

Brian J. Mankin, Esq. [CSB No. 216228]
brian@lmlfirm.com
Peter J. Carlson, Esq. [CSB No. 295611]
peter@lmlfirm.com
LAUBY, MANKIN & LAUBY LLP
5198 Arlington Avenue, PMB 513
Riverside, CA 92504
Tel: (951) 320-1444 | Fax: (951) 320-1445

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Attorneys for Plaintiff, on behalf of the State of California as the Real Party in Interest

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

CAROL FISCHER, on behalf of the State of
California as the Real Party in Interest;

Plaintiff,

vs.

AMERICAN ASSOCIATION OF
ACCREDITATION OF AMBULATORY
SURGERY FACILITIES DBA QUAD A, an
Illinois Corporation; and DOES 1 through 20,
inclusive;

Defendants.

Case No.: **26NNCV01986**

**REPRESENTATIVE ENFORCEMENT
ACTION COMPLAINT [Private
Attorneys General Act of 2004 ("PAGA"),
Lab. Code § 2698, *et seq.*]**

- (1) Willful Misclassification;
- (2) Failure to Pay Minimum Wages;
- (3) Failure to Pay Overtime Wages;
- (4) Failure to Provide Meal Periods;
- (5) Failure to Provide Rest Breaks;
- (6) Failure to Reimburse Bus. Expenses;
- (7) Failure to Timely Pay Final Wages; and
- (8) Failure to Provide Accurate Itemized Wage Statements

Plaintiff Carol Fischer (“Plaintiff”) brings this Private Attorneys General Act (“PAGA”) Representative Action Complaint (“Complaint”), on behalf of the State of California as the real party in interest,¹ against Defendants as follows.

I. INTRODUCTION AND GENERAL ALLEGATIONS

1. Plaintiff brings this action against her former employer(s), American Association of Accreditation of Ambulatory Surgery Facilities dba Quad A and DOES 1 through 20, inclusive, (collectively, “Defendants”) on behalf of all persons who performed services for Defendants in the State of California and who were classified by Defendants as independent contractors within the last one year and 65 days prior to the filing of this action (hereinafter, the “Aggrieved Employees”).

2. Plaintiff alleges that she and the Aggrieved Employees were subjected to violations of the California Labor Code stemming from Defendants’ willful misclassification, failure to pay wages for all hours worked, including minimum, regular, and overtime wages, failure to provide meal periods, failure to provide rest breaks, failure to reimburse business expenses, failure to timely pay wages upon separation of employment, and failure to provide accurate itemized wage statements.

3. Plaintiff was employed by Defendants from approximately 2015 through August 2025 as a surveyor, although she was improperly classified as an independent contractor.

4. Plaintiff alleges on information and belief that the Aggrieved Employees were subjected to the same policies, working conditions, and corresponding wage and hour violations to which Plaintiff was subjected during employment.

5. At all relevant times, Plaintiff and the Aggrieved Employees performed various duties for defendants as employees. However, Defendants have maintained policies and practices based on or including the willful misclassification of Plaintiff and the Aggrieved Employees as independent contractors despite that, under applicable standards of law, Plaintiff and all

¹ Because a PAGA action is aimed at deterring and punishing violations of the Labor Code, the State of California “is always the real party in interest in the suit.” *Iskanian v. CLS Transp. of Los Angeles, LLC* (2014) 59 Cal.4th 348, 360; *ZB, N.A. v. Superior Court* (2019) 8 Cal.5th 175, 185 (all PAGA claims “are brought on the state’s behalf”).

1 Aggrieved Employees are, or were during their employment with Defendants, employees, and
2 not independent contractors.

3 6. Under Labor Code § 2775, the Aggrieved Employees are/were employees of
4 Defendants, not independent contractors, and Defendants cannot meet their burden of proving
5 otherwise because:

6 A. The Aggrieved Employees are/were subject to the control and direction of
7 Defendants in connection with the performance of their work, under contract and in fact.

8 B. The Aggrieved Employees performed work that was the core business of
9 Defendants (*e.g.*, surveying medical facilities, etc.), and therefore the tasks were not outside the
10 usual course of Defendants' business, and

11 C. The Aggrieved Employees were not customarily engaged in an
12 independently established trade, occupation, or business of the same nature as the work
13 performed by Defendants.

14 7. Also, Plaintiff and the Aggrieved Employees were subject to the direction and
15 control of Defendants in regard to work assignments, scheduling requirements, and days of work.
16 Furthermore, Defendants directly and indirectly exercised control over the wages, hours, and
17 working conditions of Plaintiff and the Aggrieved Employees. At all relevant times, the daily
18 schedule for Plaintiff and the Aggrieved Employees was controlled solely by Defendants, and
19 Defendants told them the exact time and location for all daily pickups and deliveries. Further,
20 through the performance of their job duties, Plaintiff and the Aggrieved Employees performed an
21 integral and entirely essential aspect of Defendants' business. In fact, Plaintiff and the
22 Aggrieved Employees were tasked to perform the primary service that Defendants provided:
23 inspecting and accrediting medical facilities, among other tasks and duties. Plaintiff and the
24 Aggrieved Employees often travelled to medical facilities to conduct surveys and assess
25 compliance with laws, regulations, and standards. Additionally, the customers are and/or were
26 Defendants' customers, not those of Plaintiff or the Aggrieved Employees. Plaintiff and the
27 Aggrieved Employees were also not engaged in an independently established trade, occupation
28 or business of the same nature as the work performed by Defendants. Perhaps most importantly,

1 Defendants retained the right to terminate Plaintiff and the Aggrieved Employees' working
2 relationship without cause and at its discretion.

3 8. Despite the facts discussed herein, Defendants misclassified Plaintiff and the
4 Aggrieved Employees as independent contractors rather than as employees, leading to violations
5 of the California Labor Code and IWC Wage Orders discussed below.

6 9. At all relevant times, Plaintiff and the Aggrieved Employees were not provided
7 proper minimum and overtime wages due to the Defendants' failure to accurately record and
8 compensate for all hours worked, which led to frequent and recurring unpaid compensable time.
9 For example, the Defendants frequently required Plaintiff and the Aggrieved Employees to
10 perform pre- and post-shift work without recording such time – leading to unpaid wages – such
11 as when being required by the Defendants to complete a survey for a fixed amount of
12 compensation regardless of the hours worked. These practices violate California law. *Troester v.*
13 *Starbucks Corporation* (2018) 5 Cal.5th 829 (California law “do[es] not allow employers to
14 require employees to routinely work for minutes off the clock without compensation”); *Frlekin v.*
15 *Apple Inc.* (2020) 8 Cal.5th 1038 (tasks are compensable when employee is under employer's
16 control and where the tasks served the employer's interests).

17 10. Plaintiff and the Aggrieved Employees often worked more than 8 hours per day
18 and/or 40 hours per week but did not receive all required overtime compensation on such
19 occasions.

20 11. Plaintiff and the Aggrieved Employees were also denied 30-minute off-duty meal
21 periods, as mandated by California law. As a result of Defendants' policies and practices, the
22 Aggrieved Employees were subjected to meal period violations when they were: (1) unable to
23 take a meal period due to workload, (2) forced to take an on-duty meal period while under the
24 control of Defendant, (3) forced to take a shortened meal period, (4) forced to take a meal period
25 after the 5th hour of work, and (5) not provided a second meal period for shifts in excess of 10
26 hours. As such, Plaintiff and other similarly situated employees were regularly not provided with
27 uninterrupted meal periods of at least 30 minutes, as required by California law. Moreover,
28 Defendants failed to record or keep accurate information regarding when Plaintiff and the

1 Aggrieved Employees took their meal periods, in violation of the applicable IWC Wage Order §
2 7(A)(3).

3 12. Defendants also failed to provide Plaintiff with 10 minutes of net rest break time
4 for every 4 hours worked, or major fraction thereof, as mandated by California law. Defendants
5 did not schedule Plaintiff's rest breaks and Plaintiff was often not authorized and/or permitted to
6 take mandated rest breaks due to being overwhelmed by her hectic workload. Furthermore, on
7 occasions when Plaintiff worked in excess of 10 hours in a shift, Defendants failed to authorize
8 and/or permit a third mandated rest break.

9 13. Defendants further failed to comply with the mandates of Labor Code §§ 204 and
10 210 regarding the timing of the payment of wages to their employees each period, including
11 minimum and overtime wages, as well as meal and rest period premiums. Also, Defendants
12 failed to comply with the mandates of Labor Code §§ 201–203 regarding timing of payment of
13 final wages and failed to pay all wages due and owing upon separation of employment including
14 minimum wages, overtime, meal and rest break premiums, and Defendants further failed to pay
15 the Aggrieved Employees for mandated sick time at a rate “calculated in the same manner as the
16 regular rate of pay.” Defendants also failed to provide required sick time to Plaintiff and other
17 Aggrieved Employees misclassified as contractors.

18 14. Moreover, at all relevant times, Defendants required Plaintiff and the Aggrieved
19 Employees to incur necessary business-related expenses and costs without reimbursement,
20 including, but not limited to, acquiring a desktop computer required for writing documents and
21 acquiring and maintaining a smart phone and related monthly data plan to navigate in the field
22 and communicate with Defendants via phone and text message.

23 15. Plaintiff further alleges that Defendants provided Plaintiff and the Aggrieved
24 Employees with inaccurate and incomplete wage statements that failed to accurately state all
25 necessary items required under Labor Code § 226(a).

26 16. Plaintiff alleges that Defendants' violations of the wage and hour components of
27 the Labor Code and IWC Wage Orders enabled them to decrease expenses and to increase their
28 level of productivity and profits, thereby allowing Defendants to gain an unfair advantage over

1 their competitors.

2 17. At all material times, Defendants and DOES 1 through 20 were and/or are the
3 Aggrieved Employees' employers or persons acting on behalf of the Aggrieved Employees'
4 employer, within the meaning of California Labor Code § 558, who violated or caused to be
5 violated, a section of Part 2, Chapter 1 of the California Labor Code or any provision regulating
6 hours and days of work in an IWC Wage Order and, as such, are subject to penalties for each
7 underpaid employee as set forth in Labor Code § 558 and under California law.

8 18. Plaintiff brings this lawsuit on behalf of the State of California, as the real party in
9 interest, to recover all applicable and available PAGA remedies for violations of the California
10 Labor Code committed against the Aggrieved Employees as alleged herein, as well as attorneys'
11 fees, costs, and/or other damages as permitted by PAGA. Plaintiff reserves the right to name
12 additional representatives throughout the State of California.

13 **II. JURISDICTION**

14 19. This Court has jurisdiction over the claims for relief of Plaintiff and the
15 Aggrieved Employees pursuant to the Labor Code and the IWC Wage Orders.

16 **III. VENUE**

17 20. Venue as to each Defendant is proper in this Court pursuant to Code of Civil
18 Procedure § 395(a) because: Defendants transact business in Los Angeles County, the unlawful
19 acts alleged herein have a direct effect on the Aggrieved Employees in Los Angeles County, and
20 Defendants employs/employed Aggrieved Employees in Los Angeles County.

21 **IV. PARTIES**

22 **Plaintiff**

23 21. Plaintiff and PAGA Representative Carol Fischer was employed by Defendants
24 and performed work for Defendants during the relevant periods herein.

25 **Defendants**

26 22. Plaintiff is informed and believes and thereon alleges that Defendant American
27 Association of Accreditation of Ambulatory Surgery Facilities dba Quad A is an Illinois
28 corporation authorized to and doing business in Los Angeles County and is or was the legal

1 employer of Plaintiff and the Aggrieved Employees during the applicable periods.

2 23. Plaintiff is ignorant of the true names, capacities, relationships, and extent of
3 participation in the conduct herein alleged, of Defendants sued herein as DOES 1 through 20,
4 inclusive, but on information and belief alleges that those Defendants are legally responsible for
5 the payment of penalties and damages to Plaintiff and all Aggrieved Employees by virtue of
6 Defendants' unlawful actions and practices and therefore sue these Defendants by such fictitious
7 names. Plaintiff will amend this complaint to allege the true names and capacities of the DOE
8 Defendants when ascertained.

9 24. Plaintiff is informed and believes and thereon alleges that she and the Aggrieved
10 Employees worked under the joint direction and control of Defendants and that Defendants, and
11 each of them, acted in all respects pertinent to this action as the agent of the other Defendants,
12 carried out a joint scheme, business plan or policy in all respect pertinent hereto, and the acts of
13 each Defendant are legally attributable to the other Defendants. On information and belief, a
14 unity of interest and ownership between each Defendant exists such that all Defendants acted as
15 a single employer of Plaintiff and other Aggrieved Employees.

16 25. Furthermore, Plaintiff is informed and believes and thereon alleges that
17 Defendants, and each of them, are an integrated enterprise and should be treated as a single
18 employer because these entities share an interrelation of operations, with common human
19 resources and personnel policies and shared common offices and facilities. Additionally,
20 Plaintiff alleges that Defendants also have a shared website, common management, a centralized
21 control of labor operations, and common ownership or financial control.

22 26. Plaintiff is informed and believes and thereon alleges that, in conducting
23 themselves in the manner described herein, Defendants, and each of them, were acting in active
24 concert with one another such that the acts of each were and are fully attributable to the others in
25 all material respects. Plaintiff is further informed and believes that at all relevant times
26 Defendants and each of them are now, and at all material times herein mentioned were, the
27 agents, servants, employees, partners, affiliates, and/or representatives of each of their remaining
28 co-Defendants, and were, at all times herein mentioned, acting within the course, scope, and

1 purpose of such relationship(s) and with the knowledge, consent and/or ratification of each of
2 their remaining co-Defendants.

3 27. Plaintiff is further informed and believes that at all relevant times, Defendants
4 have been inadequately capitalized to conduct business, have failed to follow appropriate
5 corporate formalities, and have simply been a shell and instrumentality through which
6 Defendants DOES 11 through 20, inclusive, have conducted their personal affairs. Accordingly,
7 the corporate veil should be pierced, and any liability attached to Defendants should be imposed
8 jointly and severally against Defendants DOES 11 through 20. Adherence to the fiction of the
9 separate existence of these corporate entities would permit abuse of the corporate privilege,
10 thereby sanctioning fraud and promoting injustice.

11 **V. PAGA CAUSES OF ACTION (Labor Code §§ 2698 – 2699.5)**

12 28. Plaintiff incorporates the preceding paragraphs of the Complaint as if fully
13 alleged herein.

14 29. Plaintiff is an “aggrieved employee” under the PAGA as she was employed by
15 Defendants during the applicable statutory period and suffered one or more of the Labor Code
16 violations alleged herein. As such, Plaintiff may recover the remedies described herein in a civil
17 action filed on behalf of the State of California and for violations committed against the
18 Aggrieved Employees.

19 30. Plaintiff seeks to recover all applicable and available PAGA remedies pursuant to
20 Labor Code § 2699, as well as attorneys’ fees, costs, and/or other damages as permitted by
21 PAGA through a representative action pursuant to the PAGA and the California Supreme Court
22 in *Arias v. Superior Court* (2009) 46 Cal. 4th 969. Therefore, Plaintiff is not required to, nor
23 does she, seek class certification of the PAGA claims under Code of Civil Procedure § 382.

24 31. Pursuant to Labor Code § 2699.3(a), Plaintiff gave written notice by online filing
25 to the Labor and Workforce Development Agency (“LWDA”) and by certified mail to
26 Defendants of the specific provisions of the Labor Code alleged to have been violated, including
27 the facts and theories to support the alleged violations. Sixty-five (65) days have elapsed since
28 Plaintiff provided notice of the claims alleged herein without the LWDA assuming jurisdiction,

1 so Plaintiff has fully satisfied her administrative prerequisites for bringing suit under the PAGA.

2 **FIRST CAUSE OF ACTION**

3 **PAGA ASSESSMENT FOR WILLFUL MISCLASSIFICATION**

4 (Labor Code § 226.8)

5 *Plaintiff and the Aggrieved Employees Against All Defendants*

6 32. Plaintiff incorporates the preceding paragraphs of the Complaint as if fully
7 alleged herein.

8 33. At all relevant times, Plaintiff and the Aggrieved Employees performed various
9 duties for Defendants as employees. However, as alleged in detail above, Defendants have
10 maintained policies and practices based on or including the willful misclassification of Plaintiff
11 and the Aggrieved Employees as independent contractors despite that, under applicable standards
12 of law, Plaintiff and all Aggrieved Employees are, or were during their employment with
13 Defendants, employees and not independent contractors.

14 34. Labor Code § 226.8(a) states “It is unlawful for any person or employer to engage
15 in any of the following activities: (1) Willful misclassification of an individual as an independent
16 contractor.”

17 35. Labor Code § 226.8(b) states that if “a person or employer has engaged in any of
18 the enumerated violations of subdivision (a), the person or employer shall be subject to a civil
19 penalty of not less than five thousand dollars (\$5,000) and not more than fifteen thousand dollars
20 (\$15,000) for each violation, in addition to any other penalties or fines permitted by law.”

21 36. Labor Code § 226.8(c) further states that if “a person or employer has engaged in
22 any of the enumerated violations of subdivision (a) and the person or employer has engaged in or
23 is engaging in a pattern or practice of these violations, the person or employer shall be subject to
24 a civil penalty of not less than ten thousand dollars (\$10,000) and not more than twenty-five
25 thousand dollars (\$25,000) for each violation, in addition to any other penalties or fines
26 permitted by law.

27 37. At all relevant times herein, Defendants engaged in a pattern and practice of
28 willfully and knowingly misclassifying Plaintiff and the Aggrieved Employees as independent

1 contractors. Therefore, Plaintiff and the Aggrieved Employees are entitled to the stepped-up
2 penalties as set forth in Labor Code § 226.8(c).

3 38. As a result of the unlawful employment practices alleged herein, Plaintiff, on
4 behalf of the State of California, seeks the assessment of all applicable and available PAGA
5 remedies pursuant to Labor Code §§ 226.8 and 2699, and seeks to recover all attorneys' fees,
6 costs, and/or any other damages permitted under PAGA.

7 **SECOND CAUSE OF ACTION**

8 **PAGA ASSESSMENT FOR FAILURE TO PAY MINIMUM WAGES**

9 (Labor Code §§ 200, 1194, 1194.2, 1197; IWC Wage Order § 4)

10 *Plaintiff and the Aggrieved Employees Against All Defendants*

11 39. Plaintiff incorporates the preceding paragraphs of the Complaint as if fully
12 alleged herein.

13 40. Plaintiff and the Aggrieved Employees were not exempt from the requirement to
14 be paid at least the applicable California minimum wage throughout the statutory period for each
15 hour worked.

16 41. As noted herein, Plaintiff and the Aggrieved Employees were not provided proper
17 minimum and regular wages due to the allegations herein. As a result of these policies and
18 practices, Plaintiff and the Aggrieved Employees were required to perform off-the-clock work
19 that Defendants either knew or should have known they were performing.

20 42. Consequently, Defendants violated California Labor Code laws and minimum
21 wage laws, *inter alia*, Labor Code §§ 200, 1197, IWC Wage Order § 4, and Cal. Code Regs., tit.
22 8, section 11090, subds. 1 and 4(B).

23 43. Plaintiff is informed and believes and thereon alleges that Defendants
24 intentionally, willfully, and improperly failed to pay wages to Plaintiff and the Aggrieved
25 Employees for each hour worked in violation of Labor Code §§ 1194 and 1197.

26 44. Defendants' conduct was willful, as Defendants knew that Plaintiff and the
27 Aggrieved Employees were entitled to be paid wages throughout the statutory period for each
28 hour worked, including proper minimum and regular wages, yet Defendants chose not to pay

1 them in accordance thereto.

2 45. As a result of the unlawful employment practices alleged herein, Plaintiff, on
3 behalf of the State of California, seeks the assessment of all applicable and available PAGA
4 remedies pursuant to Labor Code § 2699, and seeks to recover all attorneys' fees, costs, and/or
5 any other damages permitted under PAGA.

6 **THIRD CAUSE OF ACTION**

7 **PAGA ASSESSMENT FOR FAILURE TO PAY OVERTIME WAGES**

8 (Labor Code § 510; IWC Wage Order § 3(A))

9 *Plaintiff and the Aggrieved Employees Against All Defendants*

10 46. Plaintiff incorporates the preceding paragraphs of the Complaint as if fully
11 alleged herein.

12 47. Plaintiff and the Aggrieved Employees were employees of Defendants who did
13 not receive proper protections and benefits of the laws governing payment of overtime wages.

14 48. Labor Code § 204 requires that the employer timely pay all overtime wages to its
15 employees. Labor Code § 510(a) and the applicable IWC Wage Order § 3(A) provide that any
16 work performed in excess of eight (8) hours in one workday or in excess of forty (40) hours in
17 any one workweek shall be compensated at the rate of no less than one and one-half times the
18 regular rate of pay for an employee. Furthermore, any work performed in excess of twelve (12)
19 in one workday shall be compensated at twice the regular rate of pay for an employee.

20 49. At all relevant times, Plaintiff and the Aggrieved Employees were required by
21 Defendants to work hours in excess of 8 and/or 12 per day and/or 40 per week. However, as a
22 result of the policies and practices described in this Complaint, Defendants failed to pay Plaintiff
23 and the Aggrieved Employees proper overtime wages for all overtime hours worked.

24 50. Defendants violate Labor Code § 510 and the applicable IWC Wage Order § 3(A)
25 every pay period with respect to Plaintiff and the Aggrieved Employees because Defendants
26 required its employees to work hours in excess of 8 and/or 12 per day and/or 40 per week
27 without proper overtime compensation.
28

51. Plaintiff is informed and believes and thereon alleges that Defendants intentionally, willfully, and improperly failed to pay proper overtime wages to Plaintiff and the Aggrieved Employees in violation of Labor Code §§ 510, 1194 and 1197.

52. Defendants' conduct was willful, as Defendants knew that Plaintiff and the Aggrieved Employees were entitled to be paid proper overtime wages throughout the statutory period, yet Defendants chose not to pay them in accordance thereto.

53. As a result of the unlawful employment practices alleged herein, Plaintiff, on behalf of the State of California, seeks the assessment of all applicable and available PAGA remedies pursuant to Labor Code § 2699, and seeks to recover all attorneys' fees, costs, and/or any other damages permitted under PAGA.

FOURTH CAUSE OF ACTION

PAGA ASSESSMENT FOR FAILURE TO PROVIDE MEAL PERIODS

(Labor Code §§ 226.7 and 512; IWC Wage Order § 11, 12)

Plaintiff and the Aggrieved Employees Against All Defendants

54. Plaintiff incorporates the preceding paragraphs of the Complaint as if fully alleged herein.

55. Plaintiff and the Aggrieved Employees are and/or were employees of Defendants who did not receive proper protections and benefits of laws governing mandatory meal periods.

56. Labor Code § 226.7 requires employers, including Defendants, to provide employees with meal periods as mandated by the Industrial Welfare Commission.

57. Labor Code § 512(a), in part, provides that employers, including Defendants, may not employ an employee for a work period of more than five hours per day without providing an employee the opportunity to take an uninterrupted meal period of not less than 30 minutes, except that if the total work period per day of the employee is no more than six hours, the meal period may be waived by mutual consent of both the employer and the employee. Employers may not employ an employee for a work period more than 10 hours per day without providing the employee with a second meal period of not less than 30 minutes.

58. Pursuant to Labor Code § 226.7(b) and the applicable IWC Wage Order § 11(B), Defendants shall pay an employee one additional hour of pay at the employee's regular rate of pay for each meal period that is missed.

59. At all relevant times, and as a result of the policies and practices described in this Complaint, Plaintiff and the Aggrieved Employees were denied the 30-minute meal periods to which they were entitled.

60. Defendants violated Labor Code §§ 226.7, 512, and the applicable IWC Wage Order every pay period because Plaintiff and the Aggrieved Employees were not provided with all mandatory meal periods and Defendants failed to pay Plaintiff and the Aggrieved Employees one additional hour of compensation at the regular rate of pay in lieu thereof.

61. On information and belief, Plaintiff and the Aggrieved Employees did not voluntarily or willfully waive the mandated meal periods. Any expressed or implied waivers obtained from Plaintiff and the Aggrieved Employees were not willfully obtained, were not voluntarily agreed to, were a condition of employment, or were a part of a contract of an unlawful adhesion. Defendants did not permit or authorize Plaintiff and the Aggrieved Employees to take meal periods in accordance with California law.

62. As a result of the unlawful employment practices alleged herein, Plaintiff, on behalf of the State of California, seeks the assessment of all applicable and available PAGA remedies pursuant to Labor Code § 2699, and seeks to recover all attorneys' fees, costs, and/or any other damages permitted under PAGA.

FIFTH CAUSE OF ACTION

PAGA ASSESSMENT FOR FAILURE TO PROVIDE REST BREAKS

(Labor Code §§ 226.7 and 512; IWC Wage Order § 12)

Plaintiff and the Aggrieved Employees Against All Defendants

63. Plaintiff incorporates the preceding paragraphs of the Complaint as if fully alleged herein.

64. Plaintiff and the Aggrieved Employees are and/or were employees of Defendants who did not receive proper protections and benefits of the laws governing mandatory rest breaks.

65. Labor Code § 226.7 requires employers, including Defendants, to provide rest breaks to its employees as mandated by Order of the Industrial Welfare Commission.

66. The IWC Wage Order § 12 states, in part, that every employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period. Employees shall receive a 10-minute rest period every four hours or major fraction thereof that they are required to work. Authorized rest period time shall be counted, as hours worked, for which there shall be no deduction from wages.

67. Pursuant to Labor Code § 226.7(b) and Section 12(B) of the applicable Wage Order, Defendants shall pay Plaintiff and the Aggrieved Employees one additional hour of pay at their regular rate of compensation for each day that the rest period is not provided.

68. At all relevant times, and as a result of the policies and practices described in this Complaint, Plaintiff and the Aggrieved Employees were denied mandated paid rest breaks.

69. Defendants violated Labor Code §§ 226.7, 512, and the applicable IWC Wage Order every pay period because Plaintiff and the Aggrieved Employees were not provided with all mandatory rest periods and Defendants failed to pay Plaintiff and the Aggrieved Employees one additional hour of compensation in lieu thereof.

70. As a result of the unlawful employment practices alleged herein, Plaintiff, on behalf of the State of California, seeks the assessment of all applicable and available PAGA remedies pursuant to Labor Code § 2699, and seeks to recover all attorneys' fees, costs, and/or any other damages permitted under PAGA.

SIXTH CAUSE OF ACTION

PAGA ASSESSMENT FOR FAILURE TO REIMBURSE BUSINESS EXPENSES

(Labor Code § 2802)

Plaintiff and the Aggrieved Employees Against All Defendants

71. Plaintiff incorporates the preceding paragraphs of the Complaint as if fully alleged herein.

72. Plaintiff and the Aggrieved Employees are and/or were employees of Defendants who did not receive proper protections and benefits of the laws governing reimbursement of

1 business expenses.

2 73. Labor Code § 2802(a) requires that the employer indemnify its employees for
3 expenses and losses incurred while discharging their duties or in obedience to the directions of
4 their employer.

5 74. At all relevant times herein mentioned, Defendants violated Labor Code § 2802(a)
6 when they failed to reimburse Plaintiff and the Aggrieved Employees for expenses incurred as a
7 direct consequence of employment with Defendants and/or under the direction of Defendants.

8 75. As a result of the unlawful employment practices alleged herein, Plaintiff, on
9 behalf of the State of California, seeks the assessment of all applicable and available PAGA
10 remedies pursuant to Labor Code § 2699, and seeks to recover all attorneys' fees, costs, and/or
11 any other damages permitted under PAGA.

12 **SEVENTH CAUSE OF ACTION**

13 **PAGA ASSESSMENT FOR FAILURE TO TIMELY PAY FINAL WAGES**

14 (Labor Code §§ 201 – 203)

15 *Plaintiff and the Aggrieved Employees Against All Defendants*

16 76. Plaintiff incorporates the preceding paragraphs of the Complaint as if fully
17 alleged herein.

18 77. Plaintiff and the Aggrieved Employees are and/or were employees of Defendants
19 who did not receive proper protections and benefits of the laws governing the timing and
20 payment of wages.

21 78. Labor Code § 201 requires that the employer immediately pay any wages, without
22 abatement or reduction, to any employee who is discharged.

23 79. Labor Code § 202 requires that the employer pay all wages earned and unpaid,
24 without abatement or reduction, no later than 72 hours of receiving an employee's notice of
25 intent to quit or immediately at the time of quitting if at least a 72-hour notice was provided.

26 80. Labor Code §§ 201-203 cause the unpaid wages of the employee to continue as a
27 penalty from the due date thereof at the same rate until paid or until an action therefore is
28 commenced, but the wages shall not continue for more than thirty (30) days.

1 81. At all relevant times, Defendants employed a policy and practice whereby
2 Plaintiff and the Aggrieved Employees were not paid all wages due and owing upon separation
3 of employment within the time required by Labor Code §§ 201 and 202.

4 82. Also, at all relevant times, Defendants engaged in the practice of failing to pay all
5 wages due and owing to Plaintiff and the Aggrieved Employees upon separation of employment,
6 including, but not limited to, minimum, regular, and overtime wages, meal and rest period
7 premiums, vested vacation wages, and sick wages.

8 83. Plaintiff alleges that, at all times material to this action, Defendants had a planned
9 pattern and practice of failing to timely pay Plaintiff and the Aggrieved Employees all wages due
10 and owing upon separation of employment as required by Labor Code §§ 201 and 202.

11 84. As a result of the unlawful employment practices alleged herein, Plaintiff, on
12 behalf of the State of California, seeks the assessment of all applicable and available PAGA
13 remedies pursuant to Labor Code § 2699, and seeks to recover all attorneys' fees, costs, and/or
14 any other damages permitted under PAGA.

15 **EIGHTH CAUSE OF ACTION**

16 **PAGA ASSESSMENT FOR**

17 **FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS**

18 (Labor Code § 226)

19 *Plaintiff and the Aggrieved Employees Against All Defendants*

20 85. Plaintiff incorporates the preceding paragraphs of the Complaint as if fully
21 alleged herein.

22 86. Plaintiff and the Aggrieved Employees are and/or were employees of Defendants
23 who did not receive proper protections and benefits of the laws governing the provision of
24 accurate itemized wage statements.

25 87. Labor Code § 226(a) requires an employer to provide its employees with itemized
26 wage statements accurately stating gross wages earned, all deductions, net wages earned, the
27 inclusive dates of the pay period, the employee's name and the last four digits of his or her
28 Social Security number (or employee identification number), the name and address of the legal

entity that is the employer, and all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee.

88. Defendants violate Labor Code § 226(a) every pay period with respect to Plaintiff and the Aggrieved Employees due to violations including: failure to accurately state total hours worked (for example, the wage statements failed to accurately reflect the compensable hours worked); failure to accurately state gross wages earned; failure to accurately state all deductions; failure to accurately state net wages earned; failure to state the applicable hourly rates (including the accurate overtime rate of pay); and failure to accurately state the corresponding number of hours worked at each hourly rate. The California Supreme Court recently confirmed that these “derivative” violations violate Labor Code § 226. *See Naranjo v. Spectrum Security Services, Inc.* (2022) 13 Cal.5th 93, 119 (approving of “derivative” wage statement claims based on failure to pay all wages owed and holding that: (1) § 226 requires employers to accurately report “all amounts earned and now owing, not just those amounts actually paid,” and (2) a “[wage] statement that conceals the amounts earned [including premium pay for missed breaks], on the ground that they also were not paid, is not an accurate [wage] statement, and it does not comply with [§ 226]”).

89. Moreover, Defendants’ wage statements directly violated Labor Code § 226(a) each period due to the failure to pay and report premium wages for denied meal periods and rest breaks under § 226.7.

90. Therefore, Defendants violate Labor Code § 226(a) every pay period with respect to Plaintiff and the Aggrieved Employees because Defendants failed to provide a wage statement to the Aggrieved Employees that complied with the requirements of Labor Code § 226(a).

91. Unlike class action claims, a PAGA Plaintiff need not meet the “injury” and “knowing and intentional” violation requirements of Labor Code § 226(e). *See Lopez v. Friant & Associates, LLC* (2017) 15 Cal.App.5th 773, 788 (“a plaintiff seeking civil penalties under PAGA for a violation of section 226(a) does not have to satisfy the “injury” and “knowing and intentional” requirements of section 226(e)(1)”); *see also, Lawson v. ZB, N.A.* (2017) 18 Cal.App.5th 705, 722 (“the scienter requirement [of § 226(e)] has no application in a PAGA

claim for violation of [§ 226(a)]”).

92. As a result of the unlawful employment practices alleged herein, Plaintiff, on behalf of the State of California, seeks the assessment of all applicable and available PAGA remedies pursuant to Labor Code § 2699, and seeks to recover all attorneys’ fees, costs, and/or any other damages permitted under PAGA.

VI. PRAYER FOR RELIEF

WHEREFORE, Plaintiff, on behalf of the State of California, as the real party in interest, prays for judgment and relief against Defendants, jointly and severally, as follows:

1. For the assessment of all remedies and/or penalties available under the PAGA;
2. For reasonable attorneys’ fees and costs of suit to the extent permitted by law; and
3. For such other and further relief as the Court deems just and proper.

Dated: March 16, 2025

LAUBY, MANKIN & LAUBY LLP

BY: 
Brian J. Mankin, Esq.
Peter J. Carlson, Esq.
Attorneys for Plaintiff