

JUN 27 2023

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Executive Officer and Clerk

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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF VENTURA

GIANNA GRAZIANO, individually, and on
behalf of other members of the general public
similarly situated;

Plaintiff,

v.

SYNERGY SHIPPING LLC, a California
corporation; and DOES 1 through 100,
inclusive;

Defendants.

Case No.: 56-2022-00568488-CU-OE-VTA

**FIRST AMENDED CLASS ACTION
COMPLAINT FOR DAMAGES**

- (1) Violation of California Labor Code
§§ 510 and 1198 (Unpaid Overtime);
- (2) Violation of California Labor Code
§§ 226.7 and 512(a) (Unpaid Meal Period
Premiums);
- (3) Violation of California Labor Code
§ 226.7 (Unpaid Rest Period Premiums);
- (4) Violation of California Labor Code
§§ 1194 and 1197 (Unpaid
Minimum Wages);
- (5) Violation of California Labor Code
§§ 201 and 202 (Final Wages Not Timely
Paid);
- (6) Violation of California Labor Code
§ 226(a) (Non-Compliant Wage
Statements);
- (7) Violation of California Labor Code §§
2800 and 2802 (Unreimbursed Business
Expenses);
- (8) Collection of Due and Unpaid Wages per
California Labor Code § 229;
- (9) Violation of California Labor Code § 2698,
et seq. (Private Attorneys General Act of
2004);
- (10) Violation of California Business &
Professions Code §§ 17200, *et seq.*

DEMAND FOR JURY TRIAL

COMES NOW, Plaintiff GIANNA GRAZIANO and ETHAN BURCH (“Plaintiffs,” “Plaintiff Graziano,” and “Plaintiff Burch”), individually, and on behalf of other members of the general public similarly situated, and alleges as follows:

JURISDICTION AND VENUE

1. This class action is brought pursuant to the Code of Civil Procedure section 382. The monetary damages and restitution sought by Plaintiffs exceeds the minimal jurisdiction limits of the Superior Court and will be established according to proof at trial.

2. This Court has jurisdiction over this action pursuant to the California Constitution, Article VI, Section 10, which grants the superior court “original jurisdiction in all other causes” except those given by statute to other courts. The statutes under which this action is brought do not specify any other basis for jurisdiction.

3. This Court has jurisdiction over Defendants because, upon information and belief, Defendants are citizens of California, have sufficient minimum contacts in California, or otherwise intentionally avail themselves of the California market so as to render the exercise of jurisdiction over them by the California courts consistent with traditional notions of fair play and substantial justice.

4. Venue is proper in this Court because, upon information and belief, Defendants maintain offices, have agents, and/or transact business in the State of California, including the County of Monterey. The majority of the acts and omissions alleged herein relating to Plaintiffs took place in the State of California, County of Ventura. Defendants employed Plaintiffs within the State of California, County of Ventura.

PARTIES

5. Plaintiff Graziano is an individual residing in the State of California, County of Ventura. Plaintiff Burch is an individual residing in the State of California, County of Ventura.

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1 6. Defendant SYNERGY SHIPPING LLC, at all times herein mentioned, was and
2 is, upon information and belief, a California corporation headquartered in the State of
3 California, and at all times herein mentioned, was and is, an employer whose employees are
4 engaged throughout the State of California, including the County of Ventura.

5 7. At all relevant times, Defendant SYNERGY SHIPPING LLC was the
6 “employer” of Plaintiffs within the meaning of all applicable laws and statutes.

7 8. At all times herein relevant, Defendant SYNERGY SHIPPING LLC and DOES
8 1 through 100, and each of them, were the agents, partners, joint venturers, joint employers,
9 representatives, servants, employees, successors-in-interest, co-conspirators and assigns, each
10 of the other, and at all times relevant hereto were acting within the course and scope of their
11 authority as such agents, partners, joint venturers, joint employers, representatives, servants,
12 employees, successors, co-conspirators and assigns, and all acts or omissions alleged herein
13 were duly committed with the ratification, knowledge, permission, encouragement,
14 authorization, and consent of each defendant designated herein.

15 9. The true names and capacities, whether corporate, associate, individual or
16 otherwise, of Defendants DOES 1 through 100, inclusive, are unknown to Plaintiffs, who sue
17 said defendants by such fictitious names. Plaintiffs are informed and believe, and based on
18 that information and belief allege, that each of the Defendants designated as a DOE is legally
19 responsible for the events and happenings referred to in this Complaint, and unlawfully caused
20 the injuries and damages to Plaintiffs and the other class members as alleged in this Complaint.
21 Plaintiffs will seek leave of court to amend this Complaint to show the true names and
22 capacities when the same have been ascertained.

23 10. Defendant SYNERGY SHIPPING LLC and DOES 1 through 100 will
24 hereinafter collectively be referred to as “Defendants.”

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11. Plaintiffs further allege that Defendants directly or indirectly controlled or affected the working conditions, wages, working hours, and conditions of employment of Plaintiffs and the other class members so as to make each of said Defendants employers and employers liable under the statutory provisions set forth herein.

CLASS ACTION ALLEGATIONS

12. Plaintiffs bring this action on their own behalf and on behalf of all other members of the general public similarly situated, and, thus, seeks class certification under Code of Civil Procedure section 382.

13. The proposed class is defined as follows:

All current and former hourly-paid or non-exempt employees of Defendants within the State of California at any time during the period from July 22, 2019, through August 21, 2023 or the date of preliminary approval, whichever date is earlier.

14. Plaintiffs reserve the right to establish subclasses as appropriate.

15. The class is ascertainable and there is a well-defined community of interest in the litigation:

a. Numerosity: The class members are so numerous that joinder of all class members is impracticable. The membership of the entire class is unknown to Plaintiffs at this time. However, the class is estimated to be greater than three hundred (300) individuals and the identity of such membership is readily ascertainable by inspection of Defendants' employment records.

b. Typicality: Plaintiffs' claims are typical of all other class members' claims as demonstrated herein. Plaintiffs will fairly and adequately protect the interests of the other class members with whom they have a well-defined community of interest.

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1 c. Adequacy: Plaintiffs will fairly and adequately protect the interests of
2 each class member, with whom they have a well-defined community of
3 interest and typicality of claims, as demonstrated herein. Plaintiffs have
4 no interest that is antagonistic to the other class members. Plaintiffs'
5 attorneys, the proposed class counsel, are versed in the rules governing
6 class action discovery, certification, and settlement. Plaintiffs have
7 incurred, and during the pendency of this action will continue to incur,
8 costs and attorneys' fees, that have been, are, and will be necessarily
9 expended for the prosecution of this action for the substantial benefit of
10 each class member.

11 d. Superiority: A class action is superior to other available methods for the
12 fair and efficient adjudication of this litigation because individual joinder
13 of all class members is impractical.

14 e. Public Policy Considerations: Certification of this lawsuit as a class
15 action will advance public policy objectives. Employers of this great
16 state violate employment and labor laws every day. Current employees
17 are often afraid to assert their rights out of fear of direct or indirect
18 retaliation. However, class actions provide the class members who are
19 not named in the complaint anonymity that allows for the vindication of
20 their rights.

21 16. There are common questions of law and fact as to the class members that
22 predominate over questions affecting only individual members. The following common
23 questions of law or fact, among others, exist as to the members of the class:

24 a. Whether Defendants' failure to pay wages, without abatement or
25 reduction, in accordance with the Labor Code, was willful;

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- b. Whether Defendants failed to pay their hourly-paid or non-exempt employees within the State of California for all hours worked, missed meal periods and rest breaks in violation of the law;
- c. Whether Defendants required Plaintiffs and the other class members to work over eight (8) hours per day and/or over forty (40) hours per week and failed to pay the legally required overtime compensation to Plaintiffs and the other class members;
- d. Whether Defendants properly calculated the regular rate for Plaintiffs and the other class members to worked overtime and earned incentive pay and sick leave pay;
- e. Whether Defendants deprived Plaintiffs and the other class members of meal and/or rest periods or required Plaintiffs and the other class members to work during meal and/or rest periods without compensation;
- f. Whether Defendants failed to pay minimum wages to Plaintiffs and the other class members for all hours worked;
- g. Whether Defendants failed to pay all wages due to Plaintiffs and the other class members within the required time upon their discharge or resignation;
- h. Whether Defendants failed to timely pay all wages due to Plaintiffs and the other class members during their employment;
- i. Whether Defendants complied with wage reporting as required by the Labor Code, including, inter alia, section 226;
- j. Whether Defendants failed to reimburse Plaintiffs and the other class members for necessary business-related expenses and costs;
- k. Whether Defendants' conduct was willful or reckless;
- l. Whether Defendants engaged in unfair business practices in violation of Business & Professions Code section 17200, *et seq.*;

m. The appropriate amount of damages, restitution, and/or monetary penalties resulting from Defendants' violation of the law; and

n. Whether Plaintiffs and the other class members are entitled to compensatory damages pursuant to the Labor Code.

GENERAL ALLEGATIONS

17. During the relevant time period set forth herein, Defendants employed Plaintiffs and other persons as hourly-paid or non-exempt employees within the State of California.

18. Defendants, jointly and severally, employed Plaintiffs as hourly-paid non-exempt employees during the relevant time period in the State of California, County of Ventura.

19. Defendants had the authority to hire and terminate Plaintiffs and the other class members; to set work rules and conditions governing Plaintiffs' and other class members' employment; and to supervise their daily employment activities.

20. Defendants exercised sufficient authority over the terms and conditions of Plaintiffs and other class members' employment for them to be joint employers of Plaintiffs and the other class members.

21. Defendants directly hired and paid wages and benefits to Plaintiffs and the other class members.

22. Defendants continue to employ hourly-paid or non-exempt employees within the State of California.

23. Plaintiffs and the other class members worked over eight (8) hours in a day, and/or forty (40) hours in a week during their employment with Defendants.

24. Plaintiffs are informed and believe, and based thereon allege, that Defendants engaged in a uniform policy and systematic scheme of wage abuse against their hourly-paid or non-exempt employees within the State of California. This scheme involved, *inter alia*, failing to pay them for all hours worked, sick leave, missed meal periods, and missed rest breaks in violation of the law.

1 25. Plaintiffs are informed and believe, and based thereon allege, that Defendants
2 knew or should have known that Plaintiffs and the other class members were entitled to receive
3 certain wages for overtime compensation and that Plaintiffs and the other class members were
4 not receiving wages for overtime compensation.

5 26. Plaintiffs are informed and believe, and based thereon allege, that Defendants
6 failed to provide Plaintiffs and the other class members the required rest and meal periods
7 during the relevant time period as required under the Industrial Welfare Commission Wage
8 Orders and thus they are entitled to any and all applicable penalties.

9 27. Plaintiffs are informed and believe, and based thereon allege, that Defendants
10 knew or should have known that Plaintiffs and the other class members were entitled to receive
11 all timely and complete meal periods or payment of one additional hour of pay at Plaintiffs'
12 and the other class members' regular rate of pay when a meal period was missed, late or
13 interrupted, and that Plaintiffs and the other class members did not receive all timely and
14 proper meal periods or payment of one additional hour of pay at their regular rate of pay when
15 a meal period was missed.

16 28. Plaintiffs are informed and believe, and based thereon allege, that Defendants
17 knew or should have known that Plaintiffs and other class members were entitled to receive all
18 timely rest periods without interruption or payment of one additional hour of pay at Plaintiffs
19 and the other class members' regular rate of pay when a rest period was missed, late or
20 interrupted, and that Plaintiffs and the other class members did not receive all rest periods or
21 payment of one additional hour of pay at their regular rate of pay when a rest period was
22 missed.

23 29. Plaintiffs are informed and believe, and based thereon allege, that Defendants
24 knew or should have known that Plaintiffs and the other class members were entitled to receive
25 at least minimum wages for compensation and that Plaintiffs and the other class members were
26 not receiving at least minimum wages for all hours worked.

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1 30. Plaintiffs are informed and believe, and based thereon allege, that Defendants
2 knew or should have known that Plaintiffs and the other class members were entitled to receive
3 the wages owed to them upon discharge or resignation, including overtime and minimum
4 wages and meal and rest period premiums, and that Plaintiffs and the other class members did
5 not, in fact, receive such wages owed to them at the time of their discharge or resignation.

6 31. Plaintiffs are informed and believe, and based thereon allege, that Defendants
7 knew or should have known that Plaintiffs and the other class members were entitled to receive
8 complete and accurate wage statements in accordance with the law, but, in fact, Plaintiffs and
9 the other class members did not receive complete and accurate wage statements from
10 Defendants. The deficiencies included, *inter alia*, the failure to include the total number of
11 hours worked by Plaintiffs and the other class members.

12 32. Plaintiffs are informed and believe, and based thereon allege, that Defendants
13 knew or should have known that Plaintiffs and the other class members were entitled to
14 reimbursement for necessary business-related expenses.

15 33. Plaintiffs are informed and believe, and based thereon allege, that Defendants
16 knew or should have known that Defendants had to keep complete and accurate payroll records
17 for Plaintiffs and the other class members in accordance with the law, but, in fact, did not keep
18 complete and accurate payroll records for Plaintiffs and the other class members.

19 34. Plaintiffs are informed and believe, and based thereon allege, that Defendants
20 knew or should have known that they had a duty to compensate Plaintiffs and the other class
21 members pursuant to the law, and that Defendants had the financial ability to pay such
22 compensation, but willfully, knowingly, and intentionally failed to do so, and falsely
23 represented to Plaintiffs and the other class members that they were properly denied wages, all
24 in order to increase Defendants' profits.

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35. During the relevant time period set forth herein, Defendants failed to pay overtime wages to Plaintiffs and the other class members for all hours worked. Plaintiffs and other class members were required to work more than eight (8) hours per day and/or forty (40) hours per week without overtime compensation.

36. During the relevant time period set forth herein, Defendants failed to properly calculate and pay sick leave to Plaintiffs and the other class members.

37. During the relevant time period set forth herein, Defendants failed to provide the requisite uninterrupted and timely meal and rest periods to Plaintiffs and the other class members.

38. During the relevant time period set forth herein, Defendants failed to pay Plaintiffs and the other class members at least minimum wages for all hours worked.

39. During the relevant time period set forth herein, Defendants failed to pay Plaintiffs and the other class members the wages owed to them upon discharge or resignation.

40. During the relevant time period set forth herein, Defendants failed to provide complete or accurate wage statements to Plaintiffs and the other class members.

41. During the relevant time period set forth herein, Defendants failed to keep complete or accurate payroll records for Plaintiffs and the other class members.

42. During the relevant time period set forth herein, Defendants failed to properly compensate Plaintiffs and the other class members pursuant to the law in order to increase Defendants' profits.

43. Labor Code section 218 states that nothing in Article 1 of the Labor Code shall limit the right of any wage claimant to "sue directly . . . for any wages or penalty due to him [or her] under this article."

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1 **FIRST CAUSE OF ACTION**

2 **(Violation of California Labor Code §§ 510 and 1198)**

3 **(Against SYNERGY SHIPPING LLC and DOES 1 through 100)**

4 44. Plaintiffs incorporate by reference the allegations contained in Paragraphs 1
5 through 43, and each and every part thereof with the same force and effect as though fully set
6 forth herein.

7 45. Labor Code section 1198 and the applicable Industrial Welfare Commission
8 (“IWC”) Wage Order provide that it is unlawful to employ persons without compensating them
9 at a rate of pay either time-and-one-half or two-times that person’s regular rate of pay,
10 depending on the number of hours worked by the person on a daily or weekly basis.

11 46. Specifically, the applicable IWC Wage Order provides that Defendants are and
12 were required to pay Plaintiffs and the other class members employed by Defendants, who
13 work(ed) more than eight (8) hours in a day or more than forty (40) hours in a workweek, at
14 the rate of time-and-one-half for all hours worked in excess of eight (8) hours in a day or more
15 than forty (40) hours in a workweek.

16 47. The applicable IWC Wage Order further provides that Defendants are and were
17 required to pay Plaintiffs and the other class members overtime compensation at a rate of two
18 times their regular rate of pay for all hours worked in excess of twelve (12) hours in a day.

19 48. Labor Code section 510 codifies the right to overtime compensation at one-and-
20 one-half times the regular hourly rate for hours worked in excess of eight (8) hours in a day or
21 forty (40) hours in a week or for the first eight (8) hours worked on the seventh day of work,
22 and overtime compensation at twice the regular hourly rate for hours worked in excess of
23 twelve (12) hours in a day or in excess of eight (8) hours in a day on the seventh day of work.

24 49. During the relevant time period set forth herein, Plaintiffs and the other class
25 members worked in excess of eight (8) hours in a day, and/or in excess of forty (40) hours in a
26 week.

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50. During the relevant time period set forth herein, Defendants intentionally and willfully failed to pay overtime wages owed to Plaintiffs and the other class members.

51. Defendants' failure to pay Plaintiffs and the other class members the unpaid balance of overtime compensation, as required by the laws, violates the provisions of Labor Code sections 510 and 1198, and is, therefore, unlawful.

52. Pursuant to Labor Code section 1194, Plaintiffs and the other class members are entitled to recover unpaid overtime compensation, as well as interest, costs, and attorneys' fees.

SECOND CAUSE OF ACTION

(Violation of California Labor Code §§ 226.7 and 512(a))

(Against SYNERGY SHIPPING LLC and DOES 1 through 100)

53. Plaintiffs incorporate by reference the allegations contained in paragraphs 1 through 52, and each and every part thereof with the same force and effect as though fully set forth herein.

54. During the relevant time period set forth herein, the IWC Wage Order and Labor Code sections 226.7 and 512(a) were applicable to Plaintiffs' and the other class members' employment by Defendants.

55. During the relevant time period set forth herein, Labor Code section 226.7 provides that no employer shall require an employee to work during any meal or rest period mandated by an applicable order of the IWC Wage Order.

56. During the relevant time period set forth herein, the applicable IWC Wage Order and Labor Code section 512(a) provide that an employer may not require, cause or permit an employee to work for a work period of more than five (5) hours per day without providing the employee with a meal period of not less than thirty (30) minutes, except that if the total work period per day of the employee is no more than six (6) hours, the meal period may be waived by mutual consent of both the employer and employee.

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1 57. During the relevant time period set forth herein, the applicable IWC Wage
2 Order and Labor Code section 512(a) further provide that an employer may not require, cause,
3 or permit an employee to work for a work period of more than ten (10) hours per day without
4 providing the employee with a second uninterrupted meal period of not less than thirty (30)
5 minutes, except that if the total hours worked is no more than twelve (12) hours, the second
6 meal period may be waived by mutual consent of the employer and the employee only if the
7 first meal period was not waived.

8 58. During the relevant time period set forth herein, Plaintiffs and the other class
9 members who were scheduled to work for a period of time no longer than six (6) hours, and
10 who did not waive their legally-mandated meal periods by mutual consent, were required to
11 work for periods longer than five (5) hours without an uninterrupted meal period of not less
12 than thirty (30) minutes and/or without a rest period.

13 59. During the relevant time period set forth herein, Plaintiffs and the other class
14 members who were scheduled to work for a period of time no longer than twelve (12) hours,
15 and who did not waive their legally-mandated meal periods by mutual consent, were required
16 to work for periods longer than ten (10) hours without an uninterrupted meal period of not less
17 than thirty (30) minutes and/or without a rest period.

18 60. During the relevant time period set forth herein, Plaintiffs and the other class
19 members who were scheduled to work for a period of time in excess of six (6) hours were
20 required to work for periods longer than five (5) hours without an uninterrupted meal period of
21 not less than thirty (30) minutes and/or without a rest period.

22 61. During the relevant time period set forth herein, Plaintiffs and the other class
23 members who were scheduled to work for a period of time in excess of twelve (12) hours were
24 required to work for periods longer than ten (10) hours without an uninterrupted meal period of
25 not less than thirty (30) minutes and/or without a rest period.

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62. During the relevant time period set forth herein, Defendants intentionally and willfully required Plaintiffs and the other class members to work during meal periods and failed to compensate Plaintiffs and the other class members the full meal period premium for work performed during meal periods.

63. During the relevant time period set forth herein, Defendants failed to pay Plaintiffs and the other class members the full meal period premium due pursuant to Labor Code section 226.7.

64. Defendants' conduct violates applicable IWC Wage Order and Labor Code sections 226.7 and 512(a).

65. Pursuant to the applicable IWC Wage Order and Labor Code section 226.7(b), Plaintiffs and the other class members are entitled to recover from Defendants one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest period is not provided.

THIRD CAUSE OF ACTION

(Violation of California Labor Code § 226.7)

(Against SYNERGY SHIPPING LLC and DOES 1 through 100)

66. Plaintiffs incorporate by reference the allegations contained in paragraphs 1 through 65, and each and every part thereof with the same force and effect as though fully set forth herein.

67. During the relevant time period set forth herein, the applicable IWC Wage Order and Labor Code section 226.7 were applicable to Plaintiffs' and the other class members' employment by Defendants.

68. During the relevant time period set forth herein, Labor Code section 226.7 provides that no employer shall require an employee to work during any rest period mandated by an applicable order of the IWC Wage Order.

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

70. During the relevant time period set forth herein, Defendants required Plaintiffs and the other class members to work four (4) or more hours without authorizing or permitting a ten (10) minute rest period per each four (4) hour period worked.

71. During the relevant time period set forth herein, Defendants willfully required Plaintiffs and the other class members to work during rest periods and failed to pay Plaintiffs and the other class members the full rest period premium for work performed during rest periods.

72. During the relevant time period set forth herein, Defendants failed to pay Plaintiffs and the other class members the full rest period premium due pursuant to Labor Code section 226.7.

73. Defendants’ conduct violates applicable IWC Wage Orders and Labor Code section 226.7.

74. Pursuant to the applicable IWC Wage Orders and Labor Code section 226.7(b), Plaintiffs and the other class members are entitled to recover from Defendants one additional hour of pay at the employees’ regular hourly rate of compensation for each workday that the rest period was not provided.

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1 **FOURTH CAUSE OF ACTION**

2 **(Violation of California Labor Code §§ 1194 and 1197)**

3 **(Against SYNERGY SHIPPING LLC and DOES 1 through 100)**

4 75. Plaintiffs incorporate by reference the allegations contained in paragraphs 1
5 through 74 and each and every part thereof with the same force and effect as though fully set
6 forth herein.

7 76. During the relevant time period set forth herein, Labor Code sections 1194 and
8 1197 provide that the minimum wage to be paid to employees, and the payment of a lesser
9 wage than the minimum so fixed, is unlawful.

10 77. During the relevant time period set forth herein, Defendants failed to pay
11 minimum wages to Plaintiffs and the other class members as required, pursuant to Labor Code
12 sections 1194 and 1197.

13 78. Defendants' failure to pay Plaintiffs and the other class members the minimum
14 wage as required violates Labor Code sections 1194 and 1197. Pursuant to those sections,
15 Plaintiffs and other class members are entitled to recover the unpaid balance of their minimum
16 wage compensation as well as interest, costs, and attorney's fees, and liquidated damages in an
17 amount equal to the wages unlawfully unpaid and interest thereon.

18 79. Pursuant to Labor Code section 1194.2, Plaintiffs and the other class members
19 are entitled to recover liquidated damages in an amount equal to the wages unlawfully unpaid
20 and interest thereon.

21 **FIFTH CAUSE OF ACTION**

22 **(Violation of California Labor Code §§ 201 and 202)**

23 **(Against SYNERGY SHIPPING LLC and DOES 1 through 100)**

24 80. Plaintiffs incorporate by reference the allegations contained in paragraphs 1
25 through 79, and each and every part thereof with the same force and effect as though fully set
26 forth herein.

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1 81. During the relevant time period set forth herein, Labor Code sections 201 and
2 202 provide that if an employer discharges an employee, the wages earned and unpaid at the
3 time of discharge are due and payable immediately, and if an employee quits his or her
4 employment, his or her wages shall become due and payable not later than seventy-two (72)
5 hours thereafter, unless the employee has given seventy-two (72) hours notice of his or her
6 intention to quit, in which case the employee is entitled to his or her wages at the time of
7 quitting.

8 82. During the relevant time period set forth herein, Defendants intentionally and
9 willfully failed to pay Plaintiffs and the other class members who are no longer employed by
10 Defendants their wages, earned and unpaid, within seventy-two (72) hours of their leaving
11 Defendants' employ.

12 83. Defendants' failure to pay Plaintiffs and the other class members who are no
13 longer employed by Defendants their wages, earned and unpaid, within seventy-two (72) hours
14 of their leaving Defendants' employ, is in violation of Labor Code sections 201 and 202.

15 84. Labor Code section 203 provides that if an employer willfully fails to pay wages
16 owed, in accordance with sections 201 and 202, then the wages of the employee shall continue
17 as a penalty from the due date thereof at the same rate until paid or until an action is
18 commenced; but the wages shall not continue for more than thirty (30) days.

19 85. Plaintiffs and the other class members are entitled to recover from Defendants
20 the statutory penalty wages for each day they were not paid, up to the thirty (30) day maximum
21 as provided by Labor Code section 203.

22 **SIXTH CAUSE OF ACTION**

23 **(Violation of California Labor Code § 226(a))**

24 **(Against SYNERGY SHIPPING LLC and DOES 1 through 100)**

25 86. Plaintiffs incorporate by reference the allegations contained in paragraphs 1
26 through 85, and each and every part thereof with the same force and effect as though fully set
27 forth herein.
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1 87. During the relevant time period set forth herein, Labor Code section 226(a)
2 provides that every employer shall furnish each of his or her employees an accurate itemized
3 statement in writing showing (1) gross wages earned, (2) total hours worked by the employee,
4 (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid
5 on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of
6 the employee may be aggregated and shown as one item, (5) net wages earned, (6) the
7 inclusive dates of the period for which the employee is paid, (7) the name of the employee and
8 his or her social security number, (8) the name and address of the legal entity that is the
9 employer, and (9) all applicable hourly rates in effect during the pay period and the
10 corresponding number of hours worked at each hourly rate by the employee. The deductions
11 made from payments of wages shall be recorded in ink or other indelible form, properly dated,
12 showing the month, day, and year, and a copy of the statement or a record of the deductions
13 shall be kept on file by the employer for at least three years at the place of employment or at a
14 central location within the State of California.

15 88. Defendants have intentionally and willfully failed to provide Plaintiffs and the
16 other class members with complete and accurate wage statements. The deficiencies include
17 but are not limited to: the failure to include the total number of hours worked by Plaintiffs and
18 other class members.

19 89. As a result of Defendants' violation of Labor Code section 226(a), Plaintiffs and
20 the other class members have suffered injury and damage to their statutorily protected rights.

21 90. More specifically, Plaintiffs and the other class members have been injured by
22 Defendants' intentional and willful violation of Labor Code section 226(a) because they were
23 denied both their legal right to receive, and their protected interest in receiving, accurate and
24 itemized wage statements pursuant to Labor Code section 226(a).

25 91. Plaintiffs and the other class members are entitled to recover from Defendants
26 the greater of their actual damages caused by Defendants' failure to comply with Labor Code
27 section 226(a), or an aggregate penalty not exceeding four thousand dollars per employee.
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1 92. Plaintiffs and the other class members are also entitled to injunctive relief to
2 ensure compliance with this section, pursuant to Labor Code section 226(g).

3 **SEVENTH CAUSE OF ACTION**

4 **(Violation of California Labor Code §§ 2800 and 2802)**

5 **(Against SYNERGY SHIPPING LLC and DOES 1 through 100)**

6 93. Plaintiffs incorporate by reference the allegations contained in paragraphs 1
7 through 92, and each and every part thereof with the same force and effect as though fully set
8 forth herein.

9 94. Pursuant to Labor Code sections 2800 and 2802, an employer must reimburse its
10 employee for all necessary expenditures incurred by the employee in direct consequence of the
11 discharge of his or her job duties or in direct consequence of his or her obedience to the
12 directions of the employer.

13 95. Defendants have intentionally and willfully failed to reimburse Plaintiffs and the
14 other class members for all necessary business-related expenses and costs. Plaintiffs and the
15 other class members are entitled to recover from Defendants their business-related expenses and
16 costs incurred during the course and scope of their employment, plus interest accrued from the
17 date on which the employee incurred the necessary expenditures at the same rate as judgments in
18 civil actions in the State of California.

19 **EIGHTH CAUSE OF ACTION**

20 **(Collection of Due and Unpaid Wages per Labor Code § 229)**

21 **(Against SYNERGY SHIPPING LLC and DOES 1 through 100)**

22 96. Plaintiffs incorporate by reference the allegations contained in paragraphs 1
23 through 95, and each and every part thereof, with the same force and effect as though fully set
24 forth herein.

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1 **Failure to Pay Minimum Wage**

2 97. During the relevant time period set forth herein, Labor Code sections 1194, 1197,
3 and 1197.1 provide that the minimum wage to be paid to employees, and the payment of a lesser
4 wage than the minimum so fixed, is unlawful.

5 98. During the relevant time period set forth herein, Defendants failed to pay
6 minimum wages to Plaintiffs and the other class members as required, pursuant to Labor Code
7 sections 1194, 1197, and 1197.1.

8 99. Defendants' failure to pay Plaintiffs and the other class members the minimum
9 wage as required violates Labor Code sections 1194, 1197, and 1197.1. Pursuant to those
10 sections, Plaintiffs and the other class members are entitled to recover the unpaid balance of their
11 minimum wage compensation as well as interest, costs, and attorneys' fees, and liquidated
12 damages in an amount equal to the wages unlawfully unpaid and interest thereon.

13 **Failure to Pay Overtime**

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

18 101. Specifically, the applicable IWC Wage Order provides that Defendants are and
19 were required to pay Plaintiffs and the other class members employed by Defendants, and
20 working more than eight (8) hours in a day or more than forty (40) hours in a workweek, at the
21 rate of time-and-one-half for all hours worked in excess of eight (8) hours in a day or more than
22 forty (40) hours in a workweek.

23 102. The applicable IWC Wage Order further provides that Defendants are and were
24 required to pay Plaintiffs and the other class members overtime compensation at a rate of two
25 times their regular rates of pay for all hours worked in excess of twelve (12) hours in a day.

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103. Labor Code section 510 codifies the right to overtime compensation at one-and-one-half times the regular hourly rate for hours worked in excess of eight (8) hours in a day or forty (40) hours in a week or for the first eight (8) hours worked on the seventh day of work, and to overtime compensation at twice the regular hourly rate for hours worked in excess of twelve (12) hours in a day or in excess of eight (8) hours in a day on the seventh day of work.

104. During the relevant time period set forth herein, Plaintiffs and the other class members worked in excess of eight (8) hours in a day, and/or in excess of forty (40) hours in a week.

105. During the relevant time period set forth herein, Defendants intentionally and willfully failed to pay overtime wages owed to Plaintiffs and the other class members as required by the law.

106. Defendants' failure to pay Plaintiffs and the other class members the unpaid balance of overtime compensation, as required by the laws, violates the provisions of Labor Code sections 510 and 1198, and is therefore unlawful.

107. Pursuant to Labor Code section 1194, Plaintiffs and the other class members are entitled to recover unpaid overtime compensation, as well as interest, costs, and attorneys' fees.

Failure to Pay Meal Premiums

108. During the relevant time period set forth herein, Labor Code section 226.7 provides that no employer shall require an employee to work during any meal or rest period mandated by an applicable order of the IWC Wage Order.

109. During the relevant time period set forth herein, the applicable IWC Wage Order and Labor Code section 512(a) provide that an employer may not require, cause or permit an employee to work for a work period of more than five (5) hours per day without providing the employee with a meal period of not less than thirty (30) minutes, except that if the total work period per day of the employee is no more than six (6) hours, the meal period may be waived by mutual consent of both the employer and employee.

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1 110. During the relevant time period set forth herein, the applicable IWC Wage Order
2 and Labor Code section 512(a) further provide that an employer may not require, cause, or
3 permit an employee to work for a work period of more than ten (10) hours per day without
4 providing the employee with a second uninterrupted meal period of not less than thirty (30)
5 minutes, except that if the total hours worked is no more than twelve (12) hours, the second meal
6 period may be waived by mutual consent of the employer and the employee only if the first meal
7 period was not waived.

8 111. During the relevant time period set forth herein, Plaintiffs and the other class
9 members who were scheduled to work for a period of time no longer than six (6) hours, and who
10 did not waive their legally-mandated meal periods by mutual consent, were required to work for
11 periods longer than five (5) hours without an uninterrupted meal period of not less than thirty
12 (30) minutes and/or without a rest period.

13 112. During the relevant time period set forth herein, Plaintiffs and the other class
14 members who were scheduled to work for a period of time no longer than twelve (12) hours, and
15 who did not waive their legally-mandated meal periods by mutual consent, were required to
16 work for periods longer than ten (10) hours without an uninterrupted meal period of not less than
17 thirty (30) minutes and/or without a rest period.

18 113. During the relevant time period set forth herein, Plaintiffs and the other class
19 members who were scheduled to work for a period of time in excess of six (6) hours were
20 required to work for periods longer than five (5) hours without an uninterrupted meal period of
21 not less than thirty (30) minutes and/or without a rest period.

22 114. During the relevant time period set forth herein, Plaintiffs and the other class
23 members who were scheduled to work for a period of time in excess of twelve (12) hours were
24 required to work for periods longer than ten (10) hours without an uninterrupted meal period of
25 not less than thirty (30) minutes and/or without a rest period.

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115. During the relevant time period set forth herein, Defendants intentionally and willfully required Plaintiffs and the other class members to work during meal periods and failed to compensate Plaintiffs and the other class members the full meal period premium for work performed during meal periods.

116. During the relevant time period set forth herein, Defendants failed to pay Plaintiffs and the other class members the full meal period premium due pursuant to Labor Code section 226.7.

117. Defendants' conduct violates applicable IWC Wage Order and Labor Code sections 226.7 and 512(a).

118. Pursuant to the applicable IWC Wage Order and Labor Code section 226.7(b), Plaintiffs and the other class members are entitled to recover from Defendants one additional hour of pay at the employee's regular rate of compensation for each workday that the meal period was not provided.

Failure to Pay Rest Premiums

119. During the relevant time period set forth herein, Labor Code section 226.7 provides that no employer shall require an employee to work during any rest period mandated by an applicable order of the IWC Wage Order.

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

121. During the relevant time period set forth herein, Defendants required Plaintiffs and the other class members to work four (4) or more hours without authorizing or permitting a ten (10) minute rest period per each four (4) hour period worked.

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122. During the relevant time period set forth herein, Defendants willfully required Plaintiffs and the other class members to work during rest periods and failed to pay Plaintiffs and the other class members the full rest period premium for work performed during rest periods.

123. During the relevant time period set forth herein, Defendants failed to pay Plaintiffs and the other class members the full rest period premium due pursuant to Labor Code section 226.7.

124. Defendants' conduct violates applicable IWC Wage Orders and Labor Code section 226.7.

125. Pursuant to the applicable IWC Wage Orders and Labor Code section 226.7(b), Plaintiffs and the other class members are entitled to recover from Defendants one additional hour of pay at the employee's regular rate of compensation for each workday that the rest period was not provided.

126. Plaintiffs and the other class members seek these due and unpaid wages pursuant to Labor Code section 229, which includes minimum wage, overtime wages and premium wages.

NINTH CAUSE OF ACTION

(Violation of California Labor Code § 2698, *et seq.*)

(Against SYNERGY SHIPPING LLC and DOES 1 through 100)

127. Plaintiffs incorporate by reference the allegations contained in paragraphs 1 through 128, and each and every part thereof with the same force and effect as though fully set forth herein.

128. The Private Attorneys General Act of 2004 (“PAGA”) expressly establishes that any provision of the Labor Code which provides for a civil penalty to be assessed and collected by the California Labor and Workforce Development Agency (“LWDA”), or any of its departments, divisions, commissions, boards, agencies, or employees for a violation of the Labor Code, may be recovered through a civil action brought by an aggrieved employee on behalf of himself or herself, and other current or former employees.

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1 129. On June 5, 2023 Plaintiff Burch provided written notice to the LWDA and
2 Defendants of the specific provisions of the Labor Code he contends were violated and the
3 theories supporting his contentions. Attached hereto as **Exhibit 1** and incorporated by
4 reference is a copy of the June 5, 2023 written notice to the LWDA. Plaintiff Burch believes
5 that on or about August 9, 2023, the sixty-five (65) day notice period will expire, and the
6 LWDA will not take any action to investigate or prosecute this matter. Therefore, Plaintiff
7 Burch exhausted the statutory time period to bring this action.

8 130. Plaintiff Burch and the other hourly-paid or non-exempt employees are
9 “aggrieved employees” as defined by Labor Code section 2699(c) in that they are of all current
10 and former hourly-paid or non-exempt employees of Defendants within the State of California
11 at any time during the period from June 5, 2022, through August 21, 2023 or the date of
12 preliminary approval, whichever date is earlier, and one or more of the alleged violations was
13 committed against them.

14 **Failure to Pay Minimum and Overtime Wages**

15 131. At all times relevant herein, Defendants were required to compensate their non-
16 exempt employees minimum wages for all hours worked and overtime wages for all hours
17 worked in excess of eight (8) hours in a day or forty (40) hours in a workweek, pursuant to the
18 mandate of Labor Code sections 510, 1194, 1197, and 1198.

19 132. As a policy and practice, Defendants failed to compensate Plaintiff Burch and
20 the other aggrieved current and former employees for all hours worked, resulting in a failure to
21 pay all minimum wages and overtime wages, where applicable.

22 **Failure to Provide Meal Periods and Rest Breaks**

23 133. In accordance with the mandates of Labor Code sections 226.7 and 512,
24 Defendants were required to authorize and permit their non-exempt employees to take a 10-
25 minute rest break for every four (4) hours worked or major fraction thereof and were further
26 required to provide their non-exempt employees with a 30-minute meal period for every five
27 (5) hours worked.
28

1 134. As a policy and practice, Defendants failed to provide Plaintiff Burch and the
2 other aggrieved current and former employees with legally mandated meal periods and rest
3 breaks and failed to pay proper compensation for this failure.

4 **Failure to Timely Pay Wages During Employment**

5 135. At all times relevant herein, Defendants were required to pay their employees
6 within a specified time period pursuant to the mandate of Labor Code section 204.

7 136. As a policy and practice, Defendants failed to pay Plaintiff Burch and the other
8 aggrieved current and former employees all wages due and owing them within the required
9 time period.

10 **Failure to Timely Pay Wages Upon Termination**

11 137. At all times relevant herein, Defendants were required to pay their employees all
12 wages owed in a timely fashion at the end of employment pursuant to Labor Code sections 201
13 to 204.

14 138. As a result of Defendants' Labor Code violations alleged above, Defendants
15 failed to pay Plaintiff Burch and the other aggrieved former employees their final wages
16 pursuant to Labor Code sections 201 to 204 and accordingly owe waiting time penalties
17 pursuant to Labor Code section 203.

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

19 139. At all times relevant herein, Defendants were required to keep accurate records
20 regarding their California employees pursuant to the mandate of Labor Code sections 226,
21 1174, and 1776.

22 140. As a result of Defendants' various Labor Code violations, Defendants failed to
23 keep accurate records regarding Plaintiff Burch and the other aggrieved current and former
24 employees. For example, Defendants failed in their affirmative obligation to keep accurate
25 records regarding Plaintiff Burch and the other aggrieved current and former employees' gross
26 wages earned, total hours worked, all deductions, net wages earned, and all applicable hourly
27 rates and the number of hours worked at each hourly rate.

1 **Failure to Provide and Properly Pay Paid Sick Days**

2 141. At all times relevant herein, Defendants were required to provide their
3 employees with paid sick days at their regular rate of pay pursuant to Labor Code section 246
4 *at seq.*

5 142. As a policy and practice, Defendants failed to provide Plaintiff Burch and other
6 aggrieved current and former employees with paid sick days at the proper rate of pay pursuant
7 to Labor Code section 246 *et seq.*

8 **Failure to Reimburse Business Expenses**

9 143. At all times relevant herein, Defendants were required to reimburse its
10 employees for any and all necessary expenditures or losses incurred by the employees in direct
11 consequences of the discharge or his or her duties pursuant to the mandate of Labor Code
12 sections 2800 and 2802.

13 144. As a policy and practice, Defendants failed to reimburse Plaintiff Burch and the
14 other aggrieved current and former employees for all business expenses incurred and owing
15 them within the required time period.

16 **Penalties**

17 145. Pursuant to Labor Code section 2699, Plaintiff Burch, individually, and on
18 behalf of the other current and former aggrieved employees, requests and is entitled to recover
19 from Defendants, and each of them, civil penalties, interest, attorneys' fees and costs,
20 including but not limited to:

- 21 a. Penalties under Labor Code section 2699 in the amount of a hundred
22 dollars (\$100) for each aggrieved employee per pay period for the initial
23 violation, and two hundred dollars (\$200) for each aggrieved employee
24 per pay period for each subsequent violation;

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- b. Penalties under Code of Regulations Title 8 section 11040 in the amount of fifty dollars (\$50) for each aggrieved employee per pay period for the initial violation, and one hundred dollars (\$100) for each aggrieved employee per pay period for each subsequent violation;
- c. Penalties under Labor Code section 210 in addition to, and entirely independent and apart from, any other penalty provided in the Labor Code in the amount of a hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation, and two hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent violation;
- d. Penalties under Labor Code section 1197.1 in the amount of a hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation, and two hundred fifty dollars (\$250) for each aggrieved employee per pay period for each subsequent violation;
- e. Any and all additional penalties as provided by the Labor Code and/or other statutes; and
- f. Attorneys' fees and costs pursuant to Labor Code sections 210, 1194, and 2699, and any other applicable statute.

TENTH CAUSE OF ACTION

(Violation of California Business & Professions Code §§ 17200, *et seq.*)

(Against SYNERGY SHIPPING LLC and DOES 1 through 100)

146. Plaintiffs incorporate by reference the allegations contained in paragraphs 1 through 145, and each and every part thereof with the same force and effect as though fully set forth herein.

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1 147. Defendants' conduct, as alleged herein, has been, and continues to be unfair,
2 unlawful and harmful to Plaintiffs, the other class members, to the general public, and
3 Defendants' competitors. Accordingly, Plaintiffs seek to enforce important rights affecting the
4 public interest within the meaning of Code of Civil Procedure section 1021.5.

5 148. Defendants' activities as alleged herein are violations of the law, and constitute
6 unlawful business acts and practices in violation of Business & Professions Code section
7 17200, *et seq.*

8 149. A violation of Business & Professions Code section 17200, *et seq.* may be
9 predicated on the violation of any state or federal law. In this instant case, Defendants' policy
10 and practice of requiring Plaintiffs and the other class members work overtime hours without
11 paying them proper compensation violate Labor Code sections 510 and 1198. Additionally,
12 Defendants' policy and practice of requiring Plaintiffs and the other class members, to work
13 through their meal and rest periods without paying them proper compensation violate Labor
14 Code sections 226.7 and 512(a). Moreover, Defendants' policy and practice of failing to timely
15 pay wages to Plaintiffs and the other class members violate Labor Code sections 201 and 202.
16 Defendants also violated Labor Code sections 226(a), 1194, 1197, 2800, and 2802.

17 150. As a result of the herein described violations of the law, Defendants unlawfully
18 gained an unfair advantage over other businesses.

19 151. Plaintiffs and the other class members have been personally injured by
20 Defendants' unlawful business acts and practices as alleged herein, including but not
21 necessarily limited to the loss of money and/or property.

22 152. Pursuant to Business & Professions Code section 17200, *et seq.*, Plaintiffs and
23 the other class members are entitled to restitution of the wages withheld and retained by
24 Defendants during a period that commences four years prior to the filing of this Complaint; an
25 award of attorneys' fees pursuant to Code of Civil procedure section 1021.5 and other
26 applicable laws; and an award of costs.

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1 **DEMAND FOR JURY TRIAL**

2 Plaintiffs, individually, and on behalf of other members of the general public similarly
3 situated, request a trial by jury.

4 **PRAYER FOR RELIEF**

5 WHEREFORE, Plaintiffs, individually and on behalf of all other members of the
6 general public similarly situated, pray for relief and judgment against Defendants, jointly and
7 severally, as follows:

8 **Class Certification**

- 9 1. That this action be certified as a class action;
- 10 2. That Plaintiffs be appointed as representatives of the Class;
- 11 3. That counsel for Plaintiffs be appointed as Class Counsel; and
- 12 4. That Defendants provide to Class Counsel immediately the names and most
13 current contact information (address, e-mail, and telephone numbers) of all class members.

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

- 15 5. That the Court declare, adjudge, and decree that Defendants violated Labor
16 Code sections 510 and 1198 and applicable IWC Wage Orders by willfully failing to pay all
17 overtime wages due to Plaintiffs and the other class members;
- 18 6. For general unpaid wages at overtime wage rates and such general and special
19 damages as may be appropriate;
- 20 7. For pre-judgment interest on any unpaid overtime compensation commencing
21 from the date such amounts were due;
- 22 8. For reasonable attorneys' fees and costs of suit incurred herein pursuant to
23 Labor Code section 1194; and
- 24 9. For such other and further relief as the court may deem just and proper.

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As to the Second Cause of Action

10. That the Court declare, adjudge, and decree that Defendants violated Labor Code sections 226.7 and 512 and applicable IWC Wage Orders by willfully failing to provide all meal periods (including second meal periods) to Plaintiffs and the other class members;

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

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

13. For premium wages pursuant to Labor Code section 226.7(b);

14. For pre-judgment interest on any unpaid wages from the date such amounts were due;

15. For reasonable attorneys' fees and costs of suit incurred herein; and

16. For such other and further relief as the court may deem just and proper.

As to the Third Cause of Action

17. That the Court declare, adjudge, and decree that Defendants violated Labor Code section 226.7 and applicable IWC Wage Orders by willfully failing to provide all rest periods to Plaintiffs and the other class members;

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

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

20. For premium wages pursuant to Labor Code section 226.7(b);

21. For pre-judgment interest on any unpaid wages from the date such amounts were due; and

22. For such other and further relief as the court may deem just and proper.

As to the Fourth Cause of Action

23. That the Court declare, adjudge, and decree that Defendants violated Labor Code sections 1194 and 1197 by willfully failing to pay minimum wages to Plaintiffs and the other class members;

24. For general unpaid wages and such general and special damages as may be appropriate;

25. For pre-judgment interest on any unpaid compensation from the date such amounts were due;

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

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

28. For such other and further relief as the court may deem just and proper.

As to the Fifth Cause of Action

29. That the Court declare, adjudge, and decree that Defendants violated Labor Code sections 201, 202, and 203 by willfully failing to pay all compensation owed at the time of termination of the employment of Plaintiffs and the other class members no longer employed by Defendants;

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

31. For statutory wage penalties pursuant to Labor Code section 203 for the other class members who have left Defendants' employ;

32. For pre-judgment interest on any unpaid compensation from the date such amounts were due; and

33. For such other and further relief as the court may deem just and proper.

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As to the Sixth Cause of Action

34. That the Court declare, adjudge, and decree that Defendants violated the record keeping provisions of Labor Code section 226(a) and applicable IWC Wage Orders as to Plaintiffs and the other class members, and willfully failed to provide accurate itemized wage statements thereto;

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

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

37. For injunctive relief to ensure compliance with this section, pursuant to Labor Code section 226(g); and

38. For such other and further relief as the court may deem just and proper.

As to the Seventh Cause of Action

39. That the Court declare, adjudge, and decree that Defendants violated Labor Code sections 2800 and 2802 by willfully failing to reimburse Plaintiffs and the other class members for all necessary business-related expenses as required by Labor Code sections 2800 and 2802;

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

41. For the imposition of civil penalties and/or statutory penalties;

42. For punitive damages and/or exemplary damages according to proof at trial;

43. For reasonable attorneys' fees and costs of suit incurred herein; and

44. For such other and further relief as the court may deem just and proper.

As to the Eighth Cause of Action

45. That the Court declare, adjudge, and decree that Defendants violated Labor Code sections 226.7, 510, 1194, and 1198 and applicable IWC Wage Orders by willfully failing to pay all wages due and owing to Plaintiffs and the other class members;

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1 46. For general unpaid wages at minimum wage rates or overtime wage rates, and
2 such general and special damages as may be appropriate;

3 47. For premium wages pursuant to Labor Code section 226.7(b);

4 48. For pre-judgment interest on any unpaid overtime compensation commencing
5 from the date such amounts were due;

6 49. For reasonable attorneys' fees and costs of suit incurred herein pursuant to
7 Labor Code sections 218.5 and 1194; and

8 50. For such other and further relief as the court may deem just and proper.

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

10 51. That the Court declare, adjudge, and decree that Defendants violated Labor
11 Code sections 2698, *et seq.*, the PAGA, for civil penalties pursuant to Defendants' violations
12 of Labor Code sections 201, 202, 203, 204, 218.5, 221, 226(a), 226.3, 226.7, 229, 246 *et seq.*,
13 510, 512(a), 558, 1174(d), 1174.5, 1194, 1197, 1197.1, 1198, 2800, and 2802;

14 52. Upon this Cause of Action, for costs and attorneys' fees pursuant to Labor Code
15 sections 210, 1194, and 2699, and any other applicable statute; and

16 53. For such other and further relief as the Court may deem just and proper.

17 **As to the Tenth Cause of Action**

18 54. That the Court declare, adjudge, and decree that Defendants violated Business
19 and Professions Code sections 17200, *et seq.* by failing to provide Plaintiffs and the other class
20 members all overtime compensation due to them, failing to provide all meal and rest periods to
21 Plaintiffs and the other class members, failing to pay at least minimum wages to Plaintiffs and
22 the other class members, failing to pay Plaintiffs' and the other class members' wages timely
23 as required by Labor Code section 201 and 202.

24 55. For restitution of unpaid wages to Plaintiffs and other class members and all
25 pre-judgment interest from the day such amounts were due and payable;

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

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

6 58. For injunctive relief to ensure compliance with this section, pursuant to
7 Business and Professions Code sections 17200, *et seq.*; and

8 59. For such other and further relief as the court may deem just and proper.
9

10 Dated: June 26, 2023

JUSTICE LAW CORPORATION

11
12 By: 

13 Douglas Han
14 Shunt Tatavos-Gharajeh
15 Halina Szymanski
16 *Attorneys for Plaintiffs*
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EXHIBIT 1

June 5, 2023

BY U.S. EMAIL/ELECTRONIC SUBMISSION

PAGAfilings@dir.ca.gov

State of California

Labor & Workforce Development Agency

800 Capitol Mall, MIC-55

Sacramento, California 95814

Re: Synergy Shipping LLC

Dear Representative:

We have been retained to represent Ethan Burch against Synergy Shipping LLC (including any and all affiliates, managers, members, subsidiaries, and parents, and their shareholders, officers, directors, and employees), any individual, owner, officer and managing agent, DOES 1-10 as an "Employer" or person acting on behalf of an "Employer" pursuant to California Labor Code section 558.1, for violations of California wage-and-hour laws (collectively referred to as "SYNERGY SHIPPING").

Mr. Burch is pursuing his California Labor Code section 2698, *et seq.*, the Private Attorneys General Act of 2004 ("PAGA") claim on a representative basis. Therefore, Mr. Burch may seek penalties for violations of the Labor Code on behalf of the State of California and aggrieved employees, which are recoverable under PAGA. This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3.

SYNERGY SHIPPING is a California corporation headquartered at 12620 Yukon Ave, Hawthorne, California 90250.

SYNERGY SHIPPING employed Mr. Burch as an hourly-paid, non-exempt Delivery Driver until in or around January 2023 in the State of California. SYNERGY SHIPPING directly controlled the wages, hours, and/or working conditions of Mr. Burch and other aggrieved employees' employment, including direction, retention, scheduling, supervision, and termination.

The "aggrieved employees" that Mr. Burch may seek penalties on behalf of are all current and former hourly-paid or non-exempt employees of SYNERGY SHIPPING within the State of California.

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SYNERGY SHIPPING failed to properly pay its hourly-paid or non-exempt employees for all hours worked, failed to properly provide or compensate minimum and overtime wages and for noncompliant meal and rest breaks, failed to issue compliant wage statements and failed to reimburse for all necessary business-related costs and expenses, resulting in other Labor Code violations as stated below.

Pursuant to *Huff v. Securitas Security Services USA, Inc.* (2018) 23 Cal.App.5th 745, 751, an employee who brings a representative action and was affected by at least one of the violations alleged in the complaint has standing to pursue penalties on behalf of the state not only for that violation, but for violations affecting other employees as well. Accordingly, Mr. Burch has standing to pursue penalties on behalf of the state for violations affecting all the aggrieved employees at SYNERGY SHIPPING, regardless of their classification, job title, location, or whether they were hired directly or through a staffing agency.

SYNERGY SHIPPING has violated and/or continues to violate, among other provisions of the California Labor Code and applicable wage law, California Labor Code sections 201, 202, 203, 204, 218.5, 221, 226(a), 226.3, 226.7, 229, 246(l), 510, 512(a), 558, 1174(d), 1174.5, 1194, 1197, 1197.1, 1198, 2800, and 2802, and the Industrial Welfare Commission ("IWC") Wage Orders.

California Labor Code sections 510, 1194, and 1198 require employers to pay at least minimum wage for all hours worked, pay time-and-a-half, or double-time overtime wages, and make it unlawful to work employees for hours longer than eight hours in one day and/or over forty hours in one week without paying the premium overtime rates.

During the relevant time period, Mr. Burch and other aggrieved employees routinely worked in excess of 8 hours in a day and 40 hours in a week. SYNERGY SHIPPING maintained strict policies that effectively forced Mr. Burch and other aggrieved employees to don their uniforms off-the-clock before clocking in to ensure they were ready to work and to avoid facing disciplinary action. By extension, SYNERGY SHIPPING's policies also forced Mr. Burch and other aggrieved employees to first clock out before allowing them to doff their uniforms. Next, SYNERGY SHIPPING expected Mr. Burch and other aggrieved employees to prepare their vehicles, load and unload supplies, and attend safety meetings before clocking in. Similarly, Mr. Burch and other aggrieved employees were also expected to perform post-shift inspections of their vehicles, obtain gas for their vehicles, and complete all their deliveries after completing their shifts and clocking out. SYNERGY SHIPPING did not compensate Mr. Burch and other aggrieved employees for these several instances of off-the-clock work pre-shift and post-shift. Thus, Mr. Burch and other aggrieved employees were entitled to receive certain wages as minimum and overtime compensation, but they were not paid for all hours worked.

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During the relevant time period, SYNERGY SHIPPING also failed to include non-discretionary bonuses/incentives in Mr. Burch and other aggrieved employees' regular rate of pay for purposes of overtime compensation. Therefore, Mr. Burch and other aggrieved employees were entitled to receive certain wages for overtime compensation, but they were not paid for all overtime hours worked.

California Labor Code section 246 requires that employers provide employees with paid sick leave of not less than one hour per every 30 hours worked. California Labor Code section 246(l) also requires that paid sick leave be paid at a non-exempt employee's regular rate of pay for the workweek in which the employee uses paid sick time or at a rate calculated by dividing the employee's total wages, not including overtime premium pay, by the employee's total hours worked in the full pay periods of the prior 90 days of employment.

During the relevant time period, SYNERGY SHIPPING failed to pay Mr. Burch and other aggrieved employees paid sick leave that complied with California Labor Code section 246. This included failing to pay paid sick leave at non-exempt employees' regular rate of pay or at a rate calculated by dividing the employee's total wages, not including overtime premium pay, by the employee's total hours worked in the full pay periods of the prior 90 days of employment. Instead, SYNERGY SHIPPING paid sick leave at rates lower than Mr. Burch and other aggrieved employees' base hourly rate of pay.

SYNERGY SHIPPING also failed to properly implement an Alternative Workweek Schedule ("AWS"). SYNERGY SHIPPING failed to provide the affected work unit or units with a proposal of the AWS in writing, designating the number of days in the workweek and the number of hours in the work shift. SYNERGY SHIPPING also failed to properly hold a pre-election meeting with the affected employees a minimum of 14 days prior to the election to discuss the effects of the proposed AWS. SYNERGY SHIPPING failed to hold a secret ballot election during regular working hours at the employees' work site where at least two-thirds of the affected employees voted in favor of the AWS prior to its adoption. Additionally, SYNERGY SHIPPING failed to pay Mr. Burch and other aggrieved employees the proper overtime wages for shifts more than 8 hours but less than 10 hours.

California Labor Code sections 226.7 and 512 require employers to pay an employee one additional hour of pay at the employee's regular rate for each workday that a meal or rest break is not provided.

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During the relevant time period, SYNERGY SHIPPING frequently prevented employees from receiving compliant meal and rest breaks. Firstly, Mr. Burch and other aggrieved employees were routinely forced to skip, cut short, and/or take late meal and rest breaks due to the number of deliveries SYNERGY SHIPPING expected them to make per shift. Even when Mr. Burch and other aggrieved employees found rare opportunities to take meal and rest breaks, dispatch would contact them and force them to resume making their deliveries. Secondly, SYNERGY SHIPPING strongly discouraged overtime work because its policies required them to obtain approval from supervisors beforehand with the threat of termination attached for unauthorized overtime work. As a result, Mr. Burch and other aggrieved employees were pressured into working through their meal and rest breaks to complete their deliveries and avoid working unauthorized overtime hours. Thirdly, SYNERGY SHIPPING would instruct Mr. Burch and other aggrieved employees to clock out for full and timely meal breaks regardless of whether they received their breaks to conceal instances of noncompliant breaks. Finally, despite these facts, SYNERGY SHIPPING failed to properly compensate Mr. Burch and other aggrieved employees all the premium wages they were owed. In fact, even when SYNERGY SHIPPING paid Mr. Burch and other aggrieved employees premium wages, it was only at their base hourly rate of pay, not their regular rate of pay.

California Labor Code section 201 requires that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately. California Labor Code section 202 requires that if an employee not having a written contract for a definite period quits his or her employment, his or her wages shall become due and payable not later than 72 hours thereafter, unless the employee has given 72 hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting. California Labor Code section 203 provides that if an employer willfully fails to pay, without abatement or reduction, in accordance with Labor Code sections 201, 201.3, 201.5, 201.6, 201.8, 201.9, 202, and 205.5, any wages of an employee who is discharged or who quits, the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until an action therefor is commenced. But the wages shall not continue for more than 30 days.

During the relevant time period, SYNERGY SHIPPING failed to pay Mr. Burch and other aggrieved employees all wages, including as a result of uncompensated off-the-clock work, unpaid sick leave, unpaid overtime wages, and unpaid premium wages for failing to provide legally mandated meal and rest breaks owed within any time period specified by California Labor Code sections 201 through 203. Therefore, SYNERGY SHIPPING is liable under California Labor Code section 203.

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California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed. California Labor Code section 204 also requires that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. In addition, California Labor Code section 204 requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period.

During the relevant time period, SYNERGY SHIPPING failed to pay Mr. Burch and other aggrieved employees all wages due to them, including as a result of uncompensated off-the-clock work, unpaid sick leave, unpaid overtime wages, and unpaid premium wages owed for failing to provide legally mandated meal and rest breaks owed within any time period specified by California Labor Code section 204.

California Labor Code section 226 requires employers to make, keep and provide complete and accurate itemized wage statements to their employees.

During the relevant time period, SYNERGY SHIPPING did not provide Mr. Burch and other aggrieved employees with complete and accurate itemized wage statements. The wage statements Mr. Burch and other aggrieved employees received from SYNERGY SHIPPING were in violation of California Labor Code section 226(a). The violations include, but are not limited to, the failure to include: (1) gross wages earned by Mr. Burch and other aggrieved employees; (2) total hours worked by Mr. Burch and other aggrieved employees; (3) all deductions for Mr. Burch and other aggrieved employees; (4) net wages earned by Mr. Burch and other aggrieved employees; and (5) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by Mr. Burch and other aggrieved employees.

California Labor Code section 558 allows recovery of penalties. Any employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provision regulating hours and days of work in any order of the IWC Wage Order shall be subject to a civil penalty. The civil penalty is as follows: (1) for any initial violation, fifty dollars (\$50) for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount sufficient to recover underpaid wages; (2) for each subsequent violation, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount sufficient to recover underpaid wages; and (3) wages recovered pursuant to this section shall be paid to the affected employee.

During the relevant time period, Mr. Burch and other aggrieved employees have been denied their wages and premium wages and, therefore, are entitled to penalties.

California Labor Code sections 1174(d) requires an employer to keep at a central location in the state or at the plants or establishments at which employees are employed payroll records showing the hours worked daily by and the wages paid to employees employed at the respective plants or establishments. These records shall be kept with rules established for this purpose by the commission, but in any case, shall be kept on file for not less than 3 years.

During the relevant time period, SYNERGY SHIPPING failed to keep accurate and complete payroll records showing the hours worked daily and the wages paid to Mr. Burch and other aggrieved employees.

California Labor Code sections 1194, 1197, and 1197.1 provide that the minimum wage to be paid to employees, and the payment of a lesser wage than the minimum so fixed is unlawful.

During the relevant time period, SYNERGY SHIPPING did not provide Mr. Burch and other aggrieved employees with the minimum wages to which they were entitled despite having constructive and actual knowledge of off-the-clock work, including pre-shift and post-shift work and work performed during meal and rest breaks.

California Labor Code sections 2800 and 2802 require an employer to reimburse its employee for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer.

During the relevant time period, Mr. Burch and other aggrieved employees incurred various necessary business-related expenses that were not fully reimbursed by SYNERGY SHIPPING. Mr. Burch and other aggrieved employees were expected to purchase and wear uniforms and personal protective equipment pursuant to the performance of their duties, including replacements. Mr. Burch and other aggrieved employees were also required to use their personal cell phones to clock in and out, use GPS, take pictures, and communicate with supervisors and dispatch. Despite these business expenses, SYNERGY SHIPPING rarely, if ever, reimbursed Mr. Burch and other aggrieved employees.

We believe that Mr. Burch and other current and former California-based hourly-paid or non-exempt employees are entitled to penalties as allowed under California Labor Code section 2698, *et seq.* for violations of Labor Code sections 201, 202, 203, 204, 218.5, 221, 226(a), 226.3, 226.7, 229, 246(l), 510, 512(a), 558, 1174(d), 1174.5, 1194, 1197, 1197.1, 1198, 2800, and 2802, and the IWC Wage Orders.

California Labor Code section 2699.3 requires that a claimant must send a certified letter to the employer in questions and the California Labor & Workforce Development Agency setting forth the claims and the basis for the claims, thereby giving the California Labor & Workforce Development Agency an opportunity to investigate the claims and/or take any action it deems appropriate.

The purpose of this letter is to satisfy the requirement created by California Labor code section 2699 prior to seeking penalties allowed by law for the aforementioned statutory violations. We look forward to determining whether California Labor & Workforce Development Agency intends to take any action in reference to these claims. We kindly request that you respond to this notice according to the time frame contemplated by the California Labor Code.

Mr. Burch will seek these penalties on his own behalf and on behalf of other similarly situated California-based hourly-paid or non-exempt employees of SYNERGY SHIPPING within one year of the date of this letter, as allowed by law.

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If you have any questions or require additional information, please do not hesitate to contact us. Thank you for your attention to this matter and the noble cause you advance each and every day.

Very truly yours,

JUSTICE LAW CORPORATION

A handwritten signature in black ink, appearing to read 'D. Han', with a long horizontal flourish extending to the right.

Douglas Han, Esq.

CC: (By Email Only):

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PROOF OF SERVICE
1013A(3) CCP

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is 751 N. Fair Oaks Avenue, Suite 101, Pasadena, CA 91103 and my electronic service address is mluna@justicelawcorp.com

On July 3, 2023, I served the foregoing document described as

FIRST AMENDED CLASS ACTION COMPLAINT FOR DAMAGES

for the following case: **Graziano, et al. v. Synergy Shipping LLC**
LWDA/Court Case No.: **LWDA Case No.: CM-959784-23**
Court Case No.: 56-2022-00568488-CU-OE-VTA
Ventura County Superior Court

on interested parties in this action by electronically submitting as follows:

State of California
Labor & Workforce Development Agency
800 Capitol Mall, MIC-55
Sacramento, California 95814

[X] BY ELECTRONIC SUBMISSION

Pursuant to California Senate Bill No. 836, I caused the documents described above to be electronically submitted by and through the procedure stated on the website of the State of California Labor and Workforce Development Agency.

[X] STATE

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on July 3, 2023, at Pasadena, California.



Madison Luna