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FILED
SUPERIOR COURT OF CALIFORNIA
COUNTY OF SAN BERNARDINO

JUN 14 2023

BY:  Michelle Gomez-Casillas, Deputy

7 Attorneys for Plaintiff and Putative Class

8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
9 **FOR THE COUNTY OF SAN BERNARDINO**

10
11 **Ahmad Teeba**, individually and on behalf of
12 all similarly situated individuals,

13 Plaintiff,

14 vs.

15 **California Steel Industries, Inc.**, a Delaware
16 corporation, and **Does 1-10**, inclusive;

17 Defendant.

CASE NO. **CIV SB 2313647**

CLASS ACTION COMPLAINT FOR:

- 1) Failure to Pay Minimum Wage for All Hours Worked (Lab. Code §§ 1182.12, 1194, 1194.2, 1197, 1197.1, and 1198);
- 2) Failure to Pay Overtime Wages (Lab. Code §§ 510 and 1198);
- 3) Failure to Provide Meal Periods (Cal. Lab. Code §§ 226.7 and 1198);
- 4) Failure to Provide Rest Periods (Cal. Lab. Code §§ 226.7 and 1198);
- 5) Failure to Provide and Maintain Complete and Accurate Wage Statements;
- 6) Failure to Provide Wages When Due (Lab. Code §§ 201-204); and
- 7) Failure to Reimburse Necessary Business Expenses (Lab. Code § 2802);
- 8) PAGA Penalties (Lab. Code §§ 2699, *et seq.*); and
- 9) Violation of California Business & Professions Code §§ 17200, *et seq.* (Unlawful Business Practices).

Jury Trial Requested

1 Plaintiff hereby brings this action on behalf of herself and all other similarly situated current and
2 former employees, by and through his counsel of record, alleges as follows:

3 PARTIES

4 1. At all relevant times for this Complaint, Plaintiff **Ahmad Teeba** (“Plaintiff”) has been a
5 resident of San Bernardino, California. Plaintiff was an hourly, non-exempt employee of Defendant who
6 worked from approximately December 19, 2019 to January 28, 2023. Plaintiff was subject to the policies
7 and practices described in this complaint at all times during his employment at Defendant.

8 2. Defendant **California Steel Industries, Inc.** (“CSI”) is a steel processing and finishing
9 company. On information and belief, CSI employs at least 100 hourly, non-exempt employees. CSI’s prin-
10 cipal business location is at 14000 San Bernardino Avenue, Fontana, CA 92335.

11 3. Plaintiff is not currently aware of the names and true identities of Defendant Does 1-10.
12 Plaintiff reserves the right to amend this complaint to allege their true names and capacities when this
13 information is available. Each Doe defendant is responsible for the damages alleged pursuant to each of
14 the causes of action asserted, either through its own conduct, or vicariously through the conduct of others.
15 All further references in this complaint to any of the named Defendant includes the fictitiously named
16 Defendant.

17 4. At all times alleged herein, each Defendant was an agent, servant, joint employer, em-
18 ployee, partner, and/or joint venture of every other Defendant and was acting within the scope of the
19 Defendant’s relationship. Moreover, the conduct of every Defendant was ratified by each other Defend-
20 ant.

21 VENUE AND JURISDICTION

22 5. The court has jurisdiction over all causes of action in this complaint pursuant to Article VI,
23 § 10 of the California Constitution. No federal question is at issue; Plaintiff relies solely on California stat-
24 utes and law, including the Labor Code and the Business & Professions Code. Because putative class mem-
25 bers were employed by Defendant, the policies and practices complained of herein were implemented in
26 San Bernardino, and Defendant transacts business within San Bernardino County, Defendant is within the
27 jurisdiction of the court for service of process. Moreover, Business & Professions Code § 17204 provides
28 that any person acting on their own behalf may bring an action in any court of competent jurisdiction.

6. Venue as to Defendant is proper in this Superior Court pursuant to California Code of Civil Procedure § 395. Defendant transacts business and/or has offices in this county, employs putative class members in this County, and the acts and omissions alleged herein took place in this county. Moreover, this action is brought on behalf of the State of California as a private attorney general and has jurisdiction in this venue.

CLASS ACTION ALLEGATIONS

7. Defendant failed to compensate Plaintiff and Class Members for all hours at the correct rates for time as required by the Labor Code as Defendant required for a period of time during the Covid-19 Pandemic that employees stop at the entrance to their facilities to undergo health and temperature screenings but failed to count this time as compensable or record it as time worked.

8. As a matter of uniform and systemic policy, Defendant failed to authorize and/or permit non-exempt employees to take bona fide meal and rest breaks pursuant to Labor Code § 226.7 based on several uniform policies and practices.

9. First, Defendant required Class Members to sign on-duty meal period waivers, as a condition of employment, indicating that they forfeited their right to meal periods even though on-duty meal periods were not required as a matter of necessity or the nature of the work and were instead imposed upon employees simply because Defendant does not want to adequately staff its facilities during certain hours.

10. Second, upon information and belief, employees were required to skip breaks, take breaks after the fifth hour of work, or work through them due to Defendant's policies and practices.

11. Third, upon information and belief, Defendant failed to implement a lawful rest period policy that relieved Plaintiff and Class Members from all duties during rest periods because Defendant had a policy and practice of requiring Plaintiff and Class Members remain under Defendant's control while on their rest periods. Additionally, on information and belief, numerous Class Members, including Plaintiff, were required to skip their breaks, remain on duty, or have them interrupted while working.

12. In failing to authorize and/or permit meal and rest periods, Defendant have also implemented a uniform policy of denying compensation in lieu of meal and rest periods to its non-exempt employees, notwithstanding its actual knowledge that such employees were uniformly denied compliant meal

1 and rest periods. Additionally, where they did pay premiums, Defendant failed to pay meal and rest period
2 premium pay at the correct regular rate for Class Members.

3 13. Moreover, Defendant failed to pay Plaintiffs for sick days in a manner that fully complies
4 with Labor Code § 246 by failing to pay such time at Class Members' regular rate of pay.

5 14. As a matter of uniform and systemic policy, Defendant required non-exempt employees to
6 utilize their personal cell phones for work-related purposes. Defendant further failed to compensate their
7 non-exempt employees for reasonable costs associated with utilizing their personal cell phones for work-
8 related purposes.

9 15. Plaintiff brings this action on behalf of himself and as a class action on behalf of the following
10 defined Class:

11 **Non-Exempt Employee Class:**

12 *All persons who worked at least one 3.5-hour shift as a non-exempt employee in the State of Cali-*
13 *fornia from the period four years prior to the filing of the Action and the date of trial ("Class").*

14 16. Common methods of proof exist for determining these issues on a class-wide basis, includ-
15 ing but not limited to, Defendant's employment records, payroll records, timesheets, policies, and disci-
16 plinary records.

17 17. **Numerosity.** Plaintiff is informed and believes that, during the Class Period, at least 100
18 Class Members have been employed as non-exempt employees by Defendant within the state of California.
19 The number of Class Members is sufficiently numerous such that joinder of all members is impossible or
20 impracticable.

21 18. **Typicality.** Plaintiff's claims are typical of all Class Members. Plaintiff, like all other Class
22 Members, was subjected to the policies and practices set forth above. Plaintiff's job duties were typical of
23 Class Members in all relevant respects.

24 19. **Adequacy.** There are no material conflicts between the claims of the representative Plain-
25 tiff and Class Members that would make class certification inappropriate. Plaintiff understands his obliga-
26 tion to inform the Court of any relationship, conflicts, or differences with any Class Member. Plaintiff will
27 fairly and adequately protect the interests of the Class Members. Plaintiff is invested in redressing Defend-
28 ant's illegal practices on behalf of all Class Members. Moreover, Plaintiff has retained competent counsel

experienced in both class action and employment litigation. Plaintiff's attorneys, the proposed class counsel, are versed in the rules governing class action discovery, certification, and settlement, and will vigorously assert the claims of all Class Members. Plaintiff have incurred, and will continue to incur, costs and attorneys' fees that have been, are, and will be necessarily expended for the prosecution of this action for the substantial benefit of each Class Member.

20. **Existence and Predominance of Common Issues.** Common questions of law and fact exist as to all Class Members and predominate over issues affecting individual Class Members, including, but not limited to:

- a. Whether Defendant engaged in a pattern or practice of failing to pay Plaintiff and the Class Members for the total hours worked during the Class period;
- b. Whether Defendant unlawfully and/or willfully failed to compensate Plaintiff and Class Members required overtime wages;
- c. Whether Defendant had a common policy and/or practice of depriving Plaintiff and Class Members of compliant, off-duty meal periods;
- d. Whether Defendant unlawfully and/or willfully deprived Plaintiff and Class Members of compliant, off-duty meal periods;
- e. Whether Defendant have a common policy and/or practice of failing to maintain accurate payroll records in the State of California;
- f. Whether Defendant unlawfully and/or willfully failed to maintain accurate payroll records in the State of California;
- g. Whether Defendant have a common policy and/or practice of failing to provide accurate wage statements reflecting hours worked and wages earned to Plaintiff and Class Members;
- h. Whether Defendant unlawfully and/or willfully failed to provide accurate wage statements reflecting hours worked and wages earned to Plaintiff and Class Members;
- i. Whether Defendant have a common policy and/or practice of failing to pay employees in its California Warehouses for sick days in a manner that fully complies with

Labor Code § 246;

- j. Whether Defendant unlawfully and/or willfully failed to pay Plaintiffs and Class Members for sick days in a manner that fully complies with Labor Code § 246;
- k. Whether Defendant have a common policy and/or practice of failing to reimburse Plaintiff and Class Members for reasonable business expenses;
- l. Whether Defendant unlawfully and/or willfully failed to reimburse Plaintiff and Class Members for reasonable business expenses;
- m. Whether Defendant has a policy and/or practice of failing to pay Plaintiff and Class Members final wages owed upon termination;
- n. Whether Defendant unlawfully and/or willfully failed to promptly pay compensation due to Plaintiff and Class Members upon termination of employment in violation of Labor Code §§ 201, 202, and 203;
- o. Whether Plaintiff and Class Members sustained damages as a result of any of the aforementioned violations, and, if so, the proper measure of those damages, including interest, penalties, costs, attorneys' fees, and equitable relief; and
- p. Whether Defendant violated the Unfair Competition Law, Cal. Bus. & Prof. Code § 17200, et seq., by violating the above provisions of law.

21. **Superiority.** A class action is superior to other available means for the fair and efficient adjudication of this dispute. The damages suffered by individual Class Members, while substantial, are small compared to the burden and expense of individual prosecution of the complex and expensive litigation necessary to address Defendant's conduct. Even if Class Members themselves could afford individual litigation, the court system would be overwhelmed by individual lawsuits if all Class Members sought redress. In addition, individualized litigation increases the delay and expense to all parties and to the court system resulting from the complex legal and factual issues of this case. Individualized litigation also presents a potential for inconsistent or contradictory judgments. By contrast, the class action device presents far fewer management difficulties; it allows the hearing of claims which might otherwise go unaddressed because of the relative expense of bringing individual lawsuits, and it provides the benefits of single adjudication, economies of scale, and comprehensive supervision by a single court. Plaintiff contemplates

1 providing individual notice to members of the class defined above as identified through Defendant's rec-
2 ords.

3 **CAUSES OF ACTION**

4 **FIRST CAUSE OF ACTION**

5 ***California Labor Code §§ 1182.12, 1194, 1197, 1197.1, and 1198***

6 ***Unpaid Minimum Wages***

7 **(Plaintiff and Class Against Defendant)**

8 22. Plaintiff repeats and incorporates by reference all allegations contained in the preceding
9 paragraphs as if fully set forth herein.

10 23. California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198 provide that payment
11 of a wage less than the minimum wage as set by statute, commission, or by the general prevailing rate is
12 unlawful. Compensable work time is defined in Wage Order No. 4 as "the time during which an employee
13 is subject to the control of an employer, and includes all the time the employee is suffered or permitted to
14 work, whether or not required to do so." Code. Regs. tit. 8, § 11050(2)(K) (defining "Hours Worked").

15 24. Defendant failed to compensate Plaintiff and Class Members for all hours at the correct
16 rates for time as required by the Labor Code as Defendant required for a period of time during the Covid-
17 19 Pandemic that employees stop at the entrance to their facilities to undergo health and temperature
18 screenings but failed to count this time as compensable or record it as time worked. Upon information and
19 belief, Defendant forced employees to perform other work or remain under its control in other ways but
20 failed to consistently record such time as time worked and deprived Class Members of compensation for
21 such time.

22 25. As a result of Defendant's failure and refusal to comply with California law, Plaintiff and
23 Class Members are entitled to recover actual and liquidated damages for the unpaid time, plus injunctive
24 relief and reasonable attorney's fees and costs. Lab. Code §§ 1194, 1197.1.

1 **SECOND CAUSE OF ACTION**

2 ***California Labor Code §§ 510 and 1198***

3 ***Unpaid Overtime***

4 **(Plaintiff and Class Against Defendant)**

5 26. Plaintiff incorporates by reference every allegation in this complaint as if fully set forth
6 herein.

7 27. California Labor Code §§ 510 and 1198 provide that it is unlawful to employ persons with-
8 out compensating them at a rate of pay either time-and-one-half or two-times that person's regular rate of
9 pay, depending on the number of hours worked by the person on a daily or weekly basis.

10 28. Plaintiff and Class Members who work more than eight hours in a day or more than forty
11 hours in a workweek are to be paid at the rate of time and one-half (1½) for all hours worked in excess of
12 eight hours in a day or more than forty hours in a workweek. An employee's regular rate of pay includes
13 all remuneration for employment paid to, or on behalf of, the employee, including commissions, non-dis-
14 cretionary bonuses and incentive pay. *Alvarado v. Dart Container Corp. of California*, 4 Cal. 5th 542, 573
15 (2018), as modified (Apr. 25, 2018).

16 29. Throughout the Class Period, Plaintiff and other Class Members were not paid overtime
17 premiums for all of the hours they worked in excess of eight hours in a day, in excess of twelve hours in a
18 day, in excess of eight hours on the seventh consecutive day of work in a workweek, and in excess of forty
19 hours in a week, because all hours worked were not recorded as a direct consequence of Defendant's Covid
20 screening policy and other practices.

21 30. Defendant knew or should have known that its policies and practices forced Class Members
22 to work off the clock. Defendant also knew, or should have known, that they did not compensate Plaintiff
23 and other Class Members for the time, which was spent under the control of Defendant. Because Class
24 Members sometimes worked shifts of eight hours a day or forty hours a week on the clock, some of this
25 off-the-clock work qualified for overtime premium pay. Therefore, Class Members were not paid overtime
26 wages for all of the overtime hours they worked.

27 31. Pursuant to Labor Code § 1194, Plaintiff and Class Members are entitled to recover their
28 unpaid overtime compensation, as well as interest, costs, and attorneys' fees.

1 **THIRD CAUSE OF ACTION**

2 ***California Labor Code §§ 226.7, 512(a), and 1198***

3 ***Meal Period Violations***

4 **(Plaintiff and Class Against Defendant)**

5 32. Plaintiff incorporates by reference every allegation in this complaint as if fully set forth
6 herein.

7 33. At all times relevant to this complaint, Defendant knew they were obligated to provide le-
8 gally-compliant meal breaks to its non-exempt employees pursuant to Labor Code §§ 512 and 226.7. Labor
9 Code § 512(a) states in pertinent part: “[A]n employer may not employ an employee for a work period of
10 more than five hours per day without providing the employee with a meal period of not less than 30
11 minutes. An employer may not employ an employee for a work period of more than 10 hours per day
12 without providing the employee with a second meal period of not less than 30 minutes.”

13 34. Labor Code section 226.7, 512(a), and 1198 provide that no employer shall require an em-
14 ployee to work during any meal period mandated by an applicable order of the IWC. “An off-duty meal
15 period, therefore, is one in which the employee is relieved of all duty during the 30-minute meal period . .
16 .an employer’s obligation is to provide an off-duty meal period: an uninterrupted 30-minute period during
17 which the employee is relieved of all duty.” *Brinker Rest. Corp. v. Superior Court*, 53 Cal. 4th 1004, 1035
18 (2012).

19 35. Since at least four years prior to the filing of this action, Defendant consistently denied their
20 non-exempt employees the opportunity to take compliant 30-minute meal periods in accordance with
21 these mandates. Plaintiff and Class Members were not authorized or permitted lawful meal periods, and
22 were not provided with one hour’s wages in lieu thereof in violation of, among others, Labor Code §§
23 226.7, 512 and applicable IWC Wage Orders.

24 36. Upon information and belief, employees were required to skip breaks, take breaks after the
25 fifth hour of work, or work through them due to Defendant’s policies and practices.

26 37. Additionally, since at least four years prior to the filing of this action, Defendant required
27 Class Members to sign on-duty meal period waivers, as a condition of employment, indicating that they
28 forfeited their right to meal periods.

38. On-duty meal periods are only allowed when the “nature of the work” prevents the employee from being relieved from all duties. The “nature of the work” exception applies in very narrow situations (namely, where there is an external force requiring employee to be on duty at all times and where the employee is the sole employee). *See Augustus v. ABM Sec. Servs., Inc.*, 2 Cal. 5th 257, 266 (2016), *as modified on denial of reh’g* (Mar. 15, 2017) (on duty exception is “exceedingly narrow”); *Abdullah v. U.S. Sec. Assocs., Inc.*, 731 F.3d 952, 959 (9th Cir. 2013).

39. The on-duty meal period waivers forced by Defendant onto Class Members are not required as a matter of necessity or the nature of the work and are instead imposed upon employees simply because Defendant does not want to adequately staff its facilities during certain hours.

40. Accordingly, Plaintiff and Class Members were uniformly denied meal periods as a result of Defendant’s formal policies. Defendant also had a consistent policy and practice of failing to pay all requirement meal periods premiums for these non-compliant, missed, truncated, or on-duty meal periods. When Defendant did pay premium payments, it failed to pay them at the correct regular rate.

41. By failing to consistently provide all required uninterrupted, off-duty 30-minute meal periods to Class Members, Defendant violated the Labor Code and IWC Wage Orders.

42. Defendant’s policies and practices served to deprive the Class of a full 30-minute break period free of employer control or relieved of all duties. By failing to consistently provide uninterrupted, off-duty 30-minute meal periods, Defendant violated the Labor Code as to Plaintiff and Class Members.

43. Pursuant to Labor Code § 226.7(b), Plaintiff and Class Members are entitled to recover from Defendant an additional hour of pay at their regular rates of pay for each shift in which a required meal period was not provided.

FOURTH CAUSE OF ACTION

Labor Code §§ 226.7 and 1198

Failure to Provide Rest Periods or Premium Pay in Lieu Thereof

(Plaintiff and Class Against Defendant)

44. Plaintiff incorporates by reference every allegation in this complaint as if fully set forth herein.

45. At all times relevant to this complaint, Defendant knew they were obligated to provide

compliant rest breaks to its non-exempt employees pursuant to Labor Code § 226.7.

46. Labor Code § 226.7 provides:

(a) No employer shall require any employee to work during any meal or rest period mandated by an applicable order of the Industrial Welfare Commission.

(b) If any employer fails to provide an employee a meal period or rest period in accordance with an applicable order of the Industrial Welfare Commission, the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each work day that the meal or rest period is not provided.

47. Labor Code § 226.7, 512(a), and 1198 provide that no employer shall require an employee to work during any rest or meal period mandated by an applicable order of the IWC, including Wage Order No. 1. Employers must authorize and permit employees to be relieved of all duty during their rest and meal periods: "A rest period, in short, must be a period of rest."¹ *Augustus v. ABM Sec. Servs., Inc.*, 385 P.3d 823, 834 (2016).

48. Employees must also be free to leave the employer's premises during their rest period. *See id.* at 270 ("In the context of a 10-minute break that employers must provide during the work period, a broad and intrusive degree of control exists when an employer requires employees to remain on call and respond during breaks. An employee on call cannot take a brief walk—five minutes out, five minutes back—if at the farthest extent of the walk he or she is not in a position to respond. Employees similarly cannot use their 10 minutes to take care of other personal matters that require truly uninterrupted time."); *see also* Department of Industrial Relations, "Rest Periods," available at https://www.dir.ca.gov/dlse/FAQ_RestPeriods.htm ("Q. Can my employer require that I stay on the work premises during my rest period? A. No, your employer cannot impose any restraints not inherent in the rest period requirement itself.").

49. Upon information and belief, Defendant failed to implement a lawful rest period policy that

¹ Employees must also be free to leave the premises. *Augustus*, 2 Cal. 5th at 270; *see also* Department of Industrial Relations, "Rest Periods/Lactation Accommodations," available at https://www.dir.ca.gov/dlse/FAQ_RestPeriods.htm ("Q. Can my employer require that I stay on the work premises during my rest period? A. No, your employer cannot impose any restraints not inherent in the rest period requirement itself.")

1 relieved Plaintiff and Class Members from all duties during rest periods because Defendant had a policy
2 and practice of requiring Plaintiff and Class Members remain under Defendant's control while on their
3 rest periods. Additionally, on information and belief, numerous Class Members, including Plaintiff, were
4 required to skip their breaks or have them interrupted while working. Finally, Defendant failed to author-
5 ize and permit a third rest period for shifts in excess of ten hours through a combination of its scheduling
6 policies and practices.

7 50. Defendant also had a consistent policy and practice of failing to pay all required rest periods
8 premiums for shifts in which it failed to provide all compliant rest periods. When Defendant did pay pre-
9 mium payments, it failed to pay them at the correct regular rate.

10 51. Pursuant to the Wage Orders and Labor Code § 226.7(b), Plaintiff and Class Members are
11 entitled to recover from Defendant an additional hour of pay at their regular rates of pay for each shift that
12 a compliant rest period was not provided.

13 **FIFTH CAUSE OF ACTION**

14 ***Labor Code §§ 226 and 1174***

15 ***Failure to Provide Complete and Accurate Wage Statements***

16 **(Plaintiff and Class Against Defendant)**

17 52. Plaintiff repeats and incorporates by reference all allegations contained in the preceding
18 paragraphs as if fully set forth herein.

19 53. Labor Code § 226 requires employers to furnish employees with an accurate, itemized
20 statement in writing showing, among other things, (1) gross wages earned; (2) total hours worked by the
21 employee (for hourly-paid, non-exempt employees); (3) all deductions; (4) net wages earned; (5) the in-
22 clusive dates of the period for which the employee is paid; (6) the name of the employee and the last four
23 digits of his or her social security number; (7) the name and address of the legal entity that is the employer;
24 and (8) all applicable hourly rates in effect during the pay period and the corresponding number of hours
25 worked at each hourly rate by the employee.

26 54. At all times relevant to this complaint, Defendant's policies ensured that Class Members'
27 itemized wage statements did not reflect the true number of hours worked by the employee, and thus in-
28 accurately reflected the amount of gross and net wages earned for both minimum and overtime wages. In

1 addition, Defendant's failure to pay premium wages for missed meal and rest periods further ensured that
2 Class Members' wage statements inaccurately reflected gross and net wages earned.

3 55. Defendant have also failed to keep accurate payroll records for Plaintiff and Class Members
4 in accordance with Labor Code § 1174. Defendant's failure to keep and maintain accurate payroll records
5 reflecting hours worked and wages earned has impeded Plaintiff and Class Members' ability to calculate
6 unpaid wages earned.

7 56. Injury. Defendant knowingly and intentionally failed to comply with Labor Code § 226,
8 causing injury and damages to Plaintiff and Class Members. Plaintiff and all those similarly situated were
9 injured by these failures because, among other things, they were confused about whether they were paid
10 properly and/or they were misinformed about how much compensation was owed. These damages in-
11 clude, but are not limited to, costs incurred calculating the correct net wages for each pay period and the
12 amount of employment taxes that were not paid to state and federal tax authorities.

13 57. Relief. Labor Code § 226(e)(1) provides that an employee suffering injury as a result of not
14 being provided with an accurate itemized wage statement is entitled to recover the greater of all actual
15 damages suffered or fifty (\$50) dollars for the initial violation and one hundred (\$100) dollars for each
16 subsequent violation, up to \$4,000. Pursuant to Labor Code §§ 226(e) and (g), Plaintiff and all others
17 similarly situated are entitled to injunctive relief to ensure Defendant's compliance with Labor Code
18 § 226, as well as attorney's fees and costs of suit.

19 **SIXTH CAUSE OF ACTION**

20 ***Labor Code §§ 201, 202, 203, and 204***

21 ***Failure to Pay Wages When Due***

22 **(Plaintiff and Class Against Defendant)**

23 58. Plaintiff incorporates by reference all allegations contained in the preceding paragraphs as
24 if fully set forth herein.

25 59. Labor Code § 201 provides, in relevant part, that:

26 If an employee not having a written contract for a definite period quits his or her
27
28

1 employment, his or her wages² shall become due and payable not later than 72
2 hours thereafter, unless the employee has given 72 hours previous notice of his or
3 her intention to quit, in which case the employee is entitled to his or her wages at
4 the time of quitting. Notwithstanding any other provision of law, an employee who
5 quits without providing a 72-hour notice shall be entitled to receive payment by
6 mail if he or she so requests and designates a mailing address. The date of the
7 mailing shall constitute the date of payment for purposes of the requirement to
8 provide payment within 72 hours of quitting.

9 60. Defendant do not include definite periods of service in their contracts of employment for
10 Class Members employed at their California facility. Plaintiff's contract of employment did not include a
11 definite term.

12 61. Labor Code § 203 provides:

13 If an employer willfully fails to pay, without abatement or reduction, in accordance
14 with § 201, 201.5, 202, and 205.5, any wages of an employee who is discharged or
15 who quits, the wages of the employee shall continue as a penalty from the due date
16 thereof at the same rate until paid or until an action therefor is commenced; but
17 the wages shall not continue for more than 30 days.

18 62. Labor Code § 204 provides that all wages, other than those mentioned in Section 201 and
19 202, are due and payable twice during each calendar month, on days designated in advance by the employer
20 as regular paydays.

21 63. Failure to Timely Pay Wages Due. As set forth above, Defendant failed to timely pay the
22 minimum wages, overtime wages, and meal and rest period premiums resulting from its deficient time-
23 keeping and meal and rest period policies.

24 64. Failure to Pay Upon Termination. Plaintiff and many Class Members have left Defendant's
25 employ during the Class Period. As discussed above, Defendant knowingly failed to pay Plaintiff and Class
26 Members all earned wages upon termination. Instead, Defendant willfully and intentionally refused to pay
27 the earned rest and/or meal period premiums and earned minimum wages as alleged herein to Plaintiff
28 and Class Members in violation of Labor Code §§ 201 and 202.

65. Relief. Defendant's failure to pay Plaintiff and those Class Members who are no longer

² Labor Code § 200 defines "wages" as "all amounts for labor performed by employees of every description, whether the amount is fixed or ascertained by the standard of time, task, piece, commission basis, or other method of calculation." "Labor" is defined as "labor, work, or service . . . if the labor to be paid for is performed personally by the person demanding payment."

1 employed by Defendant their wages earned and unpaid at the time of discharge, or within seventy-two (72)
2 hours of their leaving Defendant's employment, violates Labor Code §§ 201 and 202. Plaintiff and for-
3 merly employed Class Members are therefore entitled to recover from Defendant the statutory penalty
4 wages for each day they were not paid, at their regular rate of pay, up to a 30-day maximum penalty under
5 Labor Code § 203.

6 **SEVENTH CAUSE OF ACTION**

7 ***California Labor Code § 2802 -***

8 ***Failure to Reimburse Necessary Business Expenses***

9 **(Plaintiff and Class Against Defendant)**

10 66. Plaintiff repeats, repleads, and incorporates by reference, as though fully set forth in this
11 paragraph, all the allegations of this Complaint.

12 67. Labor Code section 2802 provides that "[a]n employer shall indemnify his or his employee
13 for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge
14 of his or his duties, or of his or his obedience to the directions of the employer." Lab. Code § 2802. The
15 purpose of Labor Code section 2802 is to prevent employers from passing off their cost of doing business
16 and operating expenses on to their employees. *Cochran v. Schwan's Home Service, Inc.*, 228 Cal. App.
17 4th 1137, 1144 (2014).

18 68. Defendant required Plaintiff and Class Members to use their cellphones in the regular
19 course of employment, however, Defendant failed to reimburse a reasonable portion of the Class Mem-
20 bers' cellphone related expenses despite requiring the use of the device and/or applications that required
21 a data plan. *See Cochran v. Schwan's Home Serv., Inc.*, 228 Cal. App. 4th 1137, 1144 ("We hold that when
22 employees must use their personal cell phones for work related calls, Labor Code section 2802 requires
23 the employer to reimburse them. Whether the employees have cell phone plans with unlimited minutes or
24 limited minutes, the reimbursement owed is a reasonable percentage of their cell phone bills.").

25 69. By unlawfully failing to pay Plaintiff and Class Members, Defendant are liable for a reason-
26 able portion of the incurred expenses, to be determined upon trial, plus reasonable attorneys' fees and
27 costs. Lab. Code § 2802.

1 **EIGHTH CAUSE OF ACTION**

2 ***Labor Code §§ 558, 2698, et seq.***

3 ***Private Attorneys General Act (“PAGA”) Penalties***

4 **(Plaintiff and Class Against Defendant)**

5 70. Plaintiff incorporates by reference all the allegations of this Complaint as though fully set
6 forth herein.

7 71. Entitlement to Penalties. Under the California Private Attorneys General Act (“PAGA”),
8 Labor Code § 2698, *et seq.*, an aggrieved employee may bring a representative action as a private attorney
9 general, on behalf of herself and other current or former employees as well as the general public, to recover
10 penalties for an employer’s violations of the Labor Code and IWC Wage Orders. These penalties are in
11 addition to any other relief available under the Labor Code and are allocated seventy-five percent to the
12 Labor and Workforce Development Agency and twenty-five percent to the affected employees.

13 72. These penalties may be “stacked” separately for each of Defendant’s violations of the La-
14 bor Code. *See, e.g., Hernandez v. Towne Park, Ltd.*, No. CV 12-02972, 2012 WL 2373372, at *17 n.77 (C.D.
15 Cal. June 22, 2012) (“[F]ederal courts applying California law have concluded that stacking is appropri-
16 ate.”); *see also O’Connor v. Uber Techs., Inc.*, No. 13-CV-03826-EMC, 2016 WL 3548370, at *7 (N.D. Cal.
17 June 30, 2016) (“Finally, Plaintiff ignore the potential for stacking of PAGA penalties related to wage-and-
18 hour claims other than the gratuities and expense reimbursement claim, i.e., meal and rest breaks, mini-
19 mum wage and overtime, and workers’ compensation.”).

20 73. Plaintiff is an “aggrieved employee” under PAGA, as he was employed by Defendant dur-
21 ing the applicable statutory period and suffered the Labor Code violations alleged herein. Accordingly, he
22 seeks to recover, on behalf of himself and all other current and former aggrieved employees of Defendant,
23 the civil penalties provided by PAGA, including civil penalties for Defendant’s violations of Labor Code
24 §§ 201, 202, 203, 204, 226, 226.7, 246, 510, 512, 558, 1182.12, 1401, 1174, 1194, 1198, and Industrial Wage
25 Order No. 1, plus reasonable attorneys’ fees and costs.

26 74. Representative Action. Plaintiff seeks to recover the PAGA civil penalties through a repre-
27 sentative action as permitted by PAGA and the California Supreme Court in *Arias v. Superior Court*, 46
28 Cal. 4th 969 (2009). Therefore, class certification of the PAGA claims is not required, but Plaintiff may

1 choose to seek certification of the PAGA claims.

2 75. Labor Code § 2699(a), which is part of PAGA, provides:

3
4 Notwithstanding any other provision of law, any provision of this code that pro-
5 vides for a civil penalty to be assessed and collected by the Labor and Workforce
6 Development Agency or any of its departments, divisions, commissions, boards,
7 agencies, or employees, for a violation of this code, may, as an alternative, be re-
8 covered through a civil action brought by an aggrieved employee on behalf of
9 themselves or themselves and other current or former employees pursuant to the
10 procedures specified in § 2699(a).

11 76. Penalties. Labor Code § 2699(f), which is part of PAGA, provides:

12
13 For all provisions of this code except those for which a civil penalty is specifically
14 provided, there is established a civil penalty for a violation of these provisions, as
15 follows: . . . (2) If, at the time of the alleged violation, the person employs one or
16 more employees, the civil penalty is one hundred dollars (\$100) for each aggrieved
17 employee per pay period for the initial violation and two hundred dollars (\$200)
18 for each aggrieved employee per pay period for each subsequent violation.

19 77. Based on the foregoing, Plaintiff and aggrieved employees are entitled to civil penalties, to
20 be paid by Defendant and allocated as required by PAGA in the following formula: (a) in an amount set
21 forth as a civil penalty in the underlying statute; or (b) \$100 per initial violation per employee per pay
22 period, and \$200 for each subsequent violation per employee per pay period. Plaintiff, the aggrieved em-
23 ployees, and the State of California are entitled to recover the maximum civil penalties allowed by law for
24 the violations of the Labor Code and IWC Wage Order No. 4 as alleged in this Complaint.

25 78. Plaintiff is also entitled to recover for himself, other aggrieved employees, and the State of
26 California, civil penalties pursuant to Labor Code § 210 (entirely independent and apart from, any other
27 penalty provided in this article) in the amount of \$100 per employee per initial violation of the timely
28 payment requirements of Labor Code § 240 (semimonthly payments) and \$200 per employee for each
subsequent violation, plus 25% of the amount unlawfully withheld, and Labor Code § 558 in the amount
\$50 per underpaid employee for each pay period for which the employee was underpaid and for each sub-
sequent violation, one hundred dollars (\$100) for each underpaid employee for each pay period for which
the employee was underpaid.

79. Procedural Requirements Met. Plaintiff electronically filed a notice of claims with the
LWDA contemporaneously with this Complaint and sent a copy to Defendant by certified mail. Plaintiff

1 has not received notice from the LWDA that it was exercising jurisdiction over the allegations set forth in
2 the notice. As of 65 days from date of electronic filing, all requirements for administrative exhaustion for
3 bringing these PAGA claims will have been met. Labor Code § 2699.3(a)(2).

4 **NINTH CAUSE OF ACTION**

5 ***California Business & Professions Code §§ 17200, et seq.***

6 ***Unlawful Business Practices***

7 **(Plaintiff and Class Against Defendant)**

8 80. Plaintiff repeats and incorporate by reference every allegation in this complaint as if fully
9 set forth herein.

10 81. Defendant CSI are “persons” as defined by California Business & Professions Code
11 § 17201, as they are a natural person, corporations, firms, partnerships, joint stock companies, and/or as-
12 sociations.

13 82. Unlawful Business Practices. Defendant’s knowing violations of the Labor Code consti-
14 tutes an unlawful business practice as set forth in Business & Professions Code § 17200, et seq.

15 83. Defendant’s failure to abide by the laws discussed herein provided Defendant an unfair
16 advantage over their competitors at the expense of their workers. Instead, Defendant cuts corners in the
17 name of higher profits and at the expense of employee well-being. Defendant’s actions thereby constitute
18 an unfair, fraudulent, and/or unlawful business practice under Business & Professions Code § 17200, et
19 seq.

20 84. Relief. Plaintiff brings this cause of action seeking equitable and injunctive relief to stop
21 Defendant’s willful and ongoing misconduct, and to seek restitution of the amounts Defendant acquired
22 through the unfair, unlawful, and fraudulent business practices described herein. In addition, Plaintiff
23 seeks an award of costs and attorneys’ fees pursuant to California Code of Civil Procedure § 1021.5.

24 **DEMAND FOR JURY TRIAL**

25 Pursuant to California Code of Civil Procedure § 631, Plaintiff demands a trial by jury on all issues
26 so triable.

1 **PRAYER FOR RELIEF**

2 WHEREFORE, Plaintiff respectfully prays judgment as follows:

- 3 A. For an Order:
- 4 a. Certifying the Class;
- 5 b. Appointing Plaintiff as representative of the Class;
- 6 c. Appointing Plaintiff's counsel as Class Counsel;
- 7 B. For actual and liquidated damages according to proof at trial;
- 8 C. For statutory and civil penalties and special damages, according to proof at trial;
- 9 D. For pre- and post-judgment interest on monetary damages;
- 10 E. For preliminary and permanent injunctive relief;
- 11 F. For reasonable attorney's fees and costs and expert fees and costs as allowed by law; and
- 12 G. For such other relief as this Court deems just and proper.

13

14 Dated: June 13, 2023

Respectfully submitted,

15 **KING & SIEGEL LLP**

16

17 By: Elliot J. Siegel

18 Elliot J. Siegel, Esq.

19 Julian Burns King, Esq.

20 Attorneys for Plaintiff and the Putative Class

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