

December 9, 2025

VIA ON-LINE SUBMISSION ONLY TO:
(copy by certified mail to all Defendants)

Private Attorneys General Act
Attn. PAGA Administrator
455 Golden Gate Avenue, 9th Floor
San Francisco, CA 94102

Relation Insurance Services Inc.
10950 Grandview Dr. Ste. 300
Overland Park CA 66210
Certified Mail Tracking Number: 9414 8111 0549 5872 7948 63

3H Agent Services, Inc.
Agent of Service of Process for Relation Insurance Services Inc.
555 University Avenue #170
Sacramento, CA 95825
Certified Mail Tracking Number: 9414 8111 0549 5872 7947 88

Relation Insurance, Inc.
520 Capitol Mall Ste #500
Sacramento, CA 95814
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Re: Labor Code § 2698, *et seq.* Penalties – PAGA Notice Letter to the LWDA
Caro Terriquez v. Relation Insurance Services Inc. et al
LWDA Case No.:

Gentlepersons:

This office represents Plaintiff Marcel Caro Terriquez (“Plaintiff”) and other similarly situated aggrieved non-exempt, hourly employees aggrieved employees (collectively “Aggrieved Employees”) for violations of California Labor Code §§ 201, 201.3, 202, 203, 204, 210, 218.5, 218.6, 226, 226.3, 226.4, 226.7, 510, 512, 558, 558.1, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2802, 2698, and 2699, *et seq.*; provisions of the Industrial Welfare Commission (IWC) Wage Order(s); and California Business & Professions Code § 17200 *et seq.*

The purpose of this letter is to comply with the Private Attorneys General Act of 2004, pursuant to California Labor Code § 2698 *et seq.* (“the Act”). Plaintiff would like to bring a representative action, pursuant to the Act, on behalf of himself and all other similarly situated Aggrieved Employees, and the State of California, against Defendants, Relation Insurance Services Inc.; Relation Insurance, Inc.; and DOES 1 through 50 inclusive (all defendants being referred to herein collectively as “Defendants”).



Additionally, this correspondence will serve to satisfy the notice requirements under the Act, along with a copy of Plaintiff's Class Action Complaint, which is attached to this Notice letter. The Complaint is being concurrently filed in Sacramento Superior Court and will be assigned a local case number. The Complaint allegations and claims are incorporated into this Notice Letter.

We also set forth herein the facts and theories and the California Labor Code violations which Defendants engaged in with respect to Plaintiff and all of their Aggrieved Employees in California. The attached Class Action Complaint provides the details of Plaintiff's class-wide claims and claims under the Act, and the applicable California law governing them. It, along with this Notice Letter, addresses in detail numerous violations that subject Defendants to civil and statutory penalties under the Act.

Relevant Facts

Plaintiff was employed by Defendants as a non-exempt, hourly employee based out of Defendants' location in California. Aggrieved Employees include all non-exempt hourly employees of Defendants within the state of California from one year prior to the date of this letter and continuing through the present. Plaintiff and Aggrieved Employees are collectively referred to herein as "Aggrieved Employees." Aggrieved Employees consistently worked at Defendants' behest and under their control and subject to their policies and practices without being paid all wages due. Plaintiff is also informed and believes that there are other Aggrieved Employees employed by Defendants as non-exempt employees within the state of California within the statutory time period who suffer or suffered from the same wage and hour violations outlined below.

Defendants had a common policy and/or practice of failing to pay Aggrieved Employees minimum wages for all hours worked. Aggrieved Employees were either not paid by Defendants for all hours worked or were not paid at the appropriate minimum, regular and overtime rates. Plaintiff also contends that Defendants failed to pay Aggrieved Employees all wages due and owing, including by requiring off the clock work, failing to provide meal and rest breaks, failing to furnish accurate wage statements, failing to timely pay wages including final wages, failing to maintain accurate records, and failing to reimburse for necessary business expenses all in violation of various provisions of the California Labor Code and applicable Wage Orders.

During the course of Aggrieved Employees' employment with Defendants, they were not paid all wages they were owed, including for all work performed resulting in off the clock work. Defendants required Aggrieved Employees to work "pre-shift" and "post-shift" without compensation by logging into computers to clock in and making themselves available to respond to work demands. Additionally, Defendants required Plaintiff and Aggrieved Employees to use their cell phone for work-related purposes while off the clock including during meal were required to respond to work related phone calls and messages while off the clock.

By implementing policies, programs, practices, procedures and protocols which resulted in off the clock work, Defendants' willful actions resulted in the systematic underpayment of wages and overtime pay to Aggrieved Employees. For example, the off the clock work addressed above



caused Aggrieved Employees to begin receiving overtime pay later than they should have.

As a result of the above described requirements to work off the clock, and the other wage violations they endured at Defendants' hands, Aggrieved Employees were not properly paid all wages earned and all wages owed to them by Defendants, including when working more than eight (8) hours in any given day and/or more than forty (40) hours in any given week. Moreover, the uncompensated time, discussed above, was worked by Aggrieved Employees in excess of 8 hours a day and/or 40 hours a week, further entitling Aggrieved Employees overtime wages which they were consistently denied, all in violation of Labor Code and applicable Wage Orders.

Additionally, Defendants failed to provide all the legally required unpaid, off-duty meal periods and all the legally required paid, off-duty rest periods to Aggrieved Employees, as required by the applicable Wage Order and Labor Code. Aggrieved Employees were required to perform work as ordered by Defendants for more than five (5) hours during a shift but were often required to do so without receiving a lawful and timely meal break. In addition to untimely meal periods, Defendants also required Aggrieved Employees to respond to work demands. Specifically, Defendants required Plaintiff and Aggrieved Employees to cell phones during work and respond to work-related requests during meal breaks. Defendants placed their needs over Aggrieved Employees' lawful meal and rest breaks and this resulted in Aggrieved Employees often having to work through their scheduled meal and/or rest breaks, or otherwise taking shortened ones, because the demands of the job would not avail them the opportunity to take a lawfully uninterrupted and off duty meal and/or rest break.

On the occasions when Aggrieved Employees worked over 10 hours in a shift, Defendants also failed to provide them with a second, uninterrupted, timely and duty-free meal period. As a result, Defendants' failure to provide Aggrieved Employees with all legally required off-duty, unpaid meal periods and all the legally required off-duty, paid rest periods is and will be evidenced by Defendants' business records, or lack thereof. Defendants also failed to pay Aggrieved Employees "premium pay," i.e. one hour of wages at each Aggrieved Employee's effective hourly rate of pay, including for each meal period or rest break that Defendants failed to provide or deficiently provided.

Therefore, Defendants have regularly required Aggrieved Employees to work shifts in excess of five (5) hours without providing them with uninterrupted meal periods of not less than thirty (30) minutes, and shifts in excess of (10) hours without providing them with second meal periods of not less than thirty minutes; nor did Defendants pay Aggrieved Employees "premium pay," i.e. one hour of wages at each Aggrieved Employee's effective hourly rate of pay for each meal period that Defendants failed to provide or deficiently provided. Further, what meal periods Plaintiff and Aggrieved Employees were taken were on-duty due to Defendants' policy and practice requiring Aggrieved Employees to keep work phones on during meal periods, all in violation of Labor Code and applicable Wage Orders.

Additionally, Defendants failed to provide all the legally required paid, off-duty rest periods to Aggrieved Employees, as required by the applicable Wage Order and Labor Code were also not



authorized and permitted to take lawful rest periods, were systematically required by Defendants to work through or during breaks and were not provided with one (1) hour's wages in lieu thereof. Aggrieved Employees were restricted in their ability to take their full ten (10) minutes net rest time or were otherwise not provided with duty-free rest periods. Therefore, Defendants have consistently failed to provide Aggrieved Employees with paid rest breaks of not less than ten minutes for every work period of four or more consecutive hours; or major fraction thereof, nor did Defendant pay Aggrieved Employees premium pay for each day on which requisite rest breaks were not provided or were deficiently provided.

Defendants also consistently failed to issue accurate itemized wage statements as required by Labor Code § 226(a). Specifically, the wage statements given to Aggrieved Employees failed to accurately account for unpaid wages and overtime because their actual hours worked were under-reported due to off the clock work.

Additionally, Defendants failed to pay Aggrieved Employees all wages owed, as detailed above, at the time of their termination or within seventy-two (72) hours of their resignation, as required under Labor Code § 203. Specifically, Aggrieved Employees were not paid all regular and overtime wages at the time of termination, because Defendants failed to pay for all hours worked, required off the clock work. Additionally, Defendants failed to pay premium wages owed for unprovided meal and rest periods, as further detailed in this Complaint. Defendants' failure to pay said wages within the required time was willful within the meaning of Labor Code § 203.

Defendants also failed to reimburse Aggrieved Employees for necessary business expenses. Defendants have regularly required Plaintiff to incur business expenses in the course of performing their required job duties for Defendants including the cost of cell phone usage including downloading a required application, and the cost of work from home tools including internet. Upon information and belief, Aggrieved Employees incurred similar costs. These expenses incurred by Plaintiff and Aggrieved Employees were necessary and required of them in performing their assigned job duties, but Defendants failed to reimburse Plaintiff and Aggrieved Employees for all such necessary expenditures, thus entitling them to reimbursement according to proof as required under Labor Code § 2802 and the applicable provisions of the IWC Wage Orders.

PAGA Claim Details, Legal Bases for Violations and Penalties:

As addressed above and in further detail in the attached Class Action Complaint, Plaintiff and the Aggrieved Employees complain of the following violations committed by Defendants:

Failure to Pay Minimum Wages

Defendants violated the law by failing to pay Aggrieved Employees minimum wages for all hours worked. California Labor Code § 1197, entitled "Pay of Less Than Minimum Wage" states, "[t]he minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a less wage than the minimum so fixed is unlawful." The applicable minimum wages fixed by the commission for work during the relevant period is found in the Wage Orders.



In California, employees must be paid at least the then applicable state minimum wage for all hours worked, including under Labor Code § 1197, IWC Wage Order MW-2014, and paragraphs 2(K), 2(S), and 4(A)-4(C) of the applicable IWC Wage Orders. Paragraph 2(H) of the applicable IWC Wage Orders defines “Hours Worked” 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.” Additionally, pursuant to Labor Code § 204, other applicable laws and regulations, and public policy, an employer must timely pay its employees for all hours worked. Defendants failed to do so.

California Labor Code § 1197, entitled “Pay of Less Than Minimum Wage” states: “The minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a less wage than the minimum so fixed is unlawful.” The minimum wage provisions of California Labor Code are enforceable by private civil action pursuant to Labor Code § 1194(a) which states: “Notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney’s fees and costs of suit.”

As described in California Labor Code §§ 1185 and 1194.2, any action for wages incorporates the applicable Wage Order of the California Industrial Welfare Commission. Also, California Labor Code §§ 1194, 1197, 1197.1 and those Industrial Welfare Commission Wage Orders entitle non-exempt employees to an amount equal to or greater than the minimum wage for all hours worked. All hours must be paid at the statutory or agreed rate, or at the minimum rate in the absence of a contractually agreed upon one. The underpayment of wages to Aggrieved Employees is and has been a direct consequence of Defendants’ unlawful compensation policies and practices, which applied uniformly to the Aggrieved Employees working at locations and work sites throughout California.

During the course of Aggrieved Employees’ employment with Defendants, they were not paid all wages they were owed, including for all work performed resulting in off the clock work. Defendants required Aggrieved Employees to work “pre-shift” and “post-shift” without compensation by logging into computers to clock in and making themselves available to respond to work demands. Additionally, Defendants required Plaintiff and Aggrieved Employees to use their cell phone for work-related purposes while off the clock including during meal were required to respond to work related phone calls and messages while off the clock.

In light of the forgoing, the Aggrieved Employees seek to recover wages and penalties. Aggrieved Employees are entitled to recover the unpaid minimum wages (including double minimum wages), liquidated damages in an amount equal to the minimum wages unlawfully unpaid, interest thereon and reasonable attorney’s fees and costs of suit pursuant to California Labor Code § 1194(a). Plaintiff and the other Aggrieved Employees further request recovery of all unpaid wages, according to proof, interest, statutory costs, as well as the assessment of any statutory and civil penalties against Defendants, in a sum as provided by the California Labor Code and/or other applicable statutes, including pursuant to Labor Code § 558, and Wage Order provisions. To the



extent minimum wage compensation is determined to be owed to the Aggrieved Employees who have terminated their employment, Defendants' conduct also violates Labor Code §§ 201 and/or 202, and therefore these individuals are also be entitled to waiting time penalties under California Labor Code § 203, which penalties are sought herein on behalf of these Aggrieved Employees. Defendants' failure to timely pay all wages owed also violated Labor Code § 204 and resulted in violations of Labor Code § 226 because they resulted in the issuance of inaccurate wage statements. Defendants' conduct as alleged herein was willful, intentional and not in good faith. Further, Plaintiff and other Aggrieved Employees are entitled to seek and recover statutory costs.

Under the PAGA, and following exhaustion of the notice period, Plaintiff is seeking all civil and statutory penalties available and applicable under Labor Code §§ 510, 558, 1194.2, 1197.1, 1199, 2699(f)(2), and 2699.5, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

Failure to Pay Wages and Overtime in Violation of Labor Code § 510

Defendants violated the law by failing to pay Aggrieved Employees earned wages and overtime and double time. Specifically, Defendants had a consistent policy of not paying Employees wages for all hours worked, including hours at their required regular, overtime, and double-time rates, or of miscalculating them by not including all forms of remuneration in the regular rate of compensation. Defendants, and each of them, have intentionally and improperly changed, adjusted and/or modified certain employees' hours, including Plaintiff's, or required Aggrieved Employees to do so, or otherwise caused them to work off the clock to avoid paying Aggrieved Employees all earned and owed straight time and overtime wages and other benefits.

Defendants have violated Labor Code § 1194 and Labor Code § 510 (and paragraphs 2(K), 2(S), 3(A) and 4(A)-4(B) of the relevant orders of the Industrial Welfare Commission) by failing to pay Employees: (a) time and one-half their regular hourly rates for hours worked in excess of eight hours in a workday or in excess of forty hours in any workweek or for the first eight hours worked on the seventh day of work in any one workweek; or (b) twice their regular rate of pay for hours worked in excess of twelve hours in any one day or for hours worked in excess of eight hours on any seventh day of work in a workweek. Defendants had a consistent policy of not paying Employees wages for all hours worked, including by requiring off the clock work as addressed above and by under-reporting actual hours worked. With work shifts generally requiring eight hours or more of work on a given day, this unpaid off the clock work resulted in Aggrieved Employees working past eight hours on a shift or more than forty hours in a week, which required that they be paid at the correct overtime rate of 1.5 times their regular rate.

When considered in combination with the other wage violations addressed above, Aggrieved Employees were not properly compensated, nor were they paid overtime and double time rates for hours worked in excess of eight hours or twelve hours in a given day, and/or forty hours in a given week. Defendants did not make available to Employees a reasonable protocol for correcting time records when Employees worked overtime hours or to fix incorrect time entries or those that Defendants unlawfully under-recorded to the Employee's detriment. Defendants have also violated these provisions by requiring Plaintiff and other similarly situated Aggrieved Employees to work



through meal periods when they were required to be clocked out or to otherwise work off the clock to complete their daily job duties.

In light of the forgoing, Aggrieved Employees seek to recover wages and penalties pursuant to the California Labor Code, including Labor Code §§ 204, 510, 558, 1174, 1194, 1198, 1199, and the relevant paragraphs of the IWC Wage Orders, including paragraphs 2(K), 2(S), 3(A), 4, and 20. Defendants are liable to Employees for the full amount of all their unpaid wages and overtime compensation, with interest, plus their reasonable attorneys' fees and costs, as well as the assessment of any statutory penalties against Defendants, and each of them, and any additional sums as provided by the Labor Code and/or other statutes and Wage Order provisions.

Under the PAGA, and following exhaustion of the notice period, Plaintiff is seeking all civil and statutory penalties available and applicable under Labor Code §§ 510, 558, 1194.2, 1197.1, 1199, 2699(f)(2), and 2699.5, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

Meal-Period Liability Under Labor Code §§ 226.7 and 512 and Penalties

Defendants have regularly required Aggrieved Employees to work shifts in excess of five hours without providing them with uninterrupted meal periods of not less than thirty minutes as required under Labor Code §§ 226.7, 512, and paragraph 11 of the applicable Wage Orders. Specifically, Aggrieved Employees were forced to incur shortened meal periods, were provided with breaks late and well after the fifth hour of work, could not be relieved to take breaks, or were required to remain on-duty at all times and were unable to take off-duty breaks or were otherwise not provided with the opportunity to take required breaks.

On the occasions when Aggrieved Employees were provided with a meal period, it was often untimely or interrupted by having to respond to work demands or remain under Defendant's control, in violation of the Labor Code and applicable Wage Orders. On shifts over ten hours, second meal periods were not provided. Defendants also failed to pay Aggrieved Employees "premium pay," i.e. one hour of wages at each Aggrieved Employee's effective regular rate of pay, for each meal period that Defendants failed to provide or deficiently provided, including by miscalculating any premium payments they did make. Therefore, pursuant to Labor Code § 226.7 and paragraphs 11 and 20 of the applicable IWC Wage Order, Aggrieved Employees are entitled to damages in an amount equal to one hour of wages at their correctly calculated regular rate of compensation for each meal period not provided or deficiently provided, as well as the assessment of any statutory penalties against the Defendants, and each of them, in a sum as provided by the Labor Code, including Labor Code § 558 and other applicable statutes and Wage Order provisions. Defendants also miscalculated the rate at which they paid any meal period or rest period premiums when Defendant did attempt to pay them, resulting in further violations of section 226.7.

Under the PAGA, and following exhaustion of the notice period, Plaintiff is seeking all civil and statutory penalties and wages as available and applicable under Labor Code §§ 226.7, 512, 558, including sections 558(a)(1)-(3), 1199, 2699(f)(2) and 2699.5, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).



Rest-Break Liability Under Labor Code § 226.7 and Penalties

Defendants have consistently failed to provide Aggrieved Employees with paid rest breaks of not less than ten minutes for every work period of four or more consecutive hours, as required under Labor Code § 226.7. Specifically, Defendants provided rest periods untimely or for shortened durations, and Defendants' policies and procedures required Aggrieved Employees to remain under Defendants' control during breaks to respond to job requirements.

Defendants also failed to pay Aggrieved Employees premium pay for each day on which requisite rest breaks were not provided or were deficiently provided, or miscalculated any premiums paid. Therefore, pursuant to Labor Code § 226.7 and paragraphs 12 and 20 of the applicable IWC Wage Order, Aggrieved Employees are entitled to damages in an amount equal to one hour of wages at their correctly calculated regular rate of compensation for each rest period not provided or deficiently provided, as well as the assessment of any statutory penalties against the Defendants, and each of them, in a sum as provided by the Labor Code, including Labor Code § 558 and other applicable statutes and Wage Order provisions.

Under the PAGA, and following exhaustion of the notice period, Plaintiff is seeking all civil and statutory penalties and wages as available and applicable under Labor Code §§ 226.7, 512, 558, including sections 558(a)(1)-(3), 1199, 2699(f)(2), and 2699.5, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

Failure to Issue Accurate and Itemized Wage Statements in Violation of Labor Code § 226

California Labor Code § 226(a) requires an employer to furnish each employee with an accurate, itemized wage statements in writing. These statements must be appended to the detachable part of the check, draft, voucher, or whatever else serves to pay the employee's wages; or, if wages are paid by cash or personal check, these statements may be given to the employee separately from the payment of wages; in either case the employer must give the employee these statements twice a month or each time wages are paid. As a direct and proximate cause of Defendants' violation of Labor Code § 226(a), Aggrieved Employees suffered injuries, including among other things confusion over whether they received all wages owed them, the difficulty and expense involved in reconstructing pay records, and forcing them to make mathematical computations to analyze whether the wages paid in fact compensated them correctly for all hours worked.

Defendants failed to provide Aggrieved Employees with accurate itemized wage statements in writing, as required by the Labor Code. Specifically, Defendants failed to provide Employees with accurate itemized wage statements in writing, as required by the Labor Code. The wage statements given to Aggrieved Employees failed to accurately account for unpaid wages, overtime, premium pay for deficiently provided meal periods and rest breaks.

Additionally, for the purposes of Subsection (a)(9), Plaintiff seeks to expand the scope of the Aggrieved Employees he seeks to represent to extend to all individuals employed by Defendants during the applicable period. The wage statements issued to Aggrieved Employees failed to state all applicable hourly rates for which Aggrieved Employees were paid as required by Labor Code § 226(a)(9).



In light of these violations, and pursuant to Labor Code §§ 226(a) and 226(e) and paragraphs 4(b), 7, and 20 of the applicable IWC Wage Orders, Aggrieved Employees are entitled to recover the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one hundred dollars (\$100) for each violation in a subsequent pay period, not exceeding an aggregate penalty of four thousand dollars (\$4,000). They are also entitled to an award of costs and reasonable attorneys' fees.

Under the PAGA, and following exhaustion of the notice period, Plaintiff asserts PAGA claims for failure to provide Aggrieved Employees with accurate, itemized wage statements and failure to maintain employment records for Aggrieved Employees under Labor Code §§ 226, 1174, and 1198.5, and Sections 7(A), 7(B), and 7(C) of the applicable IWC Wage Order(s) seeking all civil and statutory penalties and wages available and applicable under Labor Code §§ 226(e), 226.3, 558, 1174.5, 1199, and 2699(f)(2), and paragraph 20 of the applicable IWC Wage Order, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1). More specifically, by providing inaccurate wage statements and failing to maintain records as required under Labor Code § 226(a), Defendants committed ongoing violations giving rise to civil penalties under Labor Code § 226.3, which in addition to other penalties provided by law, subjects Defendants to "a penalty in the amount of two hundred fifty dollars (\$250) per employee per violation in an initial citation and one thousand dollars (\$1,000) per employee for each violation in a subsequent citation, ..."

Failure to Issue Semimonthly Payments in Violation of Labor Code § 204

In failing to pay Aggrieved Employees wages, overtime, premium pay, etc., and failing to provide them with checks and wage statements, Defendants failed to timely pay Aggrieved Employees wages on a semimonthly basis as required under Labor Code § 204. Defendants failed to maintain records showing accurate hours worked daily and the wages paid to Aggrieved Employees, as well as the meal and rest periods taken by Aggrieved Employees, as required by Labor Code § 1174 and the applicable IWC wage orders.

Defendants also required Aggrieved Employees to work hours off the clock for which they were not compensated, including during interrupted or otherwise on-duty meal and rest periods. Defendants also failed to pay all overtime premium wages owed for work conducted on a work shift and a workday, or miscalculated these premiums by not including all forms of remuneration in the regular rate, as addressed above. Therefore, when Aggrieved Employees received wage statements and pay checks, they did not compensate all hours worked on a timely basis, resulting in Defendants' systematic failure to pay all wages owed to Aggrieved Employees twice monthly in accordance with the requirements of Labor Code § 204. Additionally, by not providing wage statements as required under section 204, Defendants systematically violated Labor Code § 204 and § 226.

Given the above described off the clock work and deductions from hours worked perpetrated by Defendants' management, Plaintiff was not paid at the correct overtime rate for all hours he worked after eight hours into a shift or over forty in a work week and that he was not paid all double time owed either. Defendants' uniformly applied payroll policies and practices thus resulted in further



systematic and ongoing violations of the requirements of Labor Code § 204.

In light of the foregoing, Plaintiff and Aggrieved Employees seek to recover wages and penalties, interest, fees and costs pursuant to Labor Code §§ 201.3, 210, 218.5, 558, and 1194. In failing to pay Aggrieved Employees minimum wages and overtime, and off the clock work, by not providing proper meal and rest periods, failing to provide accurate itemized wage statements, and failing to pay Employees wages upon termination or timely upon resignation, all discussed above, Defendants failed to timely pay Aggrieved Employees wages on a semimonthly basis as required under Labor Code § 204. Defendants also failed to maintain records showing accurate hours worked daily and the wages paid to Aggrieved Employees, as required by Labor Code § 1174 and paragraph 7 of the applicable IWC Wage Orders, entitling Aggrieved Employees to recover penalties pursuant to paragraph 20 of the applicable IWC Wage Orders.

Under the PAGA, and following exhaustion of the notice period, Plaintiff asserts PAGA claims for failure to timely pay all wages owed, including at least semi-monthly and upon separation or termination, under Labor Code §§ 203, 204, 2926, 2927, and 2699.5 seeking all civil penalties available and applicable under Labor Code §§ 204, 210, 558, 1197, 1198, 1199 and 2699(f)(2), and paragraph 20 of the applicable IWC Wage Orders, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

Waiting Time Penalties Pursuant to Labor Code § 203

Some Aggrieved Employees no longer work for Defendants; they either resigned or were terminated from Defendants' employ. Based on the forgoing, Defendants have had a consistent policy of failing to pay all wages and tips earned by and owed to Aggrieved Employees at the time of their termination of within seventy-two hours of their resignation, as required by California under Labor Code § 203. In light of the forgoing, Plaintiff and Aggrieved Employees seek to recover wages and penalties pursuant to Labor Code § 558 and further specifically seek penalties and wages under Labor Code § 203, which provides that an employee's wages shall continue until paid for up to thirty (30) days from the date they were due.

Under the PAGA, and following exhaustion of the notice period, Plaintiff asserts PAGA claims for failure to timely pay all wages owed, including at least semi-monthly and upon separation or termination, under Labor Code §§ 201, 201, 203, 204, 1197.5, 2926, and 2927 seeking all civil penalties available and applicable under Labor Code §§ 201, 202, 203, 210, 558, 1197, 1198, 1199, 2699(f)(2), 2699.5, and paragraph 20 of the applicable IWC Wage Orders, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

Failure to Reimburse for Necessary Business Expenditures in Violation of Labor Code § 2802

Defendants required Plaintiff and the Aggrieved Employees to pay for necessary work-related expenses they incurred. Specifically, Defendants required Plaintiff and the Aggrieved Employees the pay for cost of cell phone usage including downloading a required application, and the cost of work from home tools including internet. However, Defendants failed to reimburse Plaintiff, and upon information and belief the other Aggrieved Employees.



Defendants systematically and uniformly failed to reimburse those lawful and necessary work-related expenses or losses incurred in direct discharge of their job duties during employment with Defendants and at the direction of the Defendants pursuant to Labor Code § 2802(a) and the applicable IWC Wage Orders, paragraph 9. Defendants are liable for PAGA penalties resulting from their failure to reimburse necessary business expenses incurred by the Aggrieved Employees. Accordingly, Aggrieved Employees are entitled to recover, and hereby seek through this Representative Action, all civil and statutory penalties authorized for violations of California Labor Code §§ 1198 and 2802, and Section 9(B) of the applicable IWC Wage Orders, and Plaintiff seeks all civil and statutory penalties available and applicable under Labor Code §§ 2802 and 2699(f)(2), and also attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

Unfair Competition Under Business and Professions Code § 17200, et seq.

Consequently, Defendants' conduct has been and continues to be unfair, unlawful, and harmful to Plaintiff and Aggrieved Employees and the general public in violation of Business & Professions Code § 17200 *et seq.*

Plaintiff's PAGA Claim under Labor Code § 2698 et seq. and Recovery Bases:

After complying with the notice procedures of Labor Code § 2699.3 and the running of the notice period after the filing of the attached Class Action Complaint, Plaintiff will file an amended Complaint asserting, as a representative action on behalf of the California Attorney General and the other similarly Aggrieved Employees, a PAGA claim for violations of the above addressed underlying claims and seeking penalties as specified by the applicable corresponding provisions.

Plaintiff and the Aggrieved Employees seek penalties under Labor Code §§ 2698 and 2699 for Defendants' violation of Labor Code provisions included under Labor Code § 2699.5, including the penalty provisions, without limitation, based, *inter alia*, on the following California Labor Code sections: §§ 201, 201.3, 202, 203, 204, 210, 218.5, 218.6, 226, 226.3, 226.4, 226.7, 510, 512, 558, 558.1, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2802, 2698, and 2699, *et seq.*; including as follows:

(a) **Wage Claims:** For failure to provide Plaintiff and the Aggrieved Employees all earned regular pay and minimum wages for regular hours worked and for failure to pay overtime premium wages for overtime hours worked under Labor Code §§ 510, 1194(a), 1197, and 1198, and paragraphs 2(K), 3(A), 4(A), 4(B) and 20 of the applicable IWC Wage Order(s) seeking all civil and statutory penalties available and applicable under Labor Code §§ 510, 558, 1194.2, 1197.1, 1198, 1199, 2699(f)(2), and 2699.5, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1);

(b) **Meal and Rest Period Claims:** For failure to provide Plaintiff and the Aggrieved Employees off-duty, timely, and unpaid meal periods and failure to authorize and permit them to take off-duty, timely, and paid rest periods, or pay one hour of regular pay in lieu thereof, under Labor Code §§ 512, 1198, and 226.7, and Sections 11, 12(A), and 12(B) of the applicable IWC



Wage Order(s) seeking all civil and statutory penalties available and applicable, including under paragraph 20 of the applicable IWC Wage Orders, and wages under Labor Code §§ 226.7, 512, 558, including sections 558(a)(1)-(3), 1199 and 2699(f)(2), and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1);

(c) Inaccurate Wage Statements and Failure to Maintain Records: For failure to provide Plaintiff and the Aggrieved Employees with wage statements or with accurate, itemized wage statements and failure to maintain employment records for Plaintiff and Aggrieved Employees under Labor Code §§ 226, 1174, and 1198.5, and Sections 7(A), 7(B), and 7(C) of the applicable IWC Wage Order(s) seeking all civil and statutory penalties and wages available and applicable under Labor Code §§ 226(e), 226.3, 558, 1174.5, 1199, and 2699(f)(2), and paragraph 20 of the applicable IWC Wage Order, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1). More specifically, by providing inaccurate wage statements and failing to maintain records as required under Labor Code § 226(a), Defendants committed ongoing violations giving rise to civil penalties under Labor Code § 226.3, which in addition to other penalties provided by law, subjects Defendants to "a penalty in the amount of two hundred fifty dollars (\$250) per employee per violation in an initial citation and one thousand dollars (\$1,000) per employee for each violation in a subsequent citation, ...";

(d) Failure to Timely Pay Wages: For failure to timely pay all wages owed, including at least semi-monthly and upon separation or termination, under Labor Code §§ 201, 201, 203, 204, 1197.5, 2926, and 2927 seeking all civil penalties available and applicable under Labor Code §§ 201, 202, 203, 210, 558, 1197, 1198, 1199 and 2699(f)(2), and paragraph 20 of the applicable IWC Wage Orders, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1);

(e) Failure to Reimburse Business Expenses: For Defendants' failure to reimburse the necessary work related expenses incurred under Labor Code §§ 1197, 1197.1, 1198, and 2802, and Sections 2(K), 4, 9, and 20 of the applicable IWC Wage Order(s), seeking civil penalties available and applicable under Labor Code §§ 1197, 1197.1, 1198, 2802, 2699.5, and 2699(f)(2) and paragraph 9 and 20 of the IWC Wage Orders, and also attorneys' fees and costs pursuant to Labor Code § 2699(g)(1);

(f) All Alleged Violations of the IWC Wage Orders: For any above addressed violation of the applicable provisions of the IWC Wage Orders constituting violations of Labor Code § 1198 and Labor Code § 2699.5, and seeking penalties available and applicable under Labor Code § 2699(f)(2) and paragraph 20 of the applicable IWC Wage Orders, and for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

We have been constrained to initially move forward with the filing of this Complaint, alleging the causes of action discussed herein, without the PAGA claim. Thus, any action by the LWDA would not resolve the entirety of the case, and the interest of judicial economy will be served by allowing the case to proceed as a cohesive whole.

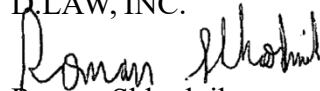


This letter and the attached Complaint therefore provide the requisite notice under the Act to the LWDA and Defendants by setting forth the specific provisions of the Labor Code and related provisions Plaintiff alleges have been violated, including the facts and relevant theories alleged against Relation Insurance Services, Inc.; Relation Insurance, Inc.; and any other named Defendants and joint employers. To prevent the violations described in the Complaint and herein from occurring, and to remedy past violations, Plaintiff respectfully requests that the LWDA conduct an investigation into Defendants' employment practices in accordance with the Act.

Wherefore we request that you advise us, by certified mail within sixty days of the postmark on this letter, whether you intend to proceed with these claims or whether Plaintiff and the Aggrieved Employees should include them in an amended Labor Code § 2698 *et seq.* claim under the Act in an amended Complaint.

Regards,

D.LAW, INC.



Roman Shkodnik

Cc: Relation Insurance Services, Inc. and Relation Insurance, Inc. by Certified Mail

D.LAW, INC.

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Attorneys for Plaintiff MARCELA CARO TERRIQUEZ,
on behalf of herself and others similarly situated

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SACRAMENTO**

MARCELA CARO TERRIQUEZ, on behalf
of herself and others similarly situated,

Plaintiff,

vs.

RELATION INSURANCE SERVICES, INC.;
a Delaware corporation; RELATION
INSURANCE, INC.; an entity of unknown
form; and DOES 1 through 50, inclusive,

Defendants.

Case No.:

CLASS ACTION

Assigned for All Purposes To:

Hon.:

Dept.:

CLASS ACTION COMPLAINT FOR:

1. Failure to Pay Minimum Wages;
2. Failure to Pay Wages and Overtime Under Labor Code § 510;
3. Meal-Period Liability Under Labor Code § 226.7;
4. Rest-Break Liability Under Labor Code § 226.7;
5. Reimbursement of Necessary Expenditures Under Labor Code § 2802;
6. Violation of Labor Code § 226(a);
7. Penalties Pursuant to Labor Code § 203;
8. Violation of Business & Professions Code § 17200 *et seq.*

DEMAND FOR JURY TRIAL

1 Plaintiff MARCELA CARO TERRIQUEZ, (hereinafter “Plaintiff”) on behalf of herself and
2 all others similarly situated (collectively, “Employees”) complains of Defendants, and each of them,
3 as follows:

4 INTRODUCTION

5 1. Plaintiff brings this action on behalf of herself and all current and former Employees
6 within the State of California who, at any time four (4) years prior to the filing of this lawsuit, are
7 or were employed as non-exempt, hourly employees by RELATION INSURANCE SERVICES,
8 INC., a California corporation; RELATION INSURANCE, INC., an entity of unknown form; and
9 DOES 1 through 50 (all defendants being collectively referred to herein as “Defendants”). Plaintiff
10 alleges that Defendants, and each of them, violated various provisions of the California Labor Code,
11 relevant orders of the Industrial Welfare Commission (IWC) and California Business & Professions
12 Code, and seeks redress.

13 2. Plaintiff is a resident of California and during the time period relevant to this
14 Complaint was employed by Defendants as a non-exempt hourly employee within the State of
15 California at Defendants’ facilities and offices in California. Plaintiff and the other Class members
16 worked for Defendants in Sacramento County and/or throughout California, and consistently
17 worked at Defendants’ behest without being paid all wages due. More specifically, Plaintiff and the
18 other similarly situated Class members were employed by Defendants and worked at Defendants’
19 offices and other facilities where the conduct giving rise to the allegations in this Class Action
20 Complaint occurred. Upon information and belief, Plaintiff was employed by Defendants and (1)
21 shared similar job duties and responsibilities, (2) was subjected to the same policies and practices,
22 and (3) endured similar violations at the hands of Defendants as the other Employee Class members
23 who served in similar and related positions.

24 3. Defendants required Plaintiff and the Employees in the Class to perform work while
25 remaining under Defendants’ control before and after being on the clock for their daily work shift.
26 Defendants failed to provide Plaintiff and the Class with lawful meal and rest periods, as employees
27 were not provided with the opportunity to take timely, uninterrupted, and duty-free meal and rest
28 periods as required by the Labor Code.

THE PARTIES

A. The Plaintiff

4. Plaintiff MARCELA CARO TERRIQUEZ has resided in California and during the time period relevant to this Complaint was employed by Defendants as a non-exempt hourly employee within the State of California.

B. The Defendants

5. Defendant RELATION INSURANCE SERVICES, INC. is a Delaware corporation with its principal executive offices in Pleasant Hill, California and has been listed as the employer on Plaintiff's wages statements issued to Plaintiff during the relevant time period. Defendant RELATION INSURANCE SERVICES, INC. lists a Pleasant Hill, California address with the California Secretary of State and employs Plaintiff and the Class members in California, including at Defendants' offices and facilities in Sacramento, California, and throughout California and conducts business throughout California.

6. Defendant RELATION INSURANCE, INC. is a is an entity of unknown form with its principle executive office in Pleasant Hill, California, and has been listed on Plaintiff's W-2 form during the relevant time period. RELATION INSURANCE, INC. does not list a California address with the California Secretary of State, but employs Class members in Sacramento County, and throughout California and conducts business throughout California.

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

8. Plaintiff is informed and believes and thereon alleges that each Defendant acted in all respects pertinent to this action as the agent of the other Defendants, that Defendants carried out

1 a joint scheme, business plan, or policy in all respects pertinent hereto, and that the acts of each
2 Defendant are legally attributable to the other Defendants. Furthermore, Defendants acted in all
3 respects as the employers or joint employers of Employees. Defendants, and each of them, exercised
4 control over the wages, hours or working conditions of Employees, or suffered or permitted
5 Employees to work, or engaged, thereby creating a common law employment relationship, with
6 Employees. Therefore, Defendants, and each of them, employed or jointly employed Employees.

7 **JURISDICTION AND VENUE**

8 9. This Court has jurisdiction over this Action pursuant to California Code of Civil
9 Procedure § 410.10 and California Business & Professions Code § 17203. This Action is brought as
10 a Class Action on behalf of similarly situated Employees of Defendants pursuant to California Code
11 of Civil Procedure § 382. Venue as to Defendants is also proper in this judicial district pursuant to
12 California Code of Civil Procedure § 395 *et seq.* Upon information and belief, the obligations and
13 liabilities giving rise to this lawsuit occurred at least in part in Sacramento County and Defendants
14 maintain and operate in facilities in Sacramento County, and employ Plaintiff and other Class
15 Members in Stanislaus County and throughout California.

16 **FACTUAL BACKGROUND**

17 10. The Employees who comprise the Class and Collective, including Plaintiff, are
18 nonexempt employees pursuant to the applicable Wage Order of the IWC. Defendants hire
19 Employees who work in nonexempt positions at the direction of Defendants in the State of
20 California. Plaintiff and the Class members were either not paid by Defendants for all hours worked
21 or were not paid at the appropriate minimum, regular and overtime rates. Specifically, Plaintiff and
22 Employees were not paid for the time that they had to work “pre-shift” and “post-shift” without
23 compensation by logging into computers to clock in and making themselves available to respond to
24 work demands. Additionally, Plaintiff and Employees were required to use their cell phone for
25 work-related purposes while off the clock including during meal periods. Plaintiff also contends that
26 Defendants failed to pay Plaintiff and the Class members all wages due and owing, including by
27 requiring off the clock work, failing to provide meal and rest breaks, and failing to furnish accurate
28 wage statements, all in violation of various provisions of the California Labor Code and applicable

1 paragraphs of the IWC Wage Orders.

2 11. During the course of Plaintiff and the Class members' employment with Defendants,
3 they were not paid all wages they were owed, including for all work performed and for all overtime
4 hours worked and were forced to work during their meal and rest breaks to keep labor budgets low.

5 12. As a matter of Company practice and culture, Plaintiff and the Class members were
6 required to work during their meal breaks which were not compensated by Defendants in violation
7 of the California Labor Code. Plaintiff and the Class members were also not paid regular wages and
8 overtime for the time they were required to comply with other requirements imposed upon them,
9 which they had to complete while working through their meal breaks and without compensation. As
10 a result Plaintiff and the Class members worked shifts over eight (8) hours in a day and over forty
11 (40) hours in a work week, but they were not paid at the appropriate overtime rate for all such hours,
12 including by being required to perform work duties and tasks without pay and while off-the-clock
13 which caused overtime to begin accruing before it did in Defendants' timekeeping and payroll
14 systems. As a result, Plaintiff and the Class members worked substantial overtime hours during their
15 employment with Defendants for which they were not compensated, in violation of the California
16 Labor Code, applicable IWC Wage Orders.

17 13. As a result of the above described daily work demands and pressures to work through
18 breaks, and the other wage violations they endured at Defendants' hands, Plaintiff and the Class
19 members were not properly paid for all wages earned and for all wages owed to them by Defendants,
20 including when working more than eight (8) hours in any given day and/or more than forty (40)
21 hours in any given week. As a result of Defendants' unlawful policies and practices, Plaintiff and
22 Class members incurred overtime hours worked for which they were not adequately and completely
23 compensated. To the extent applicable, Defendants also failed to pay Plaintiff and the Class
24 members at an overtime rate of 1.5 times the regular rate for the first eight hours of the seventh
25 consecutive work day in a week and overtime payments at the rate of 2 times the regular rate for
26 hours worked over eight (8) on the seventh consecutive work day, as required under the Labor Code,
27 applicable IWC Wage Orders.

28 14. Therefore, from at least four (4) years prior to the filing of this lawsuit and continuing

1 to the present, Defendants had a consistent policy or practice of failing to pay Employees for all
2 hours worked, and failing to pay minimum wage for all time worked as required by California Law.

3 15. Additionally from at least four (4) years prior to the filing of this lawsuit and
4 continuing to the present, Defendants had a consistent policy or practice of failing to pay Employees
5 overtime compensation at premium overtime rates for all hours worked in excess of eight (8) hours
6 a day and/or forty (40) hours a week, and double-time rates for all hours worked in excess of twelve
7 (12) hours a day, in violation of Labor Code § 510 and the corresponding sections of IWC Wage
8 Orders.

9 16. Additionally from at least four (4) years prior to the filing of this lawsuit and
10 continuing to the present, Defendants have regularly required Employees to work shifts in excess of
11 five (5) hours without providing them with uninterrupted meal periods of not less than thirty (30)
12 minutes and shifts in excess of ten (10) hours without providing them with second meal periods of
13 not less than thirty minutes; nor did Defendants pay Employees “premium pay,” i.e. one hour of
14 wages at each Employee’s effective regular rate of pay, for each meal period that Defendants failed
15 to provide or deficiently provided.

16 17. From at least four (4) years prior to the filing of this lawsuit and continuing to the
17 present, Defendants have consistently failed to provide Employees with paid rest breaks of not less
18 than ten (10) minutes for every work period of four (4) or more consecutive hours; nor did Defendant
19 pay Employees premium pay for each day on which requisite rest breaks were not provided or were
20 deficiently provided at one hour of wages at each Employee’s effective regular rate of pay, for each
21 rest period that Defendants failed to provide or deficiently provided.

22 18. Additionally, from at least four (4) years prior to the filing of this lawsuit, and
23 continuing to the present, Defendants have consistently failed to provide Employees with timely,
24 accurate, and itemized wage statements as required by California wage-and-hour laws. Specifically,
25 the wage statements given to Employees by Defendants failed to accurately account for wages,
26 overtime, and premium pay for deficient meal periods and rest breaks, all of which Defendants knew
27 or reasonably should have known were owed to Employees, as alleged hereinabove. The wage
28 statements provided to Employees were confusing and required Employees to engage in discovery

1 and refer to outside sources to verify whether their pay was correct and potentially resulting in a
2 miscalculation by the Employees.

3 19. Additionally, from at least four (4) years prior to the filing of this lawsuit, and
4 continuing to the present, Defendants have consistently failed to provide Employees with timely,
5 accurate, and itemized wage statements, in writing, as required by California wage-and-hour laws.

6 20. From at least four (4) years prior to the filing of this lawsuit and continuing to the
7 present, Defendants have failed to reimburse Employees for expenses necessarily incurred in the
8 performance of their job duties for Defendants including, but not limited to, the cell phone usage
9 including downloading a required application, and the cost of work from home tools including
10 internet which were necessary to perform their duties under Defendants' employ in violation of
11 Labor Code § 2802.

12 21. Additionally, from at least three (3) years prior to the filing of this lawsuit, and
13 continuing to the present, Defendants have consistently failed to keep accurate time and wage
14 records as required by California wage-and-hour laws.

15 22. Additionally, from at least four (4) years prior to filing this lawsuit and continuing
16 to the present, Defendants have had a consistent policy of failing to pay all wages fur and owed to
17 Employees at the time of their termination of within seventy-two (72) hours of their resignation, as
18 required by California wage-and-hour laws.

19 23. In light of the foregoing, Employees bring this action pursuant to, inter alia, Labor
20 Code §§ 201, 201.3, 202, 203, 204, 210, 218.5, 218.6, 226, 226.3, 226.4, 226.7, 510, 512, 558,
21 558.1, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, and 2802.

22 24. Furthermore, pursuant to Business and Professions Code §§ 17200-17208, Plaintiff
23 and Employees seek injunctive relief, restitution, and disgorgement of all benefits Defendants have
24 enjoyed from their violations of Labor Code.

25 **CLASS ALLEGATIONS**

26 25. Plaintiff brings this class action on behalf of herself and all others similarly situated
27 pursuant to Code of Civil Procedure § 382. Plaintiff seeks to represent a class defined as follows:
28 all individuals employed by Defendants, at any time within four (4) years of the filing of this lawsuit

1 and have been employed by Defendants within the State of California.

2 26. Further, Plaintiff seeks to represent the following Subclasses composed of and
3 defined as follows:

4 a. Subclass 1. Minimum Wages Subclass. All Class members who were not
5 compensated for all hours worked for Defendants at the applicable minimum wage.

6 b. Subclass 2. Wages and Overtime Subclass. All Class members who were not
7 compensated for all hours worked for Defendants at the required rates of pay, including for all hours
8 worked in excess of eight in a day and/or forty in a week.

9 c. Subclass 3. Meal Period Subclass. All Class members who were subject to
10 Defendants' policy and/or practice of failing to provide timely unpaid 30-minute uninterrupted and
11 duty-free meal periods or one hour of pay at the Employee's regular rate of pay in lieu thereof.

12 d. Subclass 4. Rest Break Subclass. All Class members who were subject to
13 Defendants' policy and/or practice of failing to authorize and permit Employees to take
14 uninterrupted, duty-free, 10-minute rest periods for every four hours worked, or major fraction
15 thereof, and failing to pay one hour of pay at the Employee's regular rate of pay in lieu thereof.

16 e. Subclass 5. Failure to Reimburse for Necessary Business Expenditures Subclass. All
17 Class members who were subject to Defendants failing to reimburse for expenses necessarily
18 incurred in the performance of Employees' job duties for Defendants which were necessary to
19 perform their duties under Defendants' employ.

20 f. Subclass 6. Wage Statement Subclass. All Class members who, within the applicable
21 limitations period, were not provided with accurate itemized wage statements.

22 g. Subclass 7. Payroll Records Subclass. All Class members who were subject to
23 Defendants' policy and/or practice of failing to keep accurate time and wage records as required by
24 California wage-and-hour laws.

25 h. Subclass 8. Termination Pay Subclass. All Class members who, within the applicable
26 limitations period, either voluntarily or involuntarily separated from their employment and were
27 subject to Defendants' policy and/or practice of failing to timely pay wages upon termination or
28 separation.

1 i. Subclass 9. UCL Subclass. All Class members who are owed restitution as a result
2 of Defendants' business acts and practices, to the extent such acts and practices are found to be
3 unlawful, deceptive, and/or unfair.

4 27. Plaintiff reserves the right under California Rule of Court 3.765 to amend or modify
5 the class description with greater particularity or further division into subclasses or limitation to
6 particular issues.

7 28. This action has been brought and may properly be maintained as a class action under
8 the provisions of Code of Civil Procedure § 382 because there is a well-defined community of
9 interest in litigation and proposed class is easily ascertainable.

10 **A. Numerosity**

11 29. The potential members of the class as defined are so numerous that joinder of all the
12 members of the class is impracticable. While the precise number of class members has not been
13 determined at this time, Plaintiff is informed and believes that Defendants employ or, during the
14 time period relevant to this lawsuit, employed more than 100 non-exempt individuals within the
15 State of California.

16 30. Accounting for employee turnover during the relevant time period increases this
17 number substantially. Plaintiff alleges that Defendants' employment records will provide
18 information as to the number and location of all class members.

19 **B. Commonality**

20 31. There are questions of law and fact common to the class that predominate over any
21 questions affecting only individual class members. These common questions of law and fact include:

- 22 a. Whether Defendants failed to pay Employees minimum wages;
- 23 b. Whether Defendants failed to pay Employees wages for all hours worked;
- 24 c. Whether Defendants failed to pay Employees overtime as required under Labor Code
25 § 510;
- 26 d. Whether Defendants violated Labor Code §§ 226.7 and 512, and the applicable IWC
27 Wage Orders, by failing to provide Employees with requisite meal periods or premium pay in lieu
28 thereof;

1 e. Whether Defendants violated Labor Code §§ 226.7, and the applicable IWC Wage
2 Orders, by failing to provide Employees with requisite rest breaks or premium pay in lieu thereof;

3 f. Whether Defendants violated Labor Code § 226(a);

4 g. Whether Defendants failed to reimburse Employees for necessary business expenses
5 in violation of Labor Code § 2802;

6 h. Whether Defendants violated Labor Code §§ 201, 202, and 203 by failing to pay
7 wages and compensation due and owing at the time of termination or separation of employment;

8 i. Whether Defendants violated Business and Professions Code § 17200 *et seq.*;

9 j. Whether Employees are entitled to equitable relief pursuant to Business and
10 Professions Code § 17200 *et seq.*

11 **C. Typicality**

12 32. The claims of the named plaintiff are typical of those of the other Employees.
13 Employees all sustained injuries and damages arising out of and caused by Defendants' common
14 course of conducts in violation of statutes, as well as regulations that have the force and effect of
15 law, as alleged herein.

16 **D. Adequacy of Representation**

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

20 **E. Superiority of Class Action**

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

26 35. Class action treatment will allow those persons similarly situated to litigate their
27 claims in the manner that is most efficient and economical for the parties and the judicial system.
28 Plaintiff is unaware of any difficulties in managing this case that should preclude class action.

FIRST CAUSE OF ACTION
FAILURE TO PAY MINIMUM WAGES
(Against All Defendants)

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

37. Defendants failed to pay Employees minimum wages for all hours worked. Defendants had a common policy and practice of misstating Employees' time records and failing to pay Employees for all hours worked. Employees would work hours and not receive wages, including as alleged above in connection with working during meal periods, and time off the clock Employees without compensation. Specifically, Plaintiff and Employees, were not paid for the time that they had to work "pre-shift" and "post-shift" without compensation by logging into computers to clock in and making themselves available to respond to work demands. Additionally, Plaintiff and Employees were required to use their cell phone for work-related purposes while off the clock including during meal were required to respond to work related phone calls and messages while off the clock. Moreover, Defendants did not pay Plaintiff and Employees at the applicable minimum wage for all hours worked. This caused Employees to work without compensation in excess of their eight-hour shift in a given work day. Defendants' uniform pattern of unlawful wage and hour practices manifested, without limitation, applicable to Employees, as a result of implementing a uniform policy and practice that denied accurate compensation to Plaintiff and the other members of the Employees as to minimum wage pay.

38. California Labor Code § 1197, entitled "Pay of Less Than Minimum Wage" states:

The minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a less wage than the minimum so fixed is unlawful.

39. The applicable minimum wages fixed by the commission for work during the relevant period is found in the Wage Orders. Pursuant to the Wage Orders, Employees are therefore entitled to double the minimum wage during the relevant period.

40. The minimum wage provisions of California Labor Code are enforceable by private civil action pursuant to California Labor Code § 1194(a) which states:

1 Notwithstanding any agreement to work for a lesser wage, any employee
2 receiving less than the legal minimum wage or the legal overtime
3 compensation applicable to the employee is entitled to recover in a civil
4 action the unpaid balance of the full amount of this minimum wage or
overtime compensation, including interest thereon, reasonable attorney's
fees and costs of suit.

5 41. As described in California Labor Code §§ 1185 and 1194.2, any action for wages
6 incorporates the applicable Wage Order of the California Industrial Welfare Commission.

7 42. California Labor Code § 1194.2 also provides for the following remedies:

8 In any action under Section 1194 . . . to recover wages because of the
9 payment of a wage less than the minimum wages fixed by an order of the
10 commission, an employee shall be entitled to recover liquidated damages in
an amount equal to the wages unlawfully unpaid and interest thereon.

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

14 44. Wherefore, Employees are entitled to recover the unpaid minimum wages (including
15 double minimum wages), liquidated damages in an amount equal to the minimum wages unlawfully
16 unpaid, interest thereon and reasonable attorney's fees and costs of suit pursuant to California Labor
17 Code § 1194(a).

18 **SECOND CAUSE OF ACTION**

19 **FAILURE TO PAY WAGES AND OVERTIME UNDER LABOR CODE § 510**

20 **(Against All Defendants)**

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

23 46. By their conduct, as set forth herein, Defendants violated California Labor Code §
24 510 (and the relevant orders of the Industrial Welfare Commission) by failing to pay Employees:
25 (a) time and one-half their regular hourly rates for hours worked in excess of eight (8) hours in a
26 workday or in excess of forty (40) hours in any workweek or for the first eight (8) hours worked on
27 the seventh day of work in any one workweek; or (b) twice their regular rate of pay for hours worked
28 in excess of twelve (12) hours in any one (1) day or for hours worked in excess of eight (8) hours

1 on any seventh day of work in a workweek.

2 47. Defendants had a common policy and practice of requiring Plaintiff and Employees
3 to perform work, off the clock for which they were not paid wages. Specifically, Plaintiff and
4 Employees were not paid for the time that they had to work “pre-shift” and “post-shift” without
5 compensation by logging into computers and making themselves available to respond to work
6 demands. Additionally, Plaintiff and Employees were required to use their cell phone for work-
7 related purposes while off the clock including during meal periods. All the forgoing work was
8 performed by Employees and under the direction and control of Defendants, for which no wages
9 were paid.

10 48. Employees have been damaged by these violations of California Labor Code §§ 204
11 and 510 (and the relevant orders of the Industrial Welfare Commission).

12 49. Consequently, pursuant to California Labor Code §§ 204, 510, and 1194 (and the
13 relevant orders of the Industrial Welfare Commission), Defendants are liable to Employees for the
14 full amount of all their unpaid wages and overtime compensation, with interest, plus their reasonable
15 attorneys’ fees and costs.

16 50. The forgoing uncompensated work caused Plaintiff and Employees to work in excess
17 of eight (8), ten (10), and twelve (12) hours a day, and/or forty (40) hours a week, entitling them to
18 overtime and double-time wages which were systemically denied.

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

25 52. Employees have been damaged by these violations of California Labor Code §§ 204
26 and 510 (and the relevant orders of the Industrial Welfare Commission).

27 53. Consequently, pursuant to California Labor Code §§ 204, 510, and 1194 (and the
28 relevant orders of the Industrial Welfare Commission), Defendants are liable to Employees for the

1 full amount of all their unpaid wages and overtime compensation, with interest, plus their reasonable
2 attorneys' fees and costs.

3 **THIRD CAUSE OF ACTION**

4 **MEAL-PERIOD LIABILITY UNDER LABOR CODE § 226.7**

5 **(Against All Defendants)**

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

8 55. Employees regularly worked shifts greater than five (5) hours and greater than ten
9 (10) hours. Pursuant to Labor Code § 512 an employer may not employ someone for a shift of more
10 than five (5) hours without providing him or her with a meal period of not less than thirty (30)
11 minutes or for a shift of more than ten (10) hours without providing him or her with a second meal
12 period of not less than thirty (30) minutes.

13 56. Defendants failed to provide Employees with meal periods as required under the
14 Labor Code. Employees were consistently required to work through their meal periods which they
15 were consistently denied. Employees were also required to take meal periods after working well
16 beyond the five (5) hour shifts. Furthermore, Employees were regularly required to work for more
17 than 10 hours in a given shift without receiving a second uninterrupted thirty (30) minute meal
18 period as required by law.

19 57. Moreover, Defendants failed to compensate Employees for each meal period not
20 provided or inadequately provided, as required under Labor Code § 226.7. Additionally, as detailed
21 above, when Defendants did pay meal period premiums, they did so at the normal regular rate of
22 pay without factoring in all forms or remuneration/compensation or by otherwise incorrectly
23 calculating the regular rate.

24 58. Therefore, pursuant to Labor Code § 226.7, Employees are entitled to damages in an
25 amount equal to one (1) hour of wages at their effective regular rates of pay for each meal period
26 not provided or deficiently provided, a sum to be proven at trial.

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FOURTH CAUSE OF ACTION
REST-BREAK LIABILITY UNDER LABOR CODE § 226.7
(Against All Defendants)

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

60. Employees consistently worked consecutive four (4) hour shifts. Pursuant to the Labor Code and the applicable IWC Wage Order, Employees were entitled to paid rest breaks of not less than ten (10) minutes for each consecutive four (4) hour shift.

61. Defendants failed to provide Employees with timely rest breaks of not less than ten (10) minutes for each consecutive four (4) hour shift.

62. Additionally, under *Augustus v. ABM Security Services, Inc.*, 2 Cal.5th 257, 260 (2016) “[D]uring required rest periods, employers must relieve their employees of all duties and relinquish any control over how employees spend their time.” Defendants did not allow Employees to leave the Defendants’ location and this is directly at odds with *Augustus*, as it “tethered [employees] by time and policy to a particular location” and therefore fails to relieve employees of all work duties and employer control during rest periods. *Augustus*, 2 Cal.5th at 269.

63. Moreover, Defendants did not compensate Employees with an additional hour of pay at each Employee’s effective regular rate for each day that Defendants failed to provide them with adequate rest breaks, as required under Labor Code § 226.7. Additionally, as detailed above, when Defendants did pay rest period premiums, they did so at the normal regular rate of pay without factoring in all forms or remuneration/compensation or by otherwise incorrectly calculating the regular rate.

64. Therefore, pursuant to Labor Code § 226.7, Employees are entitled to damages in an amount equal to one (1) hour of wages at their effective regular rates of pay for each day worked without the required rest breaks, a sum to be proven at trial.

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1 **FIFTH CAUSE OF ACTION**
2 **FAILURE TO REIMBURSE FOR NECESSARY BUSINESS EXPENDITURES**
3 **IN VIOLATION OF LABOR CODE § 2802**
4 **(Against All Defendants)**

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

7 66. Under Labor Code § 2802(a) an employer must indemnify its employees for all
8 necessary expenditures or losses incurred by the employee in direct consequence of the discharge
9 of his or her duties, or of his or her obedience to the directions of the employer.

10 67. Employees incurred necessary expenditures in the performance of their job duties for
11 Defendants, namely the cost of cell phone usage including downloading a required application, and
12 the cost of work from home tools including internet which, were necessary to perform their duties
13 under Defendants' employ. From four (4) years prior to the original filing of this lawsuit and
14 continuing to the present, Defendants consistently failed to reimburse Employees for these
15 necessarily incurred business expenses.

16 68. As a result of the unlawful acts of Defendants, Employees have been deprived of
17 reimbursement in amounts to be determined at trial; they are entitled to recovery of such amounts,
18 plus interest and penalties thereon, attorneys' fees, and costs.

19 **SIXTH CAUSE OF ACTION**
20 **VIOLATION OF LABOR CODE § 226(a)**
21 **(Against All Defendants)**

22 69. Plaintiff re-alleges and incorporate all preceding paragraphs, as though set forth in
23 full herein.

24 70. California Labor Code § 226(a) requires an employer to furnish each of his or her
25 employees with an accurate, itemized statement in writing showing the gross and net earnings, total
26 hours worked, and the corresponding number of hours worked at each hourly rate; these statements
27 must be appended to the detachable part of the check, draft, voucher, or whatever else serves to pay
28 the employee's wages; or, if wages are paid by cash or personal check, these statements may be

1 given to the employee separately from the payment of wages; in either case the employer must give
2 the employee these statements twice a month or each time wages are paid.

3 71. Defendants failed to provide Employees with accurate itemized wage statements in
4 writing, as required by the Labor Code. Specifically, the wage statements given to Employees by
5 Defendants failed to accurately account for wages, overtime, and premium pay for deficient meal
6 and rest periods, all of which Defendants knew or reasonably should have known were owed to
7 Employees, as alleged hereinabove.

8 72. As a direct and proximate cause of Defendants' violation of Labor Code § 226(a),
9 Employees suffered injuries, including among other things confusion over whether they received all
10 wages owed them, the difficulty and expense involved in reconstructing pay records, and forcing
11 them to make mathematical computations to analyze whether the wages paid in fact compensated
12 them correctly for all hours worked.

13 73. Pursuant to Labor Code §§ 226(a) and 226(e), Employees are entitled to recover the
14 greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation
15 occurs and one hundred dollars (\$100) for each violation in a subsequent pay period, not exceeding
16 an aggregate penalty of four thousand dollars (\$4,000). They are also entitled to an award of costs
17 and reasonable attorneys' fees.

18 74. With respect to violations of Labor Code § 226, Labor Code § 226.3 imposes a civil
19 penalty of two hundred and fifty dollars (\$250) for initial violations for each employee for each pay
20 period, and one thousand dollars (\$1000) for each subsequent violation for each employee for each
21 pay period.

22 75. Plaintiff is seeking penalties against Defendants under Labor Code § 226.3, and any
23 other applicable statute allowing recovery of penalties as alleged herein in an amount to be shown
24 according to proof

25 **EIGHTH CAUSE OF ACTION**
26 **VIOLATION OF LABOR CODE § 203**
27 **(Against All Defendants)**

28 76. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in

1 full herein.

2 77. Numerous Employees are no longer employed by Defendants; they either quit
3 Defendants' employ or were fired therefrom.

4 78. Defendants failed to pay these Employees all wages due and certain at the time of
5 termination or within seventy-two (72) hours of resignation.

6 79. The wages withheld from these Employees by Defendants remained due and owing
7 for more than thirty (30) days from the date of separation of employment.

8 80. Defendants' failure to pay wages, as alleged above, was willful in that Defendants
9 knew wages to be due but failed to pay them; this violation entitles these Employees to penalties
10 under Labor Code § 203, which provides that an employee's wages shall continue until paid for up
11 to thirty (30) days from the date they were due. Plaintiff and Employees are also entitled to an award
12 of costs and reasonable attorneys' fees.

13 **NINTH CAUSE OF ACTION**

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

15 **(Against All Defendants)**

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

18 82. Plaintiff, on behalf of herself, Employees, and the General public, brings this claim
19 pursuant to Business & Professions Code § 17200 *et seq.* The conduct of Defendants as alleged in
20 this Complaint has been and continues to be unfair, unlawful, and harmful to Employees and the
21 general public. Plaintiff seeks to enforce important rights affecting the public interest within the
22 meaning of Code of Civil Procedure § 1021.5.

23 83. Plaintiff is a "person" within the meaning of Business & Professions Code § 17204,
24 has suffered injury, and therefore has standing to bring this cause of action for injunctive relief,
25 restitution, and other appropriate equitable relief.

26 84. Business & Professions Code § 17200 *et seq.* prohibits unlawful and unfair business
27 practices.

28 85. Wage-and-hour laws express fundamental public policies. Paying employees their

1 wages and overtime, providing them with meal and rest periods, etc., are fundamental public policies
2 of California. Labor Code § 90.5(a) articulates the public policies of this State vigorously to enforce
3 minimum labor standards, to ensure that employees are not required or permitted to work under
4 substandard and unlawful conditions, and to protect law-abiding employers and their employees
5 from competitors who lower costs to themselves by failing to comply with minimum labor
6 standards.

7 86. Defendants have violated statutes and public policies. Through the conduct alleged
8 in this Complaint, Defendants have acted contrary to these public policies, have violated specific
9 provisions of the Labor Code, and have engaged in other unlawful and unfair business practices in
10 violation of Business & Professions Code § 17200 *et seq.*; which conduct has deprived Plaintiff, and
11 all persons similarly situated, and all interested persons, of the rights, benefits, and privileges
12 guaranteed to all employees under the law.

13 87. Defendants' conduct, as alleged hereinabove, constitutes unfair competition in
14 violation of the Business & Professions Code § 17200 *et seq.*

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

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

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

27 **RELIEF REQUESTED**

28 WHEREFORE, Plaintiff prays for the following relief:

1. For an order certifying this action as a class action;
2. An order that Plaintiff be appointed class representative;
3. An order that counsel for Plaintiff be appointed class counsel;
4. For compensatory damages in the amount of the unpaid minimum wages for work performed by Employees and unpaid overtime compensation from at least four (4) years prior to the filing of this action, as may be proven;
5. For liquidated damages in the amount equal to the unpaid minimum wage and interest thereon, from at least four (4) years prior to the filing of this action, according to proof;
6. For compensatory damages in the amount of the hourly wage made by Employees for each missed or deficient meal period where no premium pay was paid therefor from four (4) years prior to the filing of this action, as may be proven;
7. For compensatory damages in the amount of the hourly wage made by Employees for each day requisite rest breaks were not provided or were deficiently provided where no premium pay was paid therefor from at least four (4) years prior to the filing of this action, as may be proven;
8. For penalties pursuant to Labor Code § 226(e) for Employees, as may be proven;
9. For penalties pursuant to Labor Code § 226.3, as may be proven;
10. For penalties pursuant to Labor Code § 203 for all Employees who quit or were fired in an amount equal to their daily wage times thirty (30) days, as may be proven;
11. For restitution for unfair competition pursuant to Business & Professions Code § 17200 *et seq.*, including disgorgement or profits, as may be proven;
12. For compensatory damages pursuant to Labor Code § 2802 in the amount of all previously unreimbursed business expenditures necessarily incurred by Employees in the discharge of their job duties for Defendants from four (4) years prior to the original filing of this action, as may be proven;
13. For an order enjoining Defendants and their agents, servants, and employees, and all persons acting under, in concert with, or for them, from acting in derogation of any rights or duties adumbrated in this Complaint;
14. For all general, special, and incidental damages as may be proven;

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DATED: December 9, 2025

By Roman Shkodnik
Roman Shkodnik, Esq.
Amanda Fazio, Esq.
Attorneys for Plaintiff MARCELA
CARO TERRIQUEZ and the putative
class