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

JERRELL LEE, as an individual and on behalf of
all others similarly situated, and as a private
attorney general,

Plaintiff,

vs.

EAST COAST ASSEMBLERS INC., a Florida
corporation; and DOES 1 through 50, inclusive,

Defendants.

Case No. CIVSB2317835

[Assigned to Hon. Gilbert Ochoa, Dept. S24]

**FIRST AMENDED CLASS AND
REPRESENTATIVE ACTION COMPLAINT**

- (1) Unpaid Wages**
(Lab. Code §§ 226.2, 1182.12, 1197)
- (2) Unpaid Overtime**
(Lab. Code §§ 226.2, 510, 1198)
- (3) Failure to Provide Rest Periods**
(Lab. Code § 226.7);
- (4) Unpaid Sick Pay Wages**
(Lab. Code §§ 201-204, 233, 246);
- (5) Inaccurate Itemized Wage Statements**
(Lab. Code § 226(a), 226.2);
- (6) Unreimbursed Business Expenses**
(Lab. Code § 2802);
- (7) Unfair or Unlawful Business Practices**
(Bus. & Prof. Code §§ 17200 et seq.); and
- (8) Violations of the California Labor Code**
(Lab Code. §§ 2698 et seq.)

DEMAND OVER \$25,000.00

1 On behalf of himself and other similarly situated current and former employees of Defendants,
2 and as a proxy for the State of California, Plaintiff, Jerrell Lee, submits this First Amended Class and
3 Representative Action Complaint (the “Complaint”) against Defendant, East Coast Assemblers Inc., and
4 Does 1 through 50 (collectively, “Defendants”).

5 INTRODUCTION

6 1. This class and representative action challenges systemic employment practices resulting
7 in violations of the California Labor Code against individuals who worked for Defendants. Plaintiff is
8 informed and believes that Defendants have jointly and severally acted intentionally and with deliberate
9 indifference and conscious disregard to the rights of employees by failing to pay agreed-upon piece
10 rates, failing to pay for all non-productive time, failing to pay all overtime wages, failing to pay for rest
11 periods and failing to pay an additional hour of regular rate wages for rest period violations, failing to
12 pay all sick pay wages, failing to timely pay all wages during employment or upon termination of
13 employment, by failing to provide complete and accurate itemized wage statements, and failing to
14 reimburse business expenses. The Complaint seeks damages, penalties, and other relief pursuant to,
15 among other provisions, Labor Code sections 201-204, 210, 218, 218.5, 218.6, 226, 226.2, 226.3, 226.7,
16 233, 246, 510, 558, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2802, and 2698 et seq., and the Unfair
17 Competition Law, codified at Business and Professions Code sections 17200 et seq. (the “UCL”).¹

18 2. Defendants purport to pay Plaintiff and other piece-rate employees on a piece rate for
19 assembling various items at client locations. Defendants routinely fail to actually pay the piece rates for
20 work performed by Plaintiff and other piece-rate employees and instead convert piece-rate earnings into
21 purported hourly rates for work performed on a piece-rate basis.

22 3. Defendants also routinely do not pay wages for all hours or non-productive time worked.
23 Specifically, Defendants do not pay wages to Plaintiff and other piece-rate employees for all non-
24 productive time worked, including for example hours traveling to client locations.

25 4. Defendants also routinely fail to pay all overtime wages at 1.5 times the regular rate of
26 pay based on the piece rates earned by Plaintiff and other piece-rate employees.

27
28

¹ Except as otherwise noted, all “Section” references are to the Labor Code.

5. Defendants also routinely fail to compensate Plaintiff and other piece-rate employees for paid rest periods. Defendants also routinely fail to pay Plaintiff and other piece-rate employees an additional hour of regular rate wages for Defendants' rest period violations.

6. Defendants also routinely fail to pay sick pay wages at the regular rate of pay. Specifically, Defendants fail to consider all wages, including piece-rate earnings, when paying sick pay wages. Rather than pay sick pay wages at the regular rate of pay, Defendants underpay sick pay wages to Plaintiff and other non-exempt employees.

7. Because Plaintiffs and other non-exempt employees are not paid all of their wages, Defendants also routinely fail to timely pay Plaintiffs and other non-exempt employees all of their wages during employment or timely pay all due wages upon separation of employment.

8. Defendants also routinely fail to reimburse Plaintiff and other employees for all mileage expenses incurred in performing their jobs. Specifically, Plaintiff and other employees were only reimbursed for mileage if they drove more than 50 miles per day.

9. Defendants also routinely fail to provide accurate itemized wage statements to Plaintiff and other piece-rate employees. Specifically, although Plaintiff and other piece-rate employees are paid on a piece-rate basis, Defendants furnish wage statements that do not show the number of pieces being paid or the rate of pay per piece—or any information as to how such wages are calculated.

10. Plaintiff is informed and believes that Defendants engage in, among other things, a system of willful violations of the Labor Code by creating and maintaining policies, practices, and customs that knowingly deny its employees the above stated rights and benefits.

11. The policies, practices, and customs of Defendants result in unjust enrichment of Defendants and an unfair business advantage over businesses that comply with the Labor Code.

JURISDICTION AND VENUE

12. The Complaint seeks relief exceeding \$25,000.00. The Court has jurisdiction of Defendants' violations of Sections 201-204, 210, 218, 218.5, 218.6, 226, 226.2, 226.3, 226.7, 233, 246, 510, 558, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, and 2802, and the UCL.

13. Venue is proper in the County of San Bernardino. Plaintiff worked for Defendants in Rancho Cucamonga, California, among other places.

PARTIES

14. In 2022 Plaintiff began working for Defendants as an Assembler. Until his employment ended in June of 2023, Plaintiff was compensated on a piece-rate basis as a non-exempt employee. Defendants, however, converted Plaintiff's compensation to an hourly rate, based on the piece-rate work performed in each pay period. Plaintiff was furnished wage statements that failed to show the applicable piece rates and number of pieces Plaintiff was being compensated. Plaintiff also was not separately paid for paid rest breaks. Plaintiff also was required to work non-productive time, including for example hours worked for traveling to and from client locations. Plaintiff, however, was not paid minimum wages, overtime wages, or doubletime wages for all hours or non-productive time worked. Nor was Plaintiff provided with accurate itemized wage statements showing the number of pieces being paid or the rate of pay per piece. Plaintiff also was not paid sick pay wages at the regular rate of pay. Nor was Plaintiff reimbursed for all mileage expenses. Plaintiff thus is a victim of the policies, practices, and customs of Defendants complained of in this action in ways that have deprived him of the rights guaranteed by the Labor Code and the UCL.

15. Plaintiff is informed and believes that Defendant, Cheema Freightlines, LLC, was and is a California limited liability company. Plaintiff is informed and believes that at all times herein mentioned named defendants and Does 1 through 50, were and are corporations, business entities, individuals, or partnerships that are and were licensed to do business and actually doing business in the State of California. Based upon all the facts and circumstances incident to Defendants' business, Defendants are subject to Sections 201-204, 210, 218, 218.5, 218.6, 226, 226.2, 226.3, 226.7, 233, 246, 510, 558, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, and 2802, and the UCL.

16. Plaintiff does not know the true names or capacities of the defendants sued herein as Does 1 through 50, whether individual, partner, or corporate, and for that reason, said defendants are sued under such fictitious names. Plaintiff prays for leave to amend this Complaint when the true names and capacities are known. Plaintiff is informed and believes that each of said fictitious defendants was responsible in some way for the matters alleged herein and proximately caused the illegal employment practices, wrongs, and injuries complained of herein.

17. At all times mentioned herein, each of said Defendants participated in the doing of the acts alleged herein. Defendants, and each of them, were the agents, servants, or employees of each of the other Defendants, as well as the agents of all Defendants, and were acting within the course and scope of said agency and employment.

18. Plaintiff is informed and believes that at all times material hereto, each of said Defendants was the agent, employee, alter ego, or joint venturer of, or was working in concert with, each of the other Defendants and was acting within the course and scope of such agency, employment, joint venture, or concerted activity. To the extent said acts, conduct, or omissions were perpetrated by certain Defendants, each of the remaining Defendants confirmed and ratified said acts, conduct, or omissions of the acting Defendants.

19. Plaintiff is informed and believes that at all times material hereto each of the Defendants (i) aided and abetted the acts and omissions of each of the other Defendants in proximately causing the alleged harms, or (ii) were members of, engaged in, and acting within the course and scope of, and in pursuance of, a joint venture, partnership, or common enterprise.

CLASS ACTION ALLEGATIONS

20. **Definition:** Pursuant to Code of Civil Procedure section 382, Plaintiff seeks class certification of the following classes: (i) all current and former non-exempt employees of Defendants in the State of California who were employed as “Assemblers” at any time since August 2, 2019 (the “Assembler Class”); and (ii) all current and former non-exempt employees of Defendants in the State of California who were employed as “Assemblers” at any time since August 2, 2022 (the “Wage Statement Class”). The Assembler Class and the Wage Statement Class are collectively referred to as the “Class.”

21. **Numerosity and Ascertainability:** The members of the Class are so numerous that joinder of all members would be impractical, if not impossible. The identities of the members of the Class are readily ascertainable by review of Defendants' records, including payroll records. Plaintiff is informed and believes that Defendants violate Sections 201-204, 210, 218, 218.5, 218.6, 226, 226.2, 226.7, 233, 246, 510, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, and 2802, and the UCL against Plaintiff and the Class by failing to pay all wages, including overtime and sick pay wages, provide paid rest periods, provide accurate itemized wage statements, and reimburse business expenses.

1 22. **Adequacy of Representation:** Plaintiff is fully prepared to take all necessary steps to
2 represent fairly and adequately the interests of the Class defined above. Plaintiff's attorneys are ready,
3 willing, and able to fully and adequately represent Plaintiff and the Class. Plaintiff's attorneys have
4 prosecuted and settled wage-and-hour class actions in the past and continue to litigate numerous wage-
5 and-hour class actions currently pending in California state and federal courts.

6 23. **Common Question of Law and Fact:** There are predominant common questions of law
7 and fact and a community of interest amongst the claims of Plaintiff and of the Class. Plaintiff is
8 informed and believes that Defendants uniformly administer a corporate policy and practice of routinely
9 failing to (i) pay minimum wages, overtime wages, or doubletime wages for all hours or non-productive
10 time worked and (ii) provide accurate itemized wage statements.

11 24. **Typicality:** The claims of Plaintiff are typical of the claims of all members of the Class
12 in that Plaintiff suffered the alleged harms in a similar and typical manner as other members of the Class
13 suffered. As with other members of the Class, Plaintiff was compensated on a piece-rate basis as a non-
14 exempt employee. Defendants, however, converted Plaintiff's compensation to an hourly rate, based on
15 the piece-rate work performed in each pay period. Plaintiff was furnished wage statements that failed to
16 show the applicable piece rates and number of pieces Plaintiff was being compensated. Plaintiff also
17 was not separately paid for paid rest breaks. Plaintiff also was required to work non-productive time,
18 including for example hours worked for traveling to and from client locations. Plaintiff, however, was
19 not paid minimum wages, overtime wages, or doubletime wages for all hours or non-productive time
20 worked. Nor was Plaintiff provided with accurate itemized wage statements showing the number of
21 pieces being paid or the rate of pay per piece. Plaintiff also was not paid sick pay wages at the regular
22 rate of pay. Nor was Plaintiff reimbursed for all mileage expenses. Plaintiff thus is a member of the
23 Class and has suffered the alleged violations of the Labor Code.

24 25. The Labor Code is broadly remedial in nature. Its laws serve an important public interest
25 in establishing minimum working conditions and requirements in California. These labor standards
26 protect employees from onerous terms and conditions of employment or exploitation by employers who
27 have superior economic and bargaining power.

1 26. The nature of this action and the format of laws available to Plaintiff and members of the
2 Class make the class action format a particularly efficient and appropriate procedure to redress the
3 wrongs alleged herein. If each employee were required to file an individual lawsuit, the corporate
4 Defendants would necessarily gain an unconscionable advantage since they would be able to exploit and
5 overwhelm the limited resources of each individual plaintiff with their vastly superior financial and
6 legal resources. Requiring each member of the Class to pursue an individual remedy would also
7 discourage the assertion of lawful claims by employees who would be disinclined to file an action
8 against their former or current employer for real and justifiable fear of retaliation and permanent
9 damage to their careers at their current or subsequent employment.

10 27. The prosecution of separate actions by individual members of the Class, even if possible,
11 would create a substantial risk of (a) inconsistent or varying adjudications with respect to individual
12 members of the Class that would establish potentially incompatible standards of conduct for
13 Defendants, or (b) adjudications with respect to individual members of the Class that would, as a
14 practical matter, be dispositive of, or substantially impair or impede the ability to protect, the interests
15 of other members of the Class not parties to the adjudications. Further, the claims of the individual
16 members of the Class are not sufficiently large to warrant vigorous individual prosecution considering
17 the concomitant costs and expenses.

18 28. Defendants' pattern, practice, and uniform administration of corporate policy in violation
19 of the Labor Code is unlawful. Proof of a common business practice or factual pattern will establish the
20 rights of Plaintiff and the Class under Sections 201-204, 210, 218, 218.5, 218.6, 226, 226.2, 226.7, 233,
21 246, 510, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, and 2802, applicable IWC Wage Orders, the
22 UCL, and Code of Civil Procedure section 1021.5, among other provisions, to recover damages and
23 restitution, including unpaid wages and interest thereon, applicable penalties, liquidated damages,
24 reasonable attorneys' fees, and costs of suit.

25 29. This action is brought for the benefit of the Class, which is commonly entitled to a
26 specific fund with respect to the compensation illegally and unfairly retained by Defendants. The Class
27 is commonly entitled to restitution of those funds being improperly withheld by Defendant.
28

1 **FIRST CAUSE OF ACTION**

2 **Unpaid Minimum Wages (Lab. Code §§ 226.2, 1182.12, and 1197)**

3 **(By Plaintiff and the Assembler Class Against All Defendants)**

4 30. The preceding paragraphs are re-alleged and incorporated by this reference.

5 31. Sections 1182.12 and 1197 provide a minimum wage to be paid to employees and make
6 unlawful the payment of a lesser wage. The applicable IWC Wage Order defines compensable time as
7 “the time during which an employee is subject to the control of an employer, and includes all the time
8 the employee is suffered or permitted to work, whether or not required to do so.” Cal. Code. Regs. tit. 8,
9 § 11070(2)(G) (defining “Hours Worked”).

10 32. For employees compensated on a piece-rate basis, Section 226.2 provides that employees
11 shall be compensated for non-productive time—i.e., any time under the employer’s control that is not
12 directly related to the activity being compensated on a piece-rate basis—separate from any piece-rate
13 compensation. Section 226.2 also provides that employees shall be compensated for non-productive
14 time at an hourly rate that is no less than the applicable minimum wage. Section 226.2 does not limit or
15 alter minimum wage requirements or the obligation to compensate employees for all hours worked.

16 33. As a matter of policy and practice, Defendants fail to pay the actual piece-rate wages
17 earned by Plaintiff and the Assembler Class or at least the minimum wage for all hours or non-
18 productive time worked by Plaintiff and the Assembler Class. For example, Plaintiff and the Assembler
19 Class are required to travel from and to client locations but are not paid for such non-productive time. As
20 such, Plaintiff and the Assembler Class are owed unpaid minimum wages.

21 34. Moreover, Section 204 provides that wages are generally due and payable no later than
22 seven days after the end of a pay period or at least twice during each calendar month, on days
23 designated in advance as the regular paydays. Section 201 provides that if an employer discharges an
24 employee, the wages earned and unpaid at the time of discharge are due and payable immediately.
25 Section 202 provides that an employee is entitled to receive all unpaid wages no later than 72 hours
26 after an employee quits his or her employment, unless the employee has given seventy-two (72) hours
27 previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages
28 at the time of quitting. Section 203 provides that if an employer willfully fails to pay wages owed in

1 accordance with Sections 201 and 202, then the wages of the employee shall continue as a penalty from
2 the due date, and at the same rate until paid, but the wages shall not continue for more than thirty (30)
3 days.

4 35. Based on Defendants' failure to pay all wages to Plaintiff and the Assembler Class and
5 as a matter of policy and practice, Defendants fail to timely pay all due wages or timely pay all due
6 wages upon separation of employment. On information and belief, Defendants were advised by skilled
7 lawyers and knew, or should have known, of the mandates of the Labor Code as it relates to Plaintiff's
8 allegations. Because Defendants willfully fail to timely pay Plaintiff and the Assembler Class all wages
9 due, Defendants are subject to applicable penalties.

10 36. Such a pattern, practice, and uniform administration of corporate policy is unlawful and
11 entitles Plaintiff and the Assembler Class to recover unpaid wages, including interest thereon, liquidated
12 damages, applicable penalties, including waiting time penalties, attorneys' fees, and costs of suit.

13 **SECOND CAUSE OF ACTION**

14 **Unpaid Overtime (Lab. Code §§ 226.2, 510, 1198)**

15 **(By Plaintiff and the Assembler Class Against All Defendants)**

16 37. The preceding paragraphs are re-alleged and incorporated by this reference.

17 38. As discussed above, for employees compensated on a piece-rate basis, Section 226.2
18 provides that employees shall be compensated for non-productive time—i.e., any time under the
19 employer's control that is not directly related to the activity being compensated on a piece-rate basis—
20 separate from any piece-rate compensation. Section 226.2 does not limit or alter overtime compensation
21 requirements or the obligation to compensate employees for all hours.

22 39. Section 510 and the applicable IWC Wage Order provide that "[a]ny work in excess of
23 eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight
24 hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no
25 less than one and one-half times the regular rate of pay for an employee" and that "[a]ny work in excess
26 of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for
27 an employee." Section 1198 makes unlawful conditions of labor that are prohibited by the applicable
28 IWC Wage Order.

40. As a matter of policy and practice, Defendants fail to pay all overtime wages and doubletime wages for all overtime and doubletime hours or non-productive time worked by Plaintiff and the Assembler Class. For example, Plaintiff and the Assembler Class are required to travel from and to client locations but are not paid for such non-productive time. As such, when such non-productive time exceeds eight hours in one workday, 40 hours in one workweek, or occurs on a seventh day of one workweek, Plaintiff and the Assembler Class are owed overtime wages. Similarly, when such non-productive time exceeds 12 hours in one workday, Plaintiff and the Assembler Class are owed doubletime wages. Separately, and also as a matter of policy and practice, Defendants fail to consider all piece-rate earnings when paying overtime wages to Plaintiff and the Assembler Class.

41. Based on Defendants' failure to pay all overtime wages and doubletime wages to Plaintiff and the Assembler Class and as a matter of policy and practice, Defendants fail to timely pay all due wages or timely pay all due wages upon separation of employment. On information and belief, Defendants were advised by skilled lawyers and knew, or should have known, of the mandates of the Labor Code as it relates to Plaintiff's allegations. Because Defendants willfully fail to timely pay Plaintiff and the Assembler Class all wages due, Defendants are subject to applicable penalties.

42. Such a pattern, practice, and uniform administration of corporate policy is unlawful and entitles Plaintiff and the Assembler Class to recover underpaid overtime wages and doubletime wages, including interest thereon, applicable penalties, including waiting time penalties, attorneys' fees, and costs of suit.

THIRD CAUSE OF ACTION

Failure to Provide Rest Periods (Lab. Code § 226.7)

(By Plaintiff and the Assembler Class Against All Defendants)

43. The preceding paragraphs are re-alleged and incorporated by this reference.

44. Because Plaintiff and the Assembler Class were non-exempt employees, Defendants were required to comply with Section 226.7 and the applicable IWC Wage Order. Section 1198 makes unlawful conditions of labor that are prohibited by the applicable IWC Wage Order. The applicable laws generally require an employer to provide a duty-free, 10-minute rest period for every four hours worked, or major fraction thereof. Section 226.7(b) provides that an employer shall not require an employee to

1 work during a rest period. Section 226.7(c) states that “the employer shall pay the employee one
2 additional hour of pay at the employee’s regular rate of compensation for each workday that the meal or
3 rest or recovery period is not provided.”

4 45. Section 226.2 requires employers to provide their employees who are compensated on a
5 piece-rate basis with separate hourly compensation for required rest periods, in an amount not less than
6 the higher of (a) the average hourly rate for each workweek under a formula set out in the statute, or (b)
7 the applicable minimum wage. Payment of piece-rate compensation does not serve to provide any
8 compensation for required rest periods.

9 46. As a matter of policy and practice, Defendants fail to provide any separate, hourly
10 compensation to Plaintiff and the Assembler Class for required rest periods. Moreover, and also as a
11 matter of policy and practice, Defendants fail to pay an additional hour of regular rate wages to Plaintiff
12 and the Assembler Class for Defendants’ rest period violations.

13 47. Moreover, all owing wages must be paid timely. Based on Defendants’ failure to
14 separately compensate Plaintiff and the Assembler Class for rest periods (and also based on Defendants’
15 failure to pay an additional hour of regular rate wages to Plaintiff and the Assembler Class for
16 Defendants’ rest period violations), Defendants fail to timely pay all due wages or timely pay all due
17 wages upon separation of employment. On information and belief, Defendants were advised by skilled
18 lawyers and knew, or should have known, of the mandates of the Labor Code as it relates to Plaintiff’s
19 allegations. Because Defendants willfully fail to timely pay Plaintiff and the Assembler Class all wages
20 due, Defendants are subject to applicable penalties.

21 48. Such a pattern, practice, and uniform administration of corporate policy is unlawful and
22 entitles Plaintiff and the Assembler Class to recover unpaid wages, including interest thereon, applicable
23 penalties, attorneys’ fees, and costs of suit.

24 **FOURTH CAUSE OF ACTION**

25 **Unpaid Sick Pay Wages (Lab. Code §§ 201-204, 233, 246)**

26 **(By Plaintiff and the Assembler Class Against All Defendants)**

27 49. The preceding paragraphs are re-alleged and incorporated by this reference.
28

1 50. Section 233 provides that an employer must permit an employee to use accrued sick leave
2 in accordance with Section 246.5 at the employee's then current rate of entitlement. Section 246
3 provides that an employee is entitled to sick pay wages for use of accrued sick leave pursuant to Section
4 246.5. Specifically, once accrued sick leave is used as paid sick time, an employee has a vested right to
5 sick pay wages, which an employer must calculate and compensate based on one of two calculations: (i)
6 "Paid sick time for nonexempt employees shall be calculated in the same manner as the regular rate of
7 pay for the workweek in which the employee uses paid sick time, whether or not the employee actually
8 works overtime in that workweek," or (ii) "Paid sick time for nonexempt employees shall be calculated
9 by dividing the employee's total wages, not including overtime premium pay, by the employee's total
10 hours worked in the full pay periods of the prior 90 days of employment." Under Sections 204, 218, and
11 233, employees may sue to recover underpaid sick pay wages as damages.

12 51. As a matter of policy and practice, Defendants pay sick pay wages to Plaintiff and the
13 Assembler Class at the incorrect rate of pay. Plaintiff and the Assembler Class regularly use accrued
14 sick leave in workweeks in which they earn piece-rate wages, non-base hourly wages, or other non-
15 hourly, non-discretionary remuneration. As a matter of policy and practice, Defendants pay sick pay
16 wages to Plaintiff and the Assembler Class at an incorrect hourly rate of pay, as opposed to the regular
17 rate of pay, which would consider all non-discretionary remuneration in addition to base hourly wages,
18 or the rate resulting from dividing the employee's total wages, not including overtime premium pay, by
19 the employee's total hours worked in the full pay periods of the prior 90 days of employment. As a
20 result, Defendants underpay sick pay wages to Plaintiff and the Assembler Class.

21 52. Section 204 provides that wages generally are due and payable twice during each
22 calendar month and are to be paid no later than the payday for the next regular payroll period. Consistent
23 with Section 204, Section 246 specifically requires that, upon use of accrued sick leave, vested sick pay
24 wages are due and to be paid no later than the payday for the next regular payroll period after accrued
25 sick leave is used as paid sick time. Similarly, Section 201 provides that if an employer discharges an
26 employee, wages earned and unpaid at the time of discharge are due and payable immediately. Section
27 202 provides that an employee is entitled to receive all unpaid wages no later than 72 hours after an
28 employee quits his or her employment, unless the employee has given 72-hour notice of his or her

1 intention to quit, in which case the employee is entitled to his or her wages at the time of quitting. The
2 Labor Code penalizes untimely payments. For example, Section 203 provides that if an employer
3 willfully fails to pay wages owed in accordance with Sections 201 and 202, then the wages of the
4 employee shall continue as a penalty from the due date, and at the same rate until paid, but the wages
5 shall not continue for more than thirty (30) days. Likewise, Section 210 provides penalties for violations
6 of Section 204 and untimely payments during employment. Under Sections 203, 210, and 218,
7 employees may sue to recover applicable penalties.

8 53. As alleged herein and as a matter of policy and practice, Defendants routinely underpay
9 sick pay wages and thus do not timely pay Plaintiff and the Assembler Class all owing and underpaid
10 sick pay wages. As a result, Defendants violate Sections 201-204, 210, 233, and 246, among other Labor
11 Code provisions. Plaintiff is informed and believe that Defendants were advised by skilled lawyers and
12 knew, or should have known, of the mandates of the Labor Code as it relates to Plaintiff's allegations,
13 especially since the California Supreme Court has explained that "[c]ourts have recognized that 'wages'
14 also include those benefits to which an employee is entitled as a part of his or her compensation,
15 including money, room, board, clothing, vacation pay, and sick pay." *Murphy v. Kenneth Cole Prods.,*
16 *Inc.*, 40 Cal. 4th 1094, 1103 (2007) (emphasis added). Because Defendants willfully fail to timely pay
17 Plaintiff and the Assembler Class all sick pay wages due, Defendants are subject to applicable penalties.

18 54. Such a pattern, practice, and uniform administration of corporate policy is unlawful and
19 entitles Plaintiff and the Assembler Class to recover underpaid sick pay wages, including interest
20 thereon, applicable penalties, attorneys' fees, and costs of suit.

21 FIFTH CAUSE OF ACTION

22 Inaccurate Itemized Wage Statements (Lab. Code § 226(a), 226.2)

23 (By Plaintiff and the Wage Statement Class Against All Defendants)

24 55. The preceding paragraphs are re-alleged and incorporated by this reference.

25 56. Section 226(a) requires an employer to furnish to its employees itemized wage
26 statements that show accurate information, including without limitation, the total hours worked, the
27 number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate
28 basis, all applicable hourly rates in effect during the pay period, and the corresponding number of hours

1 worked at each hourly rate by the employee. Similarly, Section 226.2 generally requires an employer to
2 furnish to its employees itemized wage statements that show the total hours of other nonproductive
3 time, the rate of compensation, and the gross wages paid for that time during the pay period.

4 57. As a matter of policy and practice, Defendants fail to provide accurate itemized wage
5 statements to Plaintiff and the Wage Statement Class. Specifically, although Plaintiff and the Wage
6 Statement Class are paid on a piece-rate basis, Defendants furnish wage statements that do not show the
7 number of pieces being paid or the rate of pay per piece. Similarly, although Plaintiff and the Wage
8 Statement Class also work non-productive time, Defendants furnish wage statements that do not show the
9 total hours worked, total non-productive hours worked, all applicable hourly rates of pay, and the
10 corresponding number of hours worked, or any information as to how such wages are calculated.

11 58. Such a pattern, practice, and uniform administration of corporate policy is unlawful and
12 entitles Plaintiff and the Wage Statement Class to recover applicable penalties, attorneys' fees, and costs
13 of suit.

14 **SIXTH CAUSE OF ACTION**

15 **Unreimbursed Business Expenses (Lab. Code § 2802)**

16 **(By Plaintiff and the Assembler Class Against All Defendants)**

17 59. The preceding paragraphs are re-alleged and incorporated by this reference.

18 60. Section 2802 requires that an employer must reimburse employees for all necessary
19 expenditures and losses incurred in the performance of their jobs. Section 2802 is intended to prevent
20 employers from placing their operating expenses and cost of doing business on employees. *Cochran v.*
21 *Schwan's Home Service, Inc.*, 228 Cal. App. 4th 1137, 1144 (2014).

22 61. As a matter of policy and practice, Defendants fail to reimburse Plaintiff and the
23 Assembler Class for necessary business expenses incurred in performing their work for Defendants. As
24 a matter of policy and practice, Plaintiff and the Class are required to drive their own vehicles to travel
25 to client locations. Although Plaintiff and the Assembler Class are expected to use their own vehicles
26 and incur mileage expenses, they are not reimbursed for their mileage expenses unless they drive more
27 than 50 miles per day.
28

1 62. Such a pattern, practice, and uniform administration of corporate policy is unlawful and
2 entitles Plaintiff and the Assembler Class to recover unreimbursed expenses, including interest thereon,
3 attorneys' fees, and costs of suit.

4 **SEVENTH CAUSE OF ACTION**

5 **Unfair or Unlawful Business Practices (Bus. & Prof. Code §§ 17200 et seq.)**

6 **(By Plaintiff and the Class Against All Defendants)**

7 63. The preceding paragraphs are re-alleged and incorporated by this reference.

8 64. Plaintiff is informed and believes that Defendants have engaged and continue to engage
9 in unfair and unlawful business practices in California by utilizing the employment policies and
10 practices alleged herein, including the failures to pay agreed-upon piece rates, to pay for all non-
11 productive time, to pay all overtime wages, to pay for rest periods, to pay all sick pay wages, and to
12 reimburse business expenses.

13 65. Defendants' utilization of such unfair and unlawful business practices constitutes unfair
14 or unlawful competition and provides an unfair advantage over Defendants' competitors, as proscribed
15 by the UCL. Defendants have deprived Plaintiff and the Class the minimum working condition
16 standards and conditions due to them under the Labor Code and applicable IWC Wage Orders.

17 66. Such a pattern, practice, and uniform administration of corporate policy is unlawful and
18 entitles Plaintiff and the Class to full restitution of all monies withheld, acquired, or converted by
19 Defendants by means of the unfair practices complained of herein, including interest thereon, attorneys'
20 fees, and costs of suit.

21 **EIGHTH CAUSE OF ACTION**

22 **Violations of California Labor Code (Lab. Code §§ 2698 et seq.)**

23 **(By Plaintiff as a Proxy for the State Against All Defendants)**

24 67. The preceding paragraphs are re-alleged and incorporated by this reference.

25 68. Pursuant to the Labor Code Private Attorneys General Act of 2004, Labor Code §§ 2698
26 et seq. ("PAGA"), Plaintiff brings this cause of action as a proxy for the State of California. In this
27 capacity, Plaintiff seeks penalties for Defendants' violations of Sections 201-204, 226, 226.2, 226.7,
28 246, 510, 1182.12, 1194, 1197, 1197.1, and 2802 committed since July 10, 2023, against all aggrieved

employees. Under Section 2699(c), Plaintiff is an “aggrieved employee,” as one or more of the alleged violations was committed against Plaintiff as an employee of Defendants.

69. As stated herein, Defendants fail to (i) pay agreed-upon piece rates, (ii) pay for all non-productive time, (iii) pay all overtime wages, (iv) pay for rest periods and failing to pay an additional hour of regular rate wages for rest period violations, (v) pay all sick pay wages, (vi) timely pay all wages during employment or upon termination of employment, (vii) provide complete and accurate itemized wage statements, and (viii) failing to reimburse business expenses.

70. On July 10, 2023 and dates thereafter, Plaintiff sent written notice to the Labor & Workforce Development Agency (“LWDA”) of specific facts and theories for Defendants’ violations of Sections 201-204, 226, 226.2, 226.7, 246, 510, 1182.12, 1194, 1197, 1197.1, and 2802. Plaintiff simultaneously sent written notice to Defendants via certified mail. As of the date of the filing of this Complaint, the LWDA has neither responded nor indicated that it intends to investigate the allegations in the written notice.

71. As such, pursuant to Section 2699(a), (f), and (g), Plaintiff seeks recovery of all applicable penalties for Defendants’ violations against all aggrieved employees for the period described above.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for judgment for himself and all others on whose behalf this suit is brought against Defendants, jointly and severally, as follows:

1. For an order certifying the proposed Class;
2. For an order appointing Plaintiff as the representative of the Class;
3. For an order appointing Counsel for Plaintiff as Class Counsel;
4. Upon the First Cause of Action for damages, including unpaid wages and interest thereon, penalties, liquidated damages, and attorneys’ fees and costs;
5. Upon the Second Cause of Action for damages, including unpaid wages and interest thereon, penalties, and attorneys’ fees and costs;
6. Upon the Third Cause of Action for damages, including unpaid wages and interest thereon, penalties, and attorneys’ fees and costs;

7. Upon the Fourth Cause of Action for damages, including unpaid wages and interest thereon, penalties, and attorneys' fees and costs;

8. Upon the Fifth Cause of Action for penalties, and attorneys' fees and costs;

9. Upon the Sixth Cause of Action for damages, including reimbursement and interest thereon, and attorneys' fees and costs;

10. Upon the Seventh Cause of Action for restitution of all funds unlawfully acquired by Defendants by any acts or practices declared to be in violation of the UCL, including interest thereon, and attorneys' fees and costs;

11. Upon the Eighth Cause of Action for penalties pursuant to Section 2699(a), (f), and (g),
and attorneys' fees and costs;

12. Upon each cause of action for attorneys' fees and costs as provided by the Labor Code, UCL, and Code of Civil Procedure section 1021.5; and

13. For such other and further relief that the Court may deem just and proper.

DATED: September 15, 2023

DIVERSITY LAW GROUP, P.C.

By: _____

Larry W. Lee
Simon L. Yang
Attorneys for Plaintiff