on customer drop-offs and pick-ups and/or assist in locating a vehicle. Thus, Mr. Sawall and other aggrieved employees worked through meal periods and/or had meal periods cut short or interrupted in order to handle their workloads. PHH did not compensate Mr. Sawall and other aggrieved employees for the time they spent working off the clock during meal periods.

Third, PHH required Mr. Sawall and other aggrieved employees to use their company-issued walkie-talkies to communicate with supervisors and coworkers at all times, including during unpaid meal periods. PHH expected that Mr. Sawall and other aggrieved employees promptly respond to calls at all times to discuss work-related matters. For example, during Mr. Sawall's meal periods, PHH's supervisors and coworkers would contact Mr. Sawall on his walkie-talkie to discuss work-related matters, but did not compensate him for this time. PHH knew or should have known that Mr. Sawall and other aggrieved employees were being made to respond to management while off-the-clock and during meal periods in order to meet PHH's expectations, but failed to compensate them for this time worked.

Fourth, on information and belief, PHH's management pressured Mr. Sawall and other aggrieved employees to clock out for meal periods, even when they did not receive a compliant meal period. For example, Mr. Sawall would clock out for his meal period but would work through his meal period, out of fear of being disciplined by PHH. Thus, PHH did not record all hours worked during meal periods, and Mr. Sawall and other aggrieved employees performed work during meal periods for which they were not paid.

PHH knew or should have known that as a result of these company-wide practices and/or policies, Mr. Sawall and other aggrieved employees were performing their assigned duties off-the-clock outside of their shifts and during meal periods, and were suffered or permitted to perform work for which they were not paid. Because Mr. Sawall and other aggrieved employees worked shifts of eight (8) hours or more a day, or forty (40) hours a week or more, some of this off-the-clock work qualified for overtime premium pay. Therefore, Mr. Sawall and other aggrieved employees were not paid overtime wages for all of the overtime hours they actually worked.

PHH's failure to pay Mr. Sawall and other aggrieved employees the balance of overtime compensation, as required by California law, violates the provisions of California Labor Code sections 510 and 1198. Mr. Sawall and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring PHH into compliance with the applicable IWC Wage Order and Labor Code sections 510 and 1198, pursuant to Labor Code sections 558 and/or 2699(a), (f), and (k).

Violation of California Labor Code §§ 1182.12, 1194, 1197, 1197.1, and 1198 – Unpaid Minimum Wages

California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198 require employers to pay employees the minimum wage fixed by the IWC. The payment of a lesser wage than the minimum so fixed is unlawful. Compensable work time is defined in IWC Wage Order No. 7-2001 as "the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so." Cal. Code Regs. tit. 8, § 11070(2)(H) (defining "Hours Worked").

First, as set forth above, due to PHH's policies and/or practices of limiting the amount of overtime employees could accrue and pressuring employees to record only their scheduled hours in the timekeeping system rather than actual hours worked, Mr. Sawall and other aggrieved employees performed work off-the-clock outside of their scheduled shifts, including taking out the trash and picking up and dropping off customers via shuttle. PHH failed to track this time that Mr. Sawall and other aggrieved employees spent working off-the-clock, and Mr. Sawall and other aggrieved employees received no compensation for this time.

Second, due to PHH's policies and/or practices of understaffing, assigning heavy workloads, failing to schedule meal periods, and requiring employees to respond to their company-issued walkie-talkies during meal periods, Mr. Sawall and other aggrieved employees were impeded from taking all uninterrupted meal periods to which they were entitled and were required to work off-the-clock during meal periods, have their meal periods interrupted, and/or were otherwise not relieved of all duties during unpaid meal periods.

Moreover, as stated, PHH's management pressured Mr. Sawall and other aggrieved employees to record compliant meal periods, even when meal periods were missed, short, and/or interrupted. Thus, PHH systematically failed to pay Mr. Sawall and other aggrieved employees for actual hours worked during unpaid meal periods because these hours were not always correctly recorded.

PHH did not pay at least minimum wages for all hours worked by Mr. Sawall and other aggrieved employees. To the extent that these off-the-clock hours did not qualify for overtime premium payment, PHH did not pay at least minimum wages for those hours worked off-the-clock in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198.

Accordingly, PHH regularly failed to pay at least minimum wages to Mr. Sawall and other aggrieved employees for all of the hours they worked in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198. Mr. Sawall and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring PHH into compliance with the applicable IWC Wage Order and Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198, pursuant to Labor Code sections 1197.1 and/or 2699(a), (f), and (k).

Violation of California Labor Code §§ 226.7, 512(a), 516, and 1198 – Failure to Provide Meal Periods

California Labor Code sections 226.7, 512(a), 516, and 1198, and the applicable IWC Wage Order require employers to provide meal periods and to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a meal or rest period is not provided. Pursuant to Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order, an employer may not require, cause or permit an employee to work for a period of more than five (5) hours per day without providing the employee with an uninterrupted meal period of not less than thirty (30) minutes, except that if the total work period per day of the employee is not more than six (6) hours, the meal period may be waived by mutual consent of both the employer and the employee. Under California law, first meal periods must start after no more than five hours. *Brinker Rest. Corp. v. Superior Court*, 53 Cal. 4th 1004, 1041-1042 (2012). Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order also require employers to provide a second meal period of not less than thirty (30) minutes if an employee works over ten (10) hours per day or to pay an employee one (1) additional hour of pay at the employee's regular rate, except that if the total hours worked is no more than

twelve (12) hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived.

First, during the relevant time period, as stated, PHH had, and continues to have company-wide policies and/or practices of understaffing its facilities while assigning heavy workloads, resulting in a failure to provide Mr. Sawall and other aggrieved employees with adequate meal period coverage. Because PHH did not employ or staff a sufficient number of employees to meet its demands, there was no one available to relieve employees needing meal period coverage, and Mr. Sawall and other aggrieved employees were not always afforded timely, uninterrupted meal periods to which they were entitled. Moreover, PHH failed to schedule meal periods, which further caused Mr. Sawall and other aggrieved employees to not be relieved of their duties for compliant meal periods. As a result, Mr. Sawall and other aggrieved employees had to work through all or part of their meal periods, had their meal periods interrupted, and/or had to wait extended periods of time before taking meal periods. For example, as stated, Mr. Sawall would miss his meal periods in order to keep up with the demands of his workload and attend to washing, cleaning, and transporting 30 to 40 vehicles per day, particularly when there were only two porters working a shift. As another example, Mr. Sawall and other aggrieved employees had their meal periods interrupted in order to pick up and drop off customers when driving the shuttle. Additionally, Mr. Sawall took his meal periods late, after the fifth hour of work, due to the heavy workload.

Second, as also stated, PHH had a company-wide policy and/or practice of requiring that Mr. Sawall and other aggrieved employees carry and respond to company-issued walkie-talkies at all times, including during meal periods, in order to meet PHH's expectations. As a result, PHH's management and coworkers contacted Mr. Sawall and other aggrieved employees on their company-issued walkie-talkies during meal periods to discuss work-related matters, resulting in noncompliant, interrupted meal periods.

Third, as also stated, on information and belief, because PHH frowned upon employees accruing meal period premiums, PHH's management pressured Mr. Sawall and other aggrieved employees to clock out for meal periods to reflect compliant meal periods, regardless of whether they had received a compliant meal period or not, in order to strictly limit the meal period premiums that would need to be paid by PHH. For example, as stated, Mr. Sawall would clock out for his meal period but would work through his meal period, out of fear of being disciplined by PHH. Mr. Sawall and other aggrieved employees did not sign valid meal period waivers on days that they were entitled to meal periods and were not relieved of all duties.

At all times herein mentioned, PHH knew or should have known that, as a result of these policies, Mr. Sawall and other aggrieved employees were prevented from being relieved of all duties and required to perform some of their assigned duties during meal periods. PHH further knew or should have known that PHH did not pay Mr. Sawall and other aggrieved employees meal period premiums when meal periods were missed, shortened, interrupted, and/or late.

Furthermore, PHH engaged in a company-wide practice and/or policy of not paying meal period premiums owed when compliant meal periods are not provided. Because of this practice and/or policy, Mr. Sawall and other aggrieved employees have not received premium pay for all missed, late, and interrupted meal periods.

Accordingly, PHH failed to provide all meal periods in violation of California Labor Code sections 226.7, 512(a), 516, and 1198. Mr. Sawall and other aggrieved employees are entitled to recover civil

penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring PHH into compliance with the applicable IWC Wage Order and Labor Code sections 226.7, 512(a), 516, and 1198, pursuant to Labor Code sections 558 and/or 2699(a), (f), and (k).

Violation of California Labor Code §§ 226.7, 516, and 1198 – Failure to Authorize and Permit Rest Periods

California Labor Code sections 226.7, 516, and 1198, and the applicable IWC Wage Order require employers to provide rest periods and to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a meal or rest period is not provided. California Labor Code section 226.7 provides that no employer shall require an employee to work during any rest period mandated by an applicable order of the California IWC. The applicable IWC Wage Order provides that "[e]very employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period" and that the "rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof" unless the total daily work time is less than three and one-half (3 ½) hours.

To comply with its obligation to authorize and permit rest periods under California Labor Code section 226.7 and the applicable IWC Wage Order, an employer must "relinquish any control over how employees spend their break time, and relieve their employees of all duties—including the obligation that an employee remain on call. A rest period, in short, must be a period of rest." *Augustus, et al. v. ABM Security Services, Inc.*, 2 Cal. 5th 257, 273 (2016).

During the relevant time period, PHH regularly failed to authorize and permit Mr. Sawall and other aggrieved employees to take a ten (10) minute rest period per each four (4) hour period worked or major fraction thereof. As with meal periods, PHH's company-wide practice of assigning heavy workloads prevented Mr. Sawall and other aggrieved employees from being relieved of all duty to take rest periods. Additionally, PHH failed to schedule rest periods, which, coupled with PHH's failure to provide adequate rest period coverage, further led to Mr. Sawall and other aggrieved employees not being authorized and permitted to take rest periods. In addition, as stated, PHH engaged in a company-wide policy and/or practice requiring that Mr. Sawall and other aggrieved employees carry and respond to company-issued walkie-talkies at all times, including during rest periods, to respond to work-related questions, which prevented Mr. Sawall and other aggrieved employees from being able to take uninterrupted rest periods.

Furthermore, during the relevant time period, on information and belief, PHH maintained a company-wide on-premises rest period policy, which effectively required that Mr. Sawall and other aggrieved employees remain on the work premises during their rest periods. Because Mr. Sawall and other aggrieved employees were restricted from leaving the premises during rest periods, they were denied the ability to use their rest periods freely for their own purposes, such as running personal errands. Thus, PHH effectively maintained control over Mr. Sawall and other aggrieved employees during rest periods.

As a result of PHH's practices and policies, Mr. Sawall and other aggrieved employees worked shifts in excess of 3.5 hours, in excess of 6 hours, and/or in excess of 10 hours without receiving all uninterrupted rest periods to which they were entitled. For example, Mr. Sawall had to forgo his rest periods due to the lack of coverage and heavy workload.

PHH has also engaged in a company-wide practice and/or policy of not paying rest period premiums owed when compliant rest periods are not authorized and permitted. Because of this practice and/or policy, Mr. Sawall and other aggrieved employees have not received premium pay for all missed rest periods.

Accordingly, PHH failed to authorize and permit all rest periods in violation of California Labor Code sections 226.7, 516, and 1198. Mr. Sawall and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring PHH into compliance with the applicable IWC Wage Order and Labor Code sections 226.7, 516, and 1198, pursuant to Labor Code sections 558 and/or 2699(a), (f), and (k).

Violation of California Labor Code §§ 226(a), 1174(d), and 1198 – Non-Compliant Wage Statements and Failure to Maintain Accurate Payroll Records

California Labor Code section 226(a) requires employers to make, keep and provide true, accurate, and complete employment records. PHH has not provided Mr. Sawall and other aggrieved employees with properly itemized wage statements. Labor Code section 226(e) provides that if an employer fails to comply with providing an employee with properly itemized wage statements as set forth in 226(a), then the employee is entitled to recover the greater of all actual damages or \$50 for the initial pay period in which a violation occurs and \$100 per employee for each violation in a subsequent pay period, not to exceed \$4,000. Further, Labor Code section 226.3 provides that any employer who violates section 226(a) shall be subject to a civil penalty in the amount of \$250 per employee per violation in an initial citation and \$1,000 per employee for each violation in a subsequent citation, for which the employer fails to provide the employee a wage statement or fails to keep the required records pursuant to Section 226(a).

During the relevant time period, PHH has knowingly and intentionally provided Mr. Sawall and other aggrieved employees with uniform, incomplete, and inaccurate wage statements. For example, PHH issued uniform wage statements to Mr. Sawall and other aggrieved employees that fail to correctly list: gross wages earned; total hours worked; net wages earned; and all applicable hourly rates in effect during the pay period, including rates of pay for overtime wages, and the corresponding number of hours worked at each hourly rate. Specifically, PHH violated sections 226(a)(1), 226(a)(2), 226(a)(5), and 226(a)(9).

Because PHH did not record the time Mr. Sawall and other aggrieved employees spent working off-the-clock and deducted time from their records for meal periods that were interrupted and/or missed (and therefore time for which they should have been paid), PHH did not list the correct amount of gross wages and net wages earned by Mr. Sawall and other aggrieved employees in compliance with section 226(a)(1) and section 226(a)(5), respectively. For the same reason, PHH failed to accurately list the total number of hours worked by Mr. Sawall and other aggrieved employees, in violation of section 226(a)(2), and failed to list the applicable hourly rates of pay in effect during the pay period and the corresponding accurate number of hours worked at each hourly rate, in violation of section 226(a)(9).

The wage statement deficiencies also include, among other things, failing to list the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis; failing to list all deductions; failing to list the inclusive dates of the period for which aggrieved employees were paid; failing to list the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number; failing to

list the name and address of the legal entity that is the employer; and/or failing to state all hours worked as a result of not recording or stating hours worked off-the-clock.

California Labor Code section 1174(d) provides that “[e]very person employing labor in this state shall . . . [k]eep a record showing the names and addresses of all employees employed and the ages of all minors” and “[k]eep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments” Labor Code section 1174.5 provides that employers are subject to a \$500 civil penalty if they fail to maintain accurate and complete records as required by section 1174(d). During the relevant time period, and in violation of Labor Code section 1174(d), PHH willfully failed to maintain accurate payroll records for Mr. Sawall and other aggrieved employees showing the daily hours they worked and the wages paid thereto as a result of failing to record the off-the-clock hours that they worked.

California Labor Code section 1198 provides that the maximum hours of work and the standard conditions of labor shall be those fixed by the Labor Commissioner and as set forth in the applicable IWC Wage Order. Section 1198 further provides that “[t]he employment of any employees for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful.” Pursuant to the applicable IWC Wage Order, employers are required to keep accurate time records showing when the employee begins and ends each work period and meal period. During the relevant time period, PHH engaged in company-wide practices and/or policies of failing to record actual hours worked, and thereby failed to keep accurate records of work period and meal period start and end times for Mr. Sawall and other aggrieved employees, in violation of section 1198.

Mr. Sawall and other aggrieved employees are entitled to recover civil penalties, attorneys’ fees, costs, and interest thereon, and seek injunctive relief to bring PHH into compliance with the applicable IWC Wage Order and Labor Code sections 226(a), 1174(d), and 1198, pursuant to Labor Code sections 226.3, 1174.5, and/or 2699(a), (f), and (k).

Violation of California Labor Code § 204 – Failure to Timely Pay Wages During Employment

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. Alternatively, California Labor Code section 204 provides that the requirements of this section are deemed satisfied by the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more than seven (7) calendar days following the close of the payroll period.

During the relevant time period, PHH failed to pay Mr. Sawall and other aggrieved employees all wages due to them, including, but not limited to, overtime wages, minimum wages, and/or meal and rest period premiums, within any time period specified by California Labor Code section 204.

Mr. Sawall and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring PHH into compliance with Labor Code section 204, pursuant to Labor Code sections 210 and/or 2699(a), (f), and (k).

Violation of California Labor Code §§ 201 and 202 – Failure to Timely Pay Final Wages Upon Termination

California Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy two (72) hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

PHH willfully failed to pay Mr. Sawall and other aggrieved employees who are no longer employed by PHH all their earned wages, including, but not limited to, overtime wages, minimum wages, and/or meal and rest period premiums, either at the time of discharge, or within seventy-two (72) hours of their leaving PHH's employ.

Mr. Sawall and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring PHH into compliance with Labor Code sections 201 and 202, pursuant to Labor Code sections 256 and/or 2699(a), (f), and (k).

Violation of California Labor Code § 206.5 – Release of Claims for Wages Due

California Labor Code section 206.5 prohibits employers from requiring employees to execute releases of a claim or right "on account of wages due, or to become due, or made as an advance on wages to be earned, unless payment of those wages has been made. A release required or executed in violation of the provisions of this section shall be null and void as between the employer and the employee. . . . '[E]xecution of a release' includes requiring an employee, as a condition of being paid, to execute a statement of the hours he or she worked during a pay period which the employer knows to be false."

During the relevant time period, PHH required Mr. Sawall and other aggrieved employees to release their claims for unpaid wages as a condition to receiving their final paychecks. For example, prior to receiving his final paycheck, PHH required Mr. Sawall to sign a form attesting that he received "all final wages" and that "no additional compensation or benefits are due." PHH compelled Mr. Sawall and other aggrieved employees to sign these false verifications when they, in fact, had not received all earned and unpaid wages, including but not limited to, overtime wages, minimum wages, and/or meal and rest period premiums. PHH's policy and practice of requiring Mr. Sawall and other aggrieved employees to release their claims for uncompensated hours worked and/or pay owed to them as a condition to receiving their paychecks, is in violation of California Labor Code section 206.5.

Mr. Sawall and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring PHH into compliance with Labor Code section 206.5, pursuant to Labor Code sections 2699(a), (f) and (k).

Violation of California Labor Code §§ 221 and 224 – Unlawful Deductions

California Labor Code section 221 provides that it shall be unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee. California Labor Code section 224 also provides in pertinent part that it is lawful to withhold a portion of the employee's wages if "a deduction is expressly authorized in writing by the employee."

During the relevant time period, upon information and belief, PHH unlawfully deducted a portion of wages previously paid to Mr. Sawall and other aggrieved employees in violation of California Labor Code section 221. During the relevant time period, PHH maintained a company-wide policy that improperly deducted wages from Mr. Sawall's and other aggrieved employees' pay, pursuant to its policies of requiring employees have AFLAC supplemental insurance. On information and belief, such deductions were not expressly authorized in writing by Mr. Sawall and other aggrieved employees.

PHH's practice, which resulted in a discount of wages to employees, is tantamount to taking deductions from Mr. Sawall's and other aggrieved employees' paychecks without their written authorization and therefore constitutes an unlawful deduction of wages, in violation of Labor Code sections 221 and 224. Mr. Sawall and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and seek injunctive relief to bring PHH into compliance with Labor Code sections 221 and 224, pursuant to Labor Code sections 225.5 and/or 2699(a), (f), and (k).

Violation of California Labor Code § 223 – Secret Payment of Lower Wages

California Labor Code section 223 makes it unlawful for an employer to secretly pay wages lower than required by statute while purporting to pay legal wages.

During the relevant time period, as stated, on information and belief, PHH willfully and systematically deducted supplemental insurance from Mr. Sawall's and other aggrieved employees' wages without their express written authorization. PHH's deduction from its employees' wages resulted in the payment of less than statutorily required wages to Mr. Sawall and other aggrieved employees. In doing so, PHH acted with the intent to deprive Mr. Sawall and other aggrieved employees of statutory wages, including, but not limited to, overtime wages and minimum wages, to which they were entitled to under California law. Thus, PHH paid Mr. Sawall and other aggrieved employees lower wages than those they were entitled to while purporting that Mr. Sawall and other aggrieved employees were properly paid.

PHH's failure to pay Mr. Sawall and other aggrieved employees the correct designated wage, while purporting to pay legal wages, is a violation of California Labor Code section 223. Mr. Sawall and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring PHH into compliance with Labor Code section 223, pursuant to Labor Code sections 225.5 and/or 2699(a), (f), and (k).

Violation of California Labor Code § 2802 – Unreimbursed Business Expenses

California Labor Code section 2802 requires employers to pay for all necessary expenditures and losses incurred by the employee in the performance of his or her job. The purpose of Labor Code section 2802 is to prevent employers from passing off their cost of doing business and operating expenses on to their employees. *Cochran v. Schwan's Home Service, Inc.*, 228 Cal. App. 4th 1137,

1144 (2014). The applicable wage order, IWC Wage Order No. 7-2001, provides that: “[w]hen tools or equipment are required by the employer or are necessary to the performance of a job, such tools and equipment shall be provided and maintained by the employer, except that an employee whose wages are at least two (2) times the minimum wage provided herein may be required to provide and maintain hand tools and equipment customarily required by the trade or craft.” IWC Wage Order No. 7-2001 further provides that: “[w]hen uniforms are required by the employer to be worn by the employee as a condition of employment, such uniforms shall be provided and maintained by the employer.”

First, during the relevant time period, PHH, on a company-wide basis, required that Mr. Sawall and other aggrieved employees use their own personal mobile devices, including, but not limited to, cellular phones, and/or mobile data to carry out their job duties, but failed to reimburse them for all of the costs of their work-related mobile device expenses. For example, Mr. Sawall and other aggrieved employees were required to use their personal mobile devices for work-related tasks, including communicating with customers via phone calls and text messages and using GPS navigation when picking up or dropping off customers via shuttles. Further, Mr. Sawall and other aggrieved employees used their mobile devices and data to download and use the “Payactiv” mobile application to clock in and out for shifts and meal periods. Although PHH required Mr. Sawall and other aggrieved employees to utilize their personal mobile devices and/or mobile data to carry out their work-related responsibilities, PHH failed to reimburse them for these costs.

Second, during the relevant time period, PHH, on a company-wide basis, required that Mr. Sawall and other aggrieved employees use their own personal vehicles to travel to PHH’s other locations when company vehicles were unavailable. For example, on three (3) occasions, Mr. Sawall drove approximately 50 miles roundtrip to other dealerships, including in Cerritos, California, and Tustin, California, to pick up parts and drive them back to his dealership. PHH required Mr. Sawall and other aggrieved employees to utilize their personal vehicles to carry out their work-related responsibilities, but PHH failed to reimburse them for their mileage or travel expenses.

Third, during the relevant time period, PHH required Mr. Sawall and other aggrieved employees to wear uniforms, including automotive shirts and pants. However, due to the nature of the work, Mr. Sawall’s uniform shirts would become soiled with car cleaning and chemical products and/or acquire an unpleasant odor such that he was required to wash his uniform items separately from his normal laundry, thus incurring additional laundry and/or utility expenses for the upkeep of his uniforms. Thus, PHH failed to maintain uniforms they required Mr. Sawall and other aggrieved employees to wear during their shifts and forced them to incur the cost of maintaining employee uniforms.

PHH could have provided Mr. Sawall and other aggrieved employees with company mobile devices and access to laundering services; or PHH could have reimbursed employees for the costs of their mobile device usage, mileage and travel expenses, and laundering expenses or provided a uniform maintenance allowance. Instead, PHH passed these operating costs onto Mr. Sawall and other aggrieved employees. At all relevant times, Mr. Sawall did not earn at least two (2) times the minimum wage.

Thus, PHH had, and continues to have, a company-wide policy and/or practice of not reimbursing employees for expenses necessarily incurred in violation of California Labor Code section 2802. Mr. Sawall and other aggrieved employees are entitled to recover civil penalties, attorneys’ fees, costs, and interest thereon, and seek injunctive relief to bring PHH into compliance with the applicable

IWC Wage Order and Labor Code section 2802, pursuant to Labor Code sections 2699(a), (f), and (k).

Violation of California Labor Code § 2810.5(a)(1)(A)-(C) – Failure to Provide Notice of Material Terms of Employment

California’s Wage Theft Prevention Act was enacted to ensure that employers provide employees with basic information material to their employment relationship at the time of hiring, and to ensure that employees are given written and timely notice of any changes to basic information material to their employment. Codified at California Labor Code section 2810.5, the Wage Theft Prevention Act provides that at the time of hiring, an employer must provide written notice to employees of the rate(s) of pay and basis thereof, whether paid by the hour, shift, day, week, salary, piece, commission, or otherwise, including any rates for overtime, the regular payday designated by the employer, and any allowances claims as part of the minimum wage, including meal or lodging allowances. Effective January 1, 2015, an employer’s written notice pursuant to section 2810.5 must also include a statement that the employee may accrue and use sick leave; has a right to request and use accrued paid sick leave; may not be terminated or retaliated against for using or requesting the use of accrued paid sick leave; and has the right to file a complaint against an employer who retaliates.

On information and belief, PHH failed to provide Mr. Sawall and other aggrieved employees written notice that lists the requisite information set forth in Labor Code section 2810.5(a)(1)(A)-(C). PHH’s failure to provide Mr. Sawall and other aggrieved employees with written notice of basic information regarding their employment with PHH is in violation of Labor Code section 2810.5.

Mr. Sawall and other aggrieved employees are entitled to recover civil penalties, attorneys’ fees, costs, and interest thereon, and seek injunctive relief to bring PHH into compliance with Labor Code section 2810.5, pursuant to Labor Code sections 2699(a), (f), and (k).

California Labor Code § 558(a)

California Labor Code section 558(a) provides “[a]ny employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provision regulating hours and days of work in any order of the Industrial Welfare Commission shall be subject to a civil penalty as follows: (1) For any initial violation, fifty dollars (\$50) for each underpaid employee for each pay period for which the employee was underpaid (2) For each subsequent violation, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee was underpaid” Labor Code section 558(c) provides that “[t]he civil penalties provided for in this section are in addition to any other civil or criminal penalty provided by law.” PHH, at all relevant times, was an employer or person acting on behalf of an employer(s) who violated Mr. Sawall’s and other aggrieved employees’ rights by violating various sections of the California Labor Code.

Accordingly, Mr. Sawall seeks the remedies set forth in Labor Code section 558 for himself, the State of California, and all other aggrieved employees. Specifically, pursuant to PAGA, and in particular California Labor Code sections 1194.5, 2699(a), 2699(k), 2699.3(a), 2699.3(c), 2699.5, and 558, Mr. Sawall, acting in the public interest as a private attorney general, seeks assessment and collection of civil penalties and injunctive relief for himself, all other aggrieved employees, and the State of California against PHH for violations of California Labor Code sections 201, 202, 204,

206.5, 221, 223, 224, 226(a), 226.7, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2802, and 2810.5.

Therefore, on behalf of all aggrieved employees, Mr. Sawall seeks all applicable civil penalties related to these violations of the California Labor Code pursuant to PAGA.

Thank you for your attention to this matter. If you have any questions, please contact me at the phone number or address below:

Chase Laurent
Capstone Law APC
1875 Century Park East, Suite 1860
Los Angeles, CA 90067
(310) 556-4811

Best Regards,

A handwritten signature in black ink that reads "C Laurent". The "C" is large and stylized, and "Laurent" is written in a cursive script.

Chase Laurent

Copy: PUENTE HILLS HYUNDAI, LLC (via U.S. Certified Mail); GEN OF SOUTH BAY, LLC (via U.S. Certified Mail); LAGUNA NIGUEL CADILLAC, LLC (via U.S. Certified Mail); LAGUNA NIGUEL HYUNDAI, LLC (via U.S. Certified Mail); SOUTH BAY AUTO GROUP, LLC (via U.S. Certified Mail); SOUTH BAY HYUNDAI, LLC (via U.S. Certified Mail); 20710 HAWTHORNE, LLC (via U.S. Certified Mail); SOUTH BAY MAZDA (via U.S. Certified Mail)

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☐ Collect on Delivery ☐ Signature Confirmation Restricted Delivery
☐ Collect on Delivery Restricted Delivery

Domestic Return Receipt

CAPSTONE LAW, APC
1875 Century Park East
Suite #1860
Los Angeles, CA 90067

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS; FOLD AT DOTTED LINE

CERTIFIED MAIL®

9589 0710 5270 0211 5974 40
9589 0710 5270 0211 5974 40

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com

SAWALL V. PUENTE
HILLS

20710 HAWTHORNE, LLC
3810 Wilshire Blvd.
Suite #911
Los Angeles, CA 90010

Postmark

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

20710 HAWTHORNE, LLC
3810 Wilshire Blvd.
Suite #911
Los Angeles, CA 90010

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
■ Complete items 1, 2, and 3. ■ Print your name and address on the reverse so that we can return the card to you. SOUTH BAY MAZDA 20626 Hawthorne Blvd. Torrance, CA 90503 9590 9402 8803 4005 5608 45 2. Article Number (Transfer from service label) 9589 0710 5270 0211 5974 33		A. Signature X B. Received by (Printed Name) C. Date of Delivery D. Is delivery address different from item 1? If YES, enter delivery address below: Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☒ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Priority Mail Express® ☐ Registered Mail™ ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation™ ☐ Signature Confirmation Restricted Delivery ☐ Restricted Delivery	

PS Form 3811, July 2020 PSN 7530-02-000-9053 Domestic Return Receipt

CAPSTONE LAW APC
1875 Century Park East
Suite #1860
Los Angeles, CA 90067

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS; FOLD AT DOTTED LINE	
CERTIFIED MAIL®	
9589 0710 5270 0211 5974 33	
9589 0710 5270 0211 5974 33	
U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only For delivery information, visit our website at www.usps.com SAWALL V. PUENTE HILLS SOUTH BAY MAZDA 20626 Hawthorne Blvd. Torrance, CA 90503 PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions	Certified Mail fee Return Receipt (hardcopy) ☐ Return Receipt (electronic) ☐ Postage \$ Total Postage \$ Sent to Street and A City, State, ZIP+4®

SOUTH BAY MAZDA
20626 Hawthorne Blvd.
Torrance, CA 90503

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
■ Print your name and address on the reverse so that we can return the card to you.

1. **PUENTE HILLS
HYUNDAI, LLC**
3810 Wilshire Blvd.
Suite #911
Los Angeles, CA 90010



9590 9402 8803 4005 5621 15

2. Article Number (Transfer from service label)

9589 0710 5270 2655 0124 28

PS Form 3811, July 2020 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

Received by (Printed Name)

C. Date of Delivery

Is delivery address different from item 1?
If YES, enter delivery address below:☐ Agent☐ Addressee☐ Yes☐ No

3. Service Type
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery

- ☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

Restricted Delivery

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

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■ Print your name and address on the reverse so that we can return the card to you.

GEN OF SOUTH BAY, LLC
3810 Wilshire Blvd.
Suite #911
Los Angeles, CA 90010



9590 9402 8803 4005 5621 22

2. Article Number (Transfer from service label)

9589 0710 5270 2655 0124 35

PS Form 3811, July 2020 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1?
If YES, enter delivery address below:☐ Agent☐ Addressee☐ Yes☐ No

3. Service Type
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery

- ☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

Restricted Delivery

Domestic Return Receipt

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20710 HAWTHORNE, LLC
3810 Wilshire Blvd.
Suite #911
Los Angeles, CA 90010



9590 9402 8803 4005 5608 38

2. Article Number (Transfer from service label)

9589 0710 5270 0211 5974 40

PS Form 3811, July 2020 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1?
If YES, enter delivery address below:☐ Agent☐ Addressee☐ Yes☐ No

3. Service Type
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery

- ☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

Restricted Delivery

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

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■ Print your name and address on the reverse so that we can return the card to you.

**SOUTH BAY AUTO
GROUP, LLC**
20626 Hawthorne Blvd.
Torrance, CA 90503



9590 9402 8803 4005 5608 52

2. Article Number (Transfer from service label)

9589 0710 5270 0211 5974 26

PS Form 3811, July 2020 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1?
If YES, enter delivery address below:☐ Agent☐ Addressee☐ Yes☐ No

3. Service Type
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery

- ☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

Mail Restricted Delivery

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

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SOUTH BAY MAZDA
20626 Hawthorne Blvd.
Torrance, CA 90503



9590 9402 8803 4005 5608 45

2. Article Number (Transfer from service label)

9589 0710 5270 0211 5974 33

COMPLETE THIS SECTION ON DELIVERY

A. Signature

(X)

☒ Agent

☐ Addressee

B. Received by (Printed Name)

Eileen

C. Date of Delivery

D. Is delivery address different from item 1?
If YES, enter delivery address below:

☒ Yes

☐ No

Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery

- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

Restricted Delivery

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

PROOF OF SERVICE

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 1875 Century Park East, Suite 1860 Los Angeles, California 90067.

On **March 19, 2026**, I served the document described as: **FIRST AMENDED CLASS ACTION COMPLAINT & ENFORCEMENT ACTION UNDER THE PRIVATE ATTORNEYS GENERAL ACT, CALIFORNIA LABOR CODE §§ 2698, ET SEQ.** 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:

Gregory K. Sabo, Esq.
gsabo@smsm.com
Chelsea L. Zwart, Esq.
czwart@smsm.com
laservice@smsm
Fisher & Phillips, LLP
621 Capital Mall, Suite Suite 2400
Sacramento, CA 95814
(916)210-0372

Attorneys for Defendants:
Puente Hills, Hyundai LLC; Gen of South Bay, LLC; Laguna Niguel Hyundai, LLC; South Bay Auto Group, LLC; South Bay Hyundai, LLC; 20710 Hawthorne, LLC; and South Bay Mazda

☐ **BY MAIL (ENCLOSED IN A SEALED ENVELOPE):** I deposited the envelope(s) for mailing in the ordinary course of business at Los Angeles, California. I am “readily familiar” with this firm’s practice of collection and processing correspondence for mailing. Under that practice, sealed envelopes are deposited with the U.S. Postal Service that same day in the ordinary course of business with postage thereon fully prepaid at Los Angeles, California.

☒ **BY E-MAIL:** I hereby certify that this document was served from Los Angeles, California, by e-mail delivery on the parties listed herein at their most recent known e-mail address or e-mail of record in this action.

☐ **BY PERSONAL SERVICE:** I delivered the document, enclosed in a sealed envelope, by hand to the counsel for Defendant.

☒ **BY ELECTRONIC SERVICE:** I caused the document(s) to be transmitted electronically via One Legal eService to the individuals listed above, as they exist on that database. This will constitute service of the document(s).

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on **March 19, 2026**, at Los Angeles, California.

Julia Urquizo
Type/Print Name

Julia Urquizo
Signature