



February 9, 2026

Original filed online via the LWDA's PAGA Claim Notice Portal

Labor & Workforce Development Agency

1515 Clay Street, Ste. 801
Oakland, CA 94612

Copy Sent via certified mail to:

International Protective Service, Inc. (IPS)

c/o CSC Lawyers Incorporating Service
2710 Gateway Oaks Drive, Suite 150N
Sacramento, CA 95833

Re: Samuel Jacobs v. International Protective Service, Inc. (IPS); California Labor Code § 2699.3 Notice of Intent to File Suit

To Whom it May Concern:

We represent **Samuel Jacobs** ("Plaintiff") a former employee of **International Protective Service, Inc. (IPS)** ("Defendant") in a lawsuit (the "Action") to be filed against Defendant in Los Angeles County Superior Court. A copy of the Complaint to be filed in the Action is enclosed as **Exhibit A**.

This letter serves as notice pursuant to California Labor Code § 2699.3 that we intend to prosecute representative claims for civil penalties under the Private Attorney's General Act ("PAGA") on behalf of those of Defendant's employees employed from one year prior to filing of this Notice through trial on the Complaint (the "Aggrieved Employees").

As set forth in the Complaint, Defendant violated their obligations under the California Labor Code by (1) failing to pay minimum wages for all hours worked pursuant to Lab. Code sections 1182.11, 1182.12, 1194, 1194.2, 1197, 1197.1, and 1198; (2) failing to pay overtime wages pursuant to Lab. Code sections 510, 1194, and 1198; (3) failing to authorize rest and meal periods pursuant to Lab. Code sections 226.7, 512(a), and 1198; (4) failing to provide and maintain accurate payroll records pursuant to Lab. Code sections 226(a)/(f)/(h), 226.3, and 1174(d); (5) failing to pay wages when due pursuant to Lab. Code

sections 201, 203, and 204; (6) failing to reimburse necessary business expenses pursuant to Lab. Code section 2802; (7) requiring employees to sign illegal noncompete agreements pursuant to Cal. Bus. & Prof. Code sections 16600, 16600.1, 16600.5 and 432.5; (8) illegal restrictions on discussing wages pursuant to Lab. Code sections 232,923, and 1197.5(k); (9) violating California's Investigative Consumer Reporting Agencies Act pursuant to Civ. Code section 1786, *et seq.*; (10) violating California's Consumer Credit Reporting Agencies Act pursuant to Civ. Code section 1785.1, *et seq.*; and (11) violating California's Unfair Competition Law pursuant to Bus. & Prof. Code section 17200, *et seq.*

Together with this correspondence, the enclosed complaint serves as notice pursuant to Labor Code § 2699.3, *et seq.* that we intend to prosecute representative claims for civil penalties under the Private Attorney's General Act ("PAGA") on behalf the Aggrieved Employees. *See* Cal. Lab. Code §§ 2699, *et seq.*

Please feel free to contact us with any questions.

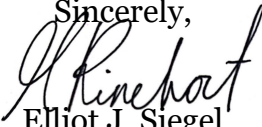
Sincerely,

Elliot J. Siegel
Melissa R. Rinehart
KING & SIEGEL LLP

Exhibit A

1 Elliot J. Siegel (Bar No. 286798)
elliott@kingsiegel.com
2 Melissa R. Rinehart (Bar No. 331315)
melissa@kingsiegel.com
3 **KING & SIEGEL LLP**
4 724 South Spring Street, Suite 201
Los Angeles, California 90014
5 tel: (213) 465-4802
fax: (213) 465-4803

6 Attorneys for Plaintiff and the Putative Class

7
8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
9 **FOR THE COUNTY OF LOS ANGELES**

10 **Samuel Jacobs**, individually and on
11 behalf of all similarly situated
individuals,

12 Plaintiff,

13 vs.
14

15 **International Protective Service,**
Inc. (IPS), a New Mexico Corporation,
16 and **Does 1-10**, inclusive;

17 Defendants.
18
19
20
21
22
23
24
25
26
27
28

CASE NO.

CLASS ACTION COMPLAINT FOR:

- 1) **Failure to Pay Minimum or Regular Wages for All Hours Worked;**
- 2) **Failure to Provide Complaint Meal Periods or Premium Pay in Lieu Thereof;**
- 3) **Failure to Provide Compliant Rest Periods or Premium Pay in Lieu Thereof;**
- 4) **Failure to Pay Overtime Wages;**
- 5) **Failure to Maintain and Provide Complete and Accurate Wage Statements;**
- 6) **Failure to Pay Wages When Due;**
- 7) **Failure to Reimburse Necessary Business Expenses;**
- 8) **Illegal Noncompete Agreements;**
- 9) **Illegal Restrictions on Discussing Wages;**
- 10) **Violation of the California's Investigative Consumer Reporting Agencies Act;**
- 11) **Violation of the California's Consumer Credit Reporting Agencies Act; and**
- 12) **Violation of California Business & Professions Code §§ 17200, et seq.**

Jury Trial Requested

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

4 **PARTIES**

5 1. At all relevant times for this Complaint, Plaintiff **Samuel Jacobs** ("Plaintiff")
6 is and has been a resident of Los Angeles, California located in Los Angeles County. Plaintiff
7 has performed work for Defendants as an hourly, non-exempt employee since
8 approximately November 2018. Plaintiff was subject to the policies and practices described
9 in this complaint at all times during his employment at Defendants.

10 2. Defendant **International Protective Service, Inc. IPS** ("IPS") is a New
11 Mexico corporation that provides residential and commercial protective, security, and
12 investigation services. A preliminary investigation of publicly available records on file with
13 the California Secretary of State reveals that IPS has held at least two principal addresses in
14 the last two years: 450 Exchange, Irvine, California 92602 and 5304 Derry Avenue, Suite T
15 & S, Agoura Hills, California 91301.

16 3. Plaintiff is not currently aware of the names and true identities of defendants
17 Does 1-10. Plaintiff reserves the right to amend this complaint to allege their true names and
18 capacities when this information is available. Each Doe defendant is responsible for the
19 damages alleged pursuant to each of the causes of action asserted, either through its own
20 conduct, or vicariously through the conduct of others. All further references in this
21 complaint to any of the named Defendants include the fictitiously named defendants. At all
22 times alleged herein, unless specified otherwise in this complaint, IPS and Does 1-10 are
23 collectively referred to as "Defendants."

24 4. At all times alleged herein, each Defendant was an agent, servant, joint
25 employer, employee, partner, and/or joint venture of every other Defendant and was acting
26 within the scope of their relationship with each other. Moreover, the conduct of every
27 Defendant was ratified by each other Defendant.
28

VENUE AND JURISDICTION

5. The court has jurisdiction over all causes of action in this complaint pursuant to Article VI, § 10 of the California Constitution. No federal question is at issue; Plaintiff relies solely on California statutes and law, including the California Labor Code and the Business & Professions Code. Because Plaintiff and Class Members were employed by Defendants in Los Angeles County, the policies and practices complained of herein were implemented in Los Angeles County, and Defendants transact business within Los Angeles County, Defendants are within the jurisdiction of the court for service of process. Moreover, Business & Professions Code § 17204 provides that any person acting on their own behalf may bring an action in any court of competent jurisdiction.

6. Venue as to each Defendant is proper in this Superior Court pursuant to California Code of Civil Procedure § 395. Defendants transact business and/or have offices in this county, employ Class Members in this County, and the acts and omissions alleged herein took place in this county.

CLASS ACTION ALLEGATIONS

Defendants Subject Plaintiff and Class Members to Systemic Labor Code Violations

7. IPS is a residential and commercial security company that employs security officers and other non-exempt employees to provide uniformed guard services, patrol, and on-site security protection for commercial properties, businesses, and events throughout California. IPS operates twenty-four (24) hours a day, seven (7) days a week, staffing client sites on a continuous basis with non-exempt employees, including security officers, subject to uniform policies, procedures, and command structures.

8. Plaintiff has been employed by Defendants since approximately November 2018 as a non-exempt employee in various positions and assignments, including, but not limited to, security officer and District Commander roles.

9. At all relevant times, Plaintiff and Class Members were subject to Defendants' uniform written policies and practices governing scheduling, reporting, timekeeping, compensation, discipline, job duties, uniforms, and supervision.

1 10. Throughout his employment, including during the four (4) years preceding the
2 filing of this action, Plaintiff regularly worked shifts ranging from approximately six (6) to
3 twelve (12) hours in length. Plaintiff believes this was the same for other Class Members.

4 11. In order to meet Defendants' expectations, and as a matter of uniform and
5 systemic policy, Plaintiff and Class Members are routinely required to perform compensable
6 work for which Defendants do not pay them, including without compensation at their
7 applicable regular or overtime rates of pay, or even at minimum wage rates, in violation of
8 Labor Code §§ 223, 510, 1182.12, 1194, 1194.2, 1197.1, and 1198.

9 12. As a matter of uniform policy, Defendants systematically shaving, reducing, or
10 excluding compensable time from non-exempt employees' recorded hours, resulting in
11 unpaid minimum wages, regular wages, and overtime wages in violation of Labor Code §§
12 223, 510, 1182.12, 1194, 1194.2, 1197.1, and 1198

13 13. Defendants' uniform written policies require Plaintiff and Class Members to
14 report to their assigned shifts at least fifteen (15) minutes before their scheduled shift start
15 times, fully uniformed and ready to work.

16 14. Defendants require Plaintiff and Class Members to strictly adhere to uniform
17 and equipment policies for each shift, including reporting to work in required uniforms,
18 displaying required badges and insignia, and carrying required duty equipment necessary
19 to perform their assigned security functions. Uniforms must be properly worn in accordance
20 with company standards, and must be fitted, clean, serviceable, and pressed/ironed.
21 Defendants further require that Plaintiff and Class Members' duty equipment be present
22 and ready for use, such as, duty belts, radios, handcuffs, flashlights, batons, pepper spray,
23 and other security-related equipment. Defendants' policies further require that uniforms
24 and equipment be properly worn, clean, pressed, and maintained in accordance with
25 company standards, and that employees present a professional appearance at all times while
26 on duty. Employees who fail to comply with these requirements are subject to discipline and
27 may be prevented from beginning or continuing their assigned shifts.

28 15. On information and belief, Defendants do not compensate Plaintiff or other

1 Class Members for time spent preparing for work, reporting early, donning required
2 uniforms and equipment, or otherwise getting “work ready,” under Defendants’ control, and
3 instead shave or otherwise exclude this time from employees’ recorded work hours, despite
4 requiring that such tasks be completed before their scheduled shift start times and before
5 clocking-in.

6 16. Defendants further do not compensate Plaintiff or other Class Members for
7 work performed after their scheduled shift stop times. For example, Plaintiff is routinely
8 required to respond to work-related communications after clocking out, including
9 immediate calls, text messages, and other electronic communications from supervisors,
10 dispatch, or management regarding staffing issues, incidents, scheduling changes, and
11 operational matters. Like off-the-clock work performed before scheduled shift start times,
12 Plaintiff and Class Members are not compensated for their post-shift work because of
13 Defendants uniform policy of shaving, or otherwise excluding, this time from employees’
14 recorded hours worked.

15 17. Plaintiff was regularly expected to respond promptly to such communications
16 as part of his job duties, regardless of whether he has already clocked out. Plaintiff believes
17 other Class Members were subject to the same expectations.

18 18. Defendants’ uniform policies further prohibit Plaintiff and Class Members
19 from leaving their assigned posts at the end of scheduled shifts unless properly relieved. In
20 fact, Defendants’ uniform policies expressly require that, as a condition of employment,
21 non-exempt employees must remain at their posts until relieved or replaced. As a result,
22 Plaintiff and Class Members are required to continue performing work after their scheduled
23 shifts without compensation at their applicable regular or overtime rates of pay.

24 19. As a matter of uniform and systemic policy, Defendants maintain written
25 overtime policies stating that non-exempt employees are compensated at a rate of time-and-
26 one-half for “actual hours worked” in excess of forty (40) hours in a workweek, and that if
27 an employee works more than fifteen (15) minutes over forty (40) hours in a given week, the
28 employee will be paid overtime for all such hours, including the first fifteen (15) minutes.

1 Defendants' policies further require that overtime be authorized.

2 20. In practice, however, Defendants fail to ensure that all overtime hours actually
3 worked—including pre-shift, post-shift, and other off-the-clock work—are recorded and
4 compensated at the legally required rates, while disciplining or threatening discipline
5 against employees who refuse to work overtime when directed.

6 21. Additionally, Defendants failed to authorize and/or permit non-exempt
7 employees to take bona fide meal and rest breaks pursuant to Labor Code § 226.7 based on
8 several uniform policies and practices.

9 22. *First*, Defendants have consistently denied their non-exempt employees the
10 opportunity to take compliant thirty (30) minute meal periods in accordance with the
11 California Labor Code. Defendants' policies and practices served to deprive Plaintiff and
12 Class Members of full thirty (30) minute meal periods during which they are relieved of all
13 duties and free of employer control. For example, Plaintiff routinely performed work in
14 excess of eight (8) hours or ten (10) hours, yet he was not compensated the premium
15 payments owed for his missed meal breaks.

16 23. *Second*, Defendants' time-shaving policy results in the provision of meal
17 periods that are less than thirty (30) minutes; by shaving time, a meal period of less than
18 thirty (30) minutes is recorded in Defendants' time keeping system as exactly thirty (30)
19 minutes, illegally depriving employees of a full meal period or premium pay in lieu thereof.
20 *Donahue v. Amn Servs.*, 11 Cal.5th 58, 69 (Cal. 2021) ("Small rounding errors can amount
21 to a significant infringement on an employee's right to a 30-minute meal period.").

22 24. *Third*, Defendants failed to maintain a legally compliant meal period policy
23 applicable to Plaintiff and Class Members pursuant to Labor Code §§ 512 and 226.7.
24 Additionally, Plaintiff and Class Members were required to sign on-duty meal period
25 waivers, indicating that they forfeited their right to meal periods despite staffing practices
26
27
28

1 that permitted employee relief.¹

2 25. *Fourth*, Defendants failed to authorize and permit Plaintiff and Class
3 Members to take compliant, off-duty rest periods. On information and belief, Defendants
4 did not maintain and implement a uniform, lawful rest break policy permitting Plaintiff and
5 Class Members to take uninterrupted, duty-free rest periods of at least ten (10) minutes for
6 every four (4) hours or major fraction thereof. Rather, Defendants uniform policies
7 expressly require Plaintiff and Class Members to remain “On-Duty” for any “designated rest
8 and meal breaks.”

9 26. In failing to authorize and/or permit meal and rest periods, Defendants have
10 also implemented a uniform policy of denying premium pay in lieu of meal and rest periods
11 to their non-exempt employees, notwithstanding their actual knowledge that such
12 employees were uniformly denied compliant meal and rest periods. Upon information and
13 belief, Plaintiff and Class Members were also not provided with sufficient premium pay for
14 such non-compliant meal periods and, and no premium pay for such non-complaint rest
15 periods.

16 27. As a matter of uniform and systemic policy, Defendants failed to provide their
17 non-exempt employees with accurate itemized wage statements in accordance with
18 California’s Labor Code. Upon information and belief, Defendants failed to furnish Plaintiff
19 and Class Members, either semimonthly or at the time of each payment of wages, either as
20 a detachable part of the check or separately, an accurate, itemized statement in writing
21 showing actual gross and net wages earned, the correct number of hours worked, and the
22 applicable hourly rates in effect for those missing hours, among other things.

23
24 _____
25 ¹ On-duty meal periods are only allowed when the “nature of the work” prevents the em-
26 ployee from being relieved from all duties. The “nature of the work” exception applies in
27 very narrow situations (namely, where there is an external force requiring employee to be
28 on duty at all times and where the employee is the sole employee). *See Augustus v. ABM*
Sec. Servs., Inc., 2 Cal. 5th 257, 266 (2016), *as modified on denial of reh’g* (Mar. 15, 2017)
(on duty exception is “exceedingly narrow”); *Abdullah v. U.S. Sec. Assocs., Inc.*, 731 F.3d
952, 959 (9th Cir. 2013).

1 28. As a matter of uniform and systemic policy, Defendants willfully failed to pay
2 Plaintiff or Class Members all the above-described wages including, but not limited to,
3 premium pay for non-compliant meal and rest breaks, minimum/regular wages for all hours
4 worked, and overtime premium wages for off-the-clock workhours, either at the time they
5 became due, at the time of discharge, or within seventy-two (72) hours of leaving
6 Defendants' employ. Additionally, Defendants' uniform and systemic policies do not permit
7 non-exempt employees to be paid out for unused paid time off ("PTO") at termination of
8 employment, nor are non-exempt employees authorized to use their accrued PTO hours in
9 the final two (2) weeks of their employment.

10 29. As a matter of uniform and systemic policy, from at least approximately
11 February 2021 through approximately June 2025, Defendants unlawfully imposed an
12 "accrual cap" of Plaintiff and Class Members' sick leave at a rate of one hour for every thirty
13 (30) hours worked, but imposed a hard accrual cap of seventy-two (72) hours, after which
14 paid sick leave ceased accruing altogether, regardless of continued hours worked or
15 subsequent use of paid sick leave. Defendants simultaneously limited employees' annual use
16 of paid sick leave to forty-eight (48) hours, resulting in a policy that suppressed further
17 accrual of paid sick leave mandated by California Labor Code § 246.

18 30. As a matter of uniform and systemic policy, Defendants failed to reimburse
19 their non-exempt employees for necessary business expenditures pursuant to Labor Code
20 section 2802. For example, Defendants failed to adequately and reasonably reimburse
21 Plaintiff or other Class Members for mandatory training expenses. Plaintiff or other Class
22 Members were also not reimbursed for duty equipment that Defendants required they carry
23 on each shift, such as, duty belts, radios, handcuffs, flashlights, batons, pepper spray, and
24 other security-related equipment.

25 *Defendants Subject Plaintiff and Class Members to Illegal Non-Compete Agreements*

26 31. Upon hiring and as a condition of their employment, Defendants required
27 Plaintiff and Class Members to sign non-compete agreements that were overbroad and
28 invalid under Cal. Bus. & Prof. Code § 16600, et seq. Specifically, Defendants required their

1 employees to enter into employment contracts and/or required as a condition of
2 employment that employees “agree[] not to directly or indirectly compete with the business
3 of International Protective Service, Inc. (IPS), its subsidiaries, and/or its successors,
4 including competing or attempting to compete with clients who have in effect a business
5 relationship with International Protective Service, Inc. (IPS) and/or its subsidiaries.”

6 32. Additionally, Defendants uniform policies required that their employees agree
7 to restrictive covenants as a condition of their employment. For example, Defendants’
8 Standard Operations Policies state: “Employees are prohibited from using, copying, or
9 disclosing any such confidential Information to any other person, employee, firm,
10 corporation, Security/Investigation Company, or any other entity, either during or
11 subsequent to your employment. Any employee who improperly uses or discloses Trade
12 Secrets or Confidential Business Information to unauthorized persons or business entities
13 will be subject to Disciplinary Action, up to, and including termination, even if he/she does
14 not benefit from the disclosed information.”

15 33. Defendants required their employees to sign restricted covenants regarding
16 the same. For example, as a condition of employment, Plaintiff was required to sign a
17 standalone Confidentiality Agreement which states:

18 “I, the undersigned, in consideration of my employment with International
19 Protective Service, Inc. (IPS) or its subsidiaries, hereby acknowledge and agree to
20 the following Confidentiality Agreement. I understand that I may be given access
21 to confidential and/or proprietary information to the extent necessary in order to
22 perform my job duties as an employee of International Protective Service, Inc.
23 (IPS) or its subsidiaries. I further understand that I shall not, purposefully or
24 inadvertently, directly or indirectly, at any time either during or subsequent to my
25 employment at International Protective Service, Inc. (IPS) or its subsidiaries,
26 make unauthorized disclosures or unauthorized use of any information that is
27 considered to be confidential and/or proprietary by International Protective
28 Service, Inc. (IPS), to any person or entity or appropriate same for my own use.

Confidential information is any information of any kind, nature, or description
concerning any matters affecting or relating to my services for International
Protective Service, Inc. (IPS) or its subsidiaries, the business or operations of
same and includes, but is not limited to, any personal information of any
International Protective Service, Inc. (IPS) or its subsidiaries employee, whether
in written, oral or electronic form, as well as any information protected under
applicable state or federal privacy law. Proprietary information includes, but is

not limited to, all information, inclusive of client data, documents, files, records, reports, processes, business plans and strategies, trade secret information, financial information, and other confidential information, whether in written, oral or electronic form.

...

In addition, I understand that any breach of the duty to maintain confidentiality could result in disciplinary action, up to and including termination of employment and/or possible liability in any legal action arising from such breach.”

34. These agreements ran afoul of Cal. Bus. & Prof. Code § 16600 and were invalid and unenforceable.

35. Defendants also failed to provide individualized, written notice to Plaintiff and Class Members who had previously signed a non-compete agreement, as required by Cal. Bus. & Prof. Code § 16600.1(b), by the deadline of February 14, 2024.

Defendants Subject Plaintiff and Class Members to Violations of the Investigative Credit Reporting Agencies Act and the Consumer Credit Reporting Agencies Act

36. Defendants are a user of information comprising of investigative consumer reports from an investigative consumer reporting agency for the purpose of evaluating consumers for employment. Plaintiff applied for employment with Defendants, and at the time the consumer reporting agency obtained the consumer-related records, Defendants failed to provide Plaintiff with a copy. Defendants’ “Disclosure and Authorization Pertaining to Consumer Reports Pursuant to the Fair Credit Reporting Act” and “Authorization to Release Information for Employment” failed to provide a box that, if checked by the consumer, permits the consumer to waive his or her rights to receive a copy of any public record obtained.

37. Defendants conduct resulted in statutory violations and a denial of Plaintiffs’ and Class Members’ rights and protections under the Investigative Credit Reporting Agencies Act (ICRAA), the Consumer Credit Reporting Agencies Act (CCRAA), Labor Code § 1024.5, and California’s Unfair Competition Law.

38. Defendants’ “Authorization to Release Information for Employment” form states:

“I am an applicant for employment with International Protective Service, Inc.

(IPS) (hereafter referred to as IPS). IPS needs to thoroughly investigate my background and personal history to evaluate my qualifications, fitness, and suitability to hold the position for which I applied.

I hereby request and authorize you to release to IPS any and all information or records concerning me, including but not limited to my background, personal, civil, criminal, credit and employment history, education, and military service. The intent of this authorization is to give my consent for full and complete disclosure of any and all information or records, including photocopies, whether private, public, confidential, or privileged, and to include the contents of investigatory files, evaluations or ratings, complaints or grievances filed against me.

I agree to indemnify and hold harmless any person to whom this request is presented and his agents and employees from and against all claims, damages, losses and expenses, arising out of or by reason of complying with this request.

For and in consideration of IPS acceptance and processing of my application for employment, I agree to hold IPS, its agents and employees, harmless from any and all claims and liability associated with my application for employment or in any way connected with the decision whether or not to employ me.

A photocopy or FAX copy of this release form will be valid as an original thereof, even though the said photocopy or FAX copy does not contain an original writing of my signature.

This authorization is valid for one (1) year from the date of signature.”

39. Defendants’ “Disclosure and Authorization Pertaining to Consumer Reports

Pursuant to the Fair Credit Reporting Act” form states:

“I understand that, as a condition of my consideration for employment with International Protective Service, Inc. (IPS) or any of its subsidiaries, or as a condition of my continued employment with International Protective Service, Inc. (IPS) or any of its subsidiaries, International Protective Service, Inc. (IPS) or any of its subsidiaries may obtain a consumer report about me or make an investigative consumer report that includes, but is not limited to, my credit worthiness, or similar characteristics, employment and education verifications, social security verification, criminal and civil history, personal interviews, DMV records, any other public records and any other information bearing on my credit standing, credit capacity, character, general reputation, personal characteristics, trustworthiness, mode of living or lifestyle which is used or expected to be used or collected in whole or in part for the purpose of serving as a factor in establishing employment eligibility and suitability.

By my signature below, I hereby authorize the procurement of a Consumer Report by International Protective Service, Inc. (IPS) or any of its subsidiaries. I understand that, pursuant to the federal Fair Credit Reporting Act, International

Protective Service, Inc. (IPS) or any of its subsidiaries will provide me with the name, address and telephone number of the consumer agency(s) from the report(s) were requested, as well as the nature and scope of the request, if applicable.

I authorize, without reservation, any party or agency contacted by this employer to furnish the above-mentioned information.”

40. Plaintiff therefore brings this action on behalf of himself and as a class action on behalf of the following defined Class:

Non-Exempt Employee Class:

All persons who worked at least one shift as a non-exempt employee for Defendants in the State of California from the period four years prior to the filing of this Action and until the date of trial (“Non-Exempt Class”).

Illegal Non-Compete Class:

All persons in California who signed a non-compete agreement issued by Defendants, irrespective of whether the non-compete was initially provided by Defendants upon hiring or subsequently thereafter while employed by Defendants (“Illegal Non-Compete Class”).

Consumer Class:

All persons who applied for employment and/or were an employee of Defendants in the State of California from the period four years prior to the filing of the Action and the date of trial (“Consumer Class”).

41. Common methods of proof exist for determining these issues on a class-wide basis, including but not limited to, Defendants’ employment records, payroll records, timesheets, written policies, disciplinary records, and witness declarations, among other things.

42. **Numerosity.** Plaintiff is informed and believes that, during the class period, at least 150 Class Members have been employed as non-exempt employees by Defendants within the state of California. The number of Class Members is sufficiently numerous such that joinder of all members is impossible or impracticable.

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

44. **Adequacy.** There are no material conflicts between the claims of the

representative Plaintiff and Class Members that would make class certification inappropriate. Plaintiff understands his obligation to inform the Court of any relationship, conflicts, or differences with any Class Member. Plaintiff will fairly and adequately protect the interests of the Class Members. Plaintiff is invested in redressing Defendants' illegal practices on behalf of all Class Members. Moreover, Plaintiff has retained competent counsel experienced in both class action and employment litigation. Plaintiff's attorneys, the proposed class counsel, are well versed in the rules governing class action discovery, certification, and settlement, and will vigorously assert the claims of all Class Members. Plaintiff has incurred, and will continue to incur, costs and attorneys' fees that have been, are, and will be necessarily expended for the prosecution of this action for the substantial benefit of each Class Member.

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

- a. Whether Defendants had a common policy and/or practice of requiring Plaintiff and Class Members to perform work-related duties while off-the-clock;
- b. Whether Defendants had a common policy and/or practice of depriving Plaintiff and Class Members of required minimum, regular, and/or overtime wages for all hours worked;
- c. Whether Defendants unlawfully and/or willfully failed to compensate Plaintiff and Class Members with required minimum, regular, and/or overtime wages for all hours worked;
- d. Whether Defendants had a common policy and/or practice of depriving Plaintiff and Class Members of compliant, off-duty meal and/or rest periods;
- e. Whether Defendants unlawfully and/or willfully deprived Plaintiff and Class Members of compliant, off-duty meal and/or rest periods;

- 1 f. Whether Defendants had a common policy and/or practice of depriving
- 2 Plaintiff and Class Members of premium pay in lieu of compliant, off-duty
- 3 meal and/or rest periods;
- 4 g. Whether Defendants unlawfully and/or willfully deprived Plaintiff and
- 5 Class Members of premium pay in lieu of compliant, off-duty meal and/or
- 6 rest periods;
- 7 h. Whether Defendants have a common policy and/or practice of failing to
- 8 reimburse Plaintiff and Class Members for reasonable business expenses;
- 9 i. Whether Defendants unlawfully and/or willfully failed to reimburse
- 10 Plaintiff and Class Members for reasonable business expenses;
- 11 j. Whether Defendants have a common policy and/or practice of failing to
- 12 maintain complete or accurate payroll records in the State of California;
- 13 k. Whether Defendants unlawfully and/or willfully failed to maintain
- 14 complete or accurate payroll records in the State of California;
- 15 l. Whether Defendants have a common policy and/or practice of failing to
- 16 provide complete or accurate wage statements reflecting all hours worked,
- 17 applicable rates of pay, and wages earned to Plaintiff and Class Members;
- 18 m. Whether Defendants unlawfully and/or willfully failed to provide complete
- 19 and accurate wage statements reflecting all hours worked, applicable rates
- 20 of pay, and wages earned to Plaintiff and Class Members;
- 21 n. Whether Defendants have a common policy and/or practice of failing to pay
- 22 Plaintiff and Class Members all wages at the time they became due, at the
- 23 time of discharge, or within seventy-two (72) hours of leaving Defendants'
- 24 employ;
- 25 o. Whether Defendants unlawfully and/or willfully failed to pay Plaintiff and
- 26 Class Members all wages at the time they became due, at the time of
- 27 discharge, or within seventy-two (72) hours of leaving Defendants' employ;
- 28 p. Whether Defendants unlawfully and/or willfully failed to timely and properly

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

- pay Plaintiff and Class Members vested vacation time in violation of Labor Code § 227.3;
- q. Whether Defendants unlawfully and/or willfully failed to timely and properly provide and pay Plaintiff and Class Members all sick time hours and wages owed;
- r. Whether Defendants have a common policy and/or practice of requiring employees to sign non-complete agreements;
- s. Whether Defendants have a common policy and/or practice of restricting Plaintiff and Class Members from discussing wages;
- t. Whether Defendants violated Cal. Bus. & Prof. Code §§ 16600, 16600.1, 16600.5 and Labor Code § 432.5 by violating the above provisions of law;
- u. Whether Defendants have a common policy and/or practice of failing to identify in their disclosure to applicants for employment and/or employees the name, address, and telephone number of the investigative consumer reporting agency conducting the investigation;
- v. Whether Defendants have a common policy and/or practice of failing to notify in their disclosure to applicants for employment and/or employees the nature and scope of the investigation requested that includes a summary of the provisions of Section 1786.22;
- w. Whether Defendants have a common policy and/or practice of failing to notify in their disclosure to applicants for employment and/or employees the Internet website address of the investigative consumer agency conducting the investigation or the telephone number of the agency where the consumer may find information about the investigative reporting agency's privacy practices;
- x. Whether Defendants have a common policy and/or practice of failing to certify to an investigative reporting agency(ies) that they have made the applicable disclosures to their applicants for employment and/or

- 1 employees as required by Section 1786.16.
- 2 y. Whether Defendants have a common policy and/or practice of falsely
- 3 certifying to an investigative reporting agency(ies) that they have made the
- 4 applicable disclosures to their applicants for employment and/or
- 5 employees as required by Section 1786.16.
- 6 z. Whether Defendants have a common policy and/or practice of failing to
- 7 provide copies of the reports obtained to their applicants for employment
- 8 and/or employees;
- 9 aa. Whether Defendants have a common policy and/or practice of failing to
- 10 provide written notice to their applicants for employment and/or
- 11 employees prior to requesting a consumer credit report for employment
- 12 purposes;
- 13 bb. Whether Defendants have a common policy and/or practice of failing to
- 14 identify Defendants’ basis under Labor Code section 1024.5(a) for the use
- 15 of a consumer credit report for employment purposes to their applicants for
- 16 employment and/or employees;
- 17 cc. Whether Defendants have a common policy and/or practice of failing to
- 18 provide a means by which the consumer may indicate on a written form, by
- 19 means of a box to check, that the consumer wishes to receive a copy of any
- 20 report that is prepared for their applicants for employment and/or
- 21 employees;
- 22 dd. Whether Defendants were grossly negligent and/or willful in their failure to
- 23 comply with the ICRAA as to Plaintiffs and Class Members;
- 24 ee. Whether Defendants were negligent and/or willful in their failure to comply
- 25 with the CCRAA as to Plaintiffs and Class Members;
- 26 ff. Whether Defendants have a policy and/or practice of failing to comply with
- 27 Labor Code § 1024.5.
- 28 gg. Whether Plaintiff and Class Members sustained damages as a result of any

1 of the aforementioned violations, and, if so, the proper measure of those
2 damages, including interest, penalties, costs, attorneys' fees, and equitable
3 relief; and

4 hh. Whether Defendants violated the Unfair Competition Law, Cal. Bus. & Prof.
5 Code § 17200, *et seq.*, by violating the above provisions of law.

6 46. **Superiority.** A class action is superior to other available means for the fair
7 and efficient adjudication of this dispute. The damages suffered by individual Class
8 Members, while substantial, are small compared to the burden and expense of individual
9 prosecution of the complex and expensive litigation necessary to address Defendants'
10 conduct. Even if Class Members themselves could afford individual litigation, the court
11 system would be overwhelmed by individual lawsuits if all Class Members sought redress.
12 In addition, individualized litigation increases the delay and expense to all parties and to
13 the court system resulting from the complex legal and factual issues of this case.
14 Individualized litigation also presents potential for inconsistent or contradictory judgments.
15 By contrast, the class action device presents far fewer management difficulties; it allows the
16 hearing of claims that might otherwise go unaddressed because of the relative expense of
17 bringing individual lawsuits, and it provides the benefits of single adjudication, economies
18 of scale, and comprehensive supervision by a single court. Plaintiff contemplates providing
19 notice to members of the Class defined above as identified through Defendants' records.

20 **CAUSES OF ACTION**

21 **FIRST CAUSE OF ACTION**

22 ***Labor Code §§ 223, 1182.12, 1194, 1194.2, 1197, 1197.1, and 1198***
23 ***Failure to Pay Minimum or Regular Wages for All Hours Worked***
24 ***(Plaintiff and Non-Exempt Class Against Defendants)***

25 47. Plaintiff repeats and incorporates by reference all allegations contained in the
26 preceding paragraphs as if fully set forth herein.

27 48. California Labor Code §§ 1182.12, 1194, 1197, 1197.1, and 1198 provide that
28 payment of a wage less than the minimum wage as set by statute, commission, or by the

1 general prevailing rate is unlawful.

2 49. Further, Labor Code § 223 provides that where a contract requires an
3 employer to maintain the designated wage scale, it is unlawful to pay a lower wage while
4 purporting to pay the wage designated by contract. *See, e.g., Armenta v. Osmose, Inc.*, 135
5 Cal.App.4th 314, 323 (Cal. Ct. App. 2005) (“Sections 221, 222, and 223 articulate the
6 principal that all hours must be paid at the statutory or agreed rate and no part of this rate
7 may be used as a credit against a minimum wage obligation.”).

8 50. California law requires employers to compensate employees for all time that
9 an employee is “suffered or permitted to work,” which includes all time “when any employer
10 ‘directs, commands or restrains’ an employee.” *See, e.g., Morillion v. Royal Packing Co.*, 22
11 Cal. 4th 575, 583 (2000), as modified (May 10, 2000); *see also* Code Regs. tit. 8, §
12 11040(2)(L) (“‘Hours worked’ means the time during which an employee is subject to the
13 control of an employer and includes all the time the employee is suffered or permitted to
14 work, whether or not required to do so.”).

15 51. At all relevant times, Plaintiff and Class Members were employed by
16 Defendants as non-exempt employees and were subject to Defendants’ uniform written
17 policies and practices governing scheduling, reporting, timekeeping, and compensation. As
18 a matter of uniform and systemic policy, Defendants required Plaintiff and Class Members
19 to perform compensable work off-the-clock, including work performed before scheduled
20 shift start times, during meal and rest periods, and after scheduled shift end times, without
21 compensation at minimum or regular rates of pay.

22 52. Defendants’ policies require non-exempt employees to report early fully
23 uniformed and equipped, remain at assigned posts until relieved, and respond to work-
24 related communications as part of their job duties, yet Defendants do not record or pay for
25 all such time worked.

26 53. Upon information and belief, Defendants failed to pay Class Members all
27 wages due in other ways not currently known to Plaintiff.

28 54. As a result, Plaintiff and Class Members were not permitted to record these

1 additional working hours on their time sheets, and Defendants failed to pay them for all
2 hours during which they were suffered or permitted to work under the control of
3 Defendants.

4 55. Defendants' failure to pay Plaintiff and Class Members their regular wages, or
5 even minimum wages, for all hours worked violates California Labor Code §§ 223, 1182.12,
6 1194, 1197, 1197.1, and 1198.

7 56. Pursuant to California Labor Code § 1194.2, Plaintiff and Class Members are
8 entitled to recover the amount of underpaid wages, plus liquidated damages in an amount
9 equal to the wages unlawfully withheld and interest thereon, and reasonable attorneys' fees
10 and costs.

11 **SECOND CAUSE OF ACTION**

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

13 ***Failure to Provide Complaint Meal Periods or Premium Pay in Lieu Thereof***
14 **(Plaintiff and Non-Exempt Class Against Defendants)**

15 57. Plaintiff repeats and incorporates by reference all allegations contained in the
16 preceding paragraphs as if fully set forth herein.

17 58. At all times relevant to this complaint, Defendants knew that they are obli-
18 gated to provide legally compliant meal periods to its non-exempt employees pursuant to
19 Labor Code §§ 512 and 226.7. Labor Code § 512(a) states in pertinent part: "[A]n employer
20 may not employ an employee for a work period of more than five hours per day without
21 providing the employee with a meal period of not less than 30 minutes, except that if the
22 total work period per day of the employee is no more than six hours, the meal period may be
23 waived by mutual consent of both the employer and employee. An employer may not employ
24 an employee for a work period of more than 10 hours per day without providing the em-
25 ployee with a second meal period of not less than 30 minutes."

26 59. Further, Labor Code §§ 226.7, 512(a), and 1198 provide that no employer shall
27 require an employee to work during any meal period mandated by an applicable order of the
28 IWC – including Wage Order No. 4-2001, which applied to Plaintiff's and Class Members'

1 employments. “An off-duty meal period, therefore, is one in which the employee is relieved
2 of all duty during the 30-minute meal period [...] an employer’s obligation is to provide an
3 off-duty meal period: an uninterrupted 30–minute period during which the employee is re-
4 lieved of all duty.” *Brinker Rest. Corp. v. Superior Court*, 53 Cal. 4th 1004, 1035 (2012).

5 60. However, Defendants’ policies and practices served to deprive Plaintiff and
6 Class Members of full 30-minute meal periods during which they were relieved of all duties
7 and free of employer control. For example, among other things, Plaintiff routinely per-
8 formed work in excess of eight (8) hours or ten (10) hours or was otherwise required to re-
9 main on-premises. Additionally, Defendants’ time-shaving policy results in the provision of
10 meal periods that are less than thirty (30) minutes; by time-shaving time, a meal period of
11 less than thirty (30) minutes is recorded in Defendants’ time keeping system as exactly thirty
12 (30) minutes, illegally depriving employees of a full meal period or premium pay in lieu
13 thereof. *Donahue v. Amn Servs.*, 11 Cal.5th 58, 69 (Cal. 2021) (“Small rounding errors can
14 amount to a significant infringement on an employee’s right to a 30-minute meal period.”).

15 61. Accordingly, Plaintiff and Class Members were denied meal periods as a result
16 of Defendants’ policies and practices. By failing to consistently provide uninterrupted, off-
17 duty 30-minute meal periods, Defendants violated the Labor Code as to Plaintiff and Class
18 Members.

19 62. Defendants have also implemented a uniform policy of denying compensation
20 in lieu of compliant meal periods to its non-exempt employees, notwithstanding its actual
21 knowledge that such employees were uniformly denied such meal periods.

22 63. In failing to authorize and/or permit compliant meal periods, Defendants have
23 also implemented a uniform policy of denying compensation in lieu of such meal periods to
24 their non-exempt employees, notwithstanding their actual knowledge that such employees
25 were uniformly denied compliant meal periods.

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

Labor Code §§ 226.7, 512(a), and 1198

Failure to Provide Compliant Rest Periods or Premium Pay in Lieu Thereof
(Plaintiff and Non-Exempt Class Against Defendants)

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

66. At all times relevant to this complaint, Defendants knew they were obligated to provide compliant rest periods to their non-exempt employees pursuant to Labor Code § 226.7.

67. Labor Code § 226.7 provides:

- (a) No employer shall require any employee to work during any meal or rest period mandated by an applicable order of the Industrial Welfare Commission.
- (b) If any employer fails to provide an employee a meal period or rest period in accordance with an applicable order of the Industrial Welfare Commission, the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each work day that the meal or rest period is not provided.

68. Labor Code § 226.7, 512(a), and 1198 provide that no employer shall require an employee to work during any rest or meal period mandated by an applicable order of the IWC, including Wage Order No. 4-2001. Employers must authorize and permit employees to be relieved of all duty during their rest and meal periods: “A rest period, in short, must be a period of rest.”² *Augustus v. ABM Sec. Servs., Inc.*, 385 P.3d 823, 834 (2016). Employees cannot be required to “remain at the ready and capable of being summoned to action”; they must have the “freedom to use rest periods for their own purposes.” *Id.* (“[E]mployers must relieve their employees of all duties and relinquish any control over how employees spend

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

1 their break time.”).

2 69. Plaintiff and Class Members were routinely required to work through their rest
3 periods. Defendants’ systemic uniform policies expressly require Plaintiff and Class
4 Members to remain “On-Duty” for any “designated rest and meal breaks.”

5 70. Defendants have also implemented a uniform policy of denying compensation
6 in lieu of compliant rest periods to its non-exempt employees, notwithstanding its actual
7 knowledge that such employees were uniformly denied such rest periods.

8 71. By failing to provide compliant rest periods when required, or premium pay in
9 lieu thereof, Defendants violated the Labor Code as to Plaintiff and Class Members. Defend-
10 ants were aware that its actions were a violation of applicable law but consistently refused
11 to pay these premiums as required by law.

12 72. Pursuant to Wage Order No. 4-2001 and Labor Code § 226.7(b), Plaintiff and
13 Class Members are entitled to recover from Defendants one additional hour of pay at their
14 regular rates of pay for each shift that a compliant rest period was not provided. Defendants
15 were aware that its actions were a violation of applicable law but consistently refused to pay
16 these premiums as required by law.

17 **FOURTH CAUSE OF ACTION**

18 ***Labor Code §§ 510 and 1198***

19 ***Failure to Pay Overtime Wages***

20 **(Plaintiff and Non-Exempt Class Against Defendants)**

21 73. Plaintiff repeats and incorporates by reference every allegation in this com-
22 plaint as if fully set forth herein.

23 74. California Labor Code §§ 510 and 1198, and Industrial Wage Order No. 4-2001
24 provide that it is unlawful to employ persons without compensating them at a rate of pay
25 either time-and-one-half or two-times that person’s regular rate of pay, depending on the
26 number of hours worked by the person on a daily or weekly basis. Specifically, Industrial
27 Wage Order No. 4-2001, section 3 provides that Defendants were required to pay Plaintiff
28 and Class Members working more than eight hours in a day or more than forty hours in a

1 workweek, at the rate of time and one-half (1½) for all hours worked in excess of eight hours
2 in a day or more than forty hours in a workweek.

3 75. As a matter of uniform and systemic policy, Plaintiff and Class Members
4 regularly worked more than eight (8) hours in a workday and more than forty (40) hours in
5 a workweek, including as a result of pre-shift, post-shift, and other off-the-clock work
6 required by Defendants.

7 76. As a matter of uniform and systemic policy, Defendants maintain written
8 overtime policies stating that non-exempt employees are compensated at a rate of time-and-
9 one-half for “actual hours worked” in excess of forty (40) hours in a workweek, and that if
10 an employee works more than fifteen (15) minutes over forty (40) hours in a given
11 workweek, the employee will be paid overtime for all such hours, including the first fifteen
12 (15) minutes, and that overtime must be authorized.

13 77. In practice, however, Defendants failed to ensure that all overtime hours
14 actually worked—including pre-shift, post-shift, and other off-the-clock work—were
15 recorded or compensated at the legally required overtime rates. Defendants further required
16 its non-exempt employees to work through their legally mandated meal periods or remain
17 on duty and under Defendants’ control during their meal periods to perform other tasks at
18 Defendants’ directions due to Defendants’ policies and practices.

19 78. Upon information and belief, Defendants failed to pay Class Members
20 overtime wages in other ways not currently known to Plaintiff.

21 79. As a result, Plaintiff and Class Members were not permitted to record these
22 additional working hours on their time sheets, and Defendants failed to pay them for all
23 hours during which they were suffered or permitted to work under the control of Defend-
24 ants.

25 80. Defendants knew or should have known that their policies and practices forced
26 their non-exempt employees to work in excess of eight hours per workday and/or forty (40)
27 hours per workweek without being compensated for all hours worked. Because Plaintiff and
28 Class Members regularly worked shifts lasting eight hours a day or totaling forty hours a

1 week on the clock, some or most of this off-the-clock work qualified for overtime premium
2 pay. Therefore, Plaintiff and Class Members were not paid overtime wages at the correct rate
3 of pay for all overtime hours worked by them.

4 81. Pursuant to Labor Code § 1194, Plaintiff and Class Members are entitled to
5 recover their unpaid overtime compensation, as well as interest, costs, and attorneys' fees,
6 and applicable civil penalties.

7 **FIFTH CAUSE OF ACTION**

8 ***Labor Code §§ 226. 226.3, and 1174***

9 ***Failure to Maintain and Provide Complete and Accurate Wage Statements***

10 **(Plaintiff and Non-Exempt Class Against Defendants)**

11 82. Plaintiff repeats and incorporates by reference every allegation in this com-
12 plaint as if fully set forth herein.

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

21 84. At all times relevant to this complaint, Defendants' failure to pay minimum,
22 regular, and overtime rate wages for all hours worked, and premium pay for missed meal
23 and/or rest periods, ensured that Plaintiff's and Class Members' wage statements
24 inaccurately reflected their gross and net wages earned, the correct number of hours worked,
25 and the applicable hourly rates in effect for those missing hours.

26 85. Thus, Defendants have failed to keep accurate payroll records for Plaintiff and
27 Class Members in accordance with Labor Code § 1174.

28 86. Injury. Defendants knowingly and intentionally failed to comply with Labor

Code § 226, causing injury and damage to Plaintiff and Class Members. Plaintiff and all those similarly situated were injured by these failures because, among other things, they were confused about whether they were paid properly and/or misinformed about how much compensation was owed to them. These damages include, but are not limited to, costs incurred in calculating the correct gross and net wages earned for each pay period and the amount of employment taxes that were not paid to state and federal tax authorities.

87. Relief. Labor Code § 226(e)(1) provides that an employee suffering injury as a result of not being provided with a complete and accurate itemized wage statement is entitled to recover the greater of all actual damages suffered or fifty (\$50) dollars for the initial violation and one hundred (\$100) dollars for each subsequent violation, up to \$4,000. Pursuant to Labor Code §§ 226(e) and (g), Class Members are further entitled to injunctive relief to ensure Defendants' compliance with Labor Code § 226, as well as attorneys' fees and costs of suit.

SIXTH CAUSE OF ACTION

Labor Code §§ 201, 202, 203, 204, and 210

Failures to Pay Wages When Due

(Plaintiff and Non-Exempt Class Against Defendants)

88. Plaintiff repeats and incorporates by reference all the allegations of this Complaint as though fully set forth herein.

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

If an employee not having a written contract for a definite period quits his or her employment, his or her wages³ 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

³ Labor Code § 200 defines "wages" as "all amounts for labor performed by employees of every description, whether the amount is fixed or ascertained by the standard of time, task, piece, commission basis, or other method of calculation." "Labor" is defined as "labor, work, or service . . . if the labor to be paid for is performed personally by the person demanding payment." Additionally, in *Naranjo v. Spectrum Security Services, Inc.*, 13 Cal. 5th 93 (2022), the California Supreme Court recently held that failure to pay premiums for violating the California Labor Code's meal and rest break provisions constitutes "wages" for purposes of waiting time penalties.

his or her wages at the time of quitting. Notwithstanding any other provision of law, an employee who quits without providing a 72-hour notice shall be entitled to receive payment by mail if he or she so requests and designates a mailing address. The date of the mailing shall constitute the date of payment for purposes of the requirement to provide payment within 72 hours of quitting.

90. Labor Code § 203 provides:

If an employer willfully fails to pay, without abatement or reduction, in accordance with § 201, 201.5, 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.

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

92. Failure to Timely Pay Wages Due. As set forth above, Defendants failed to timely pay the regular rate or overtime wages earned for off-the-clock work and meal and rest period premiums resulting from deficient timekeeping practices and meal and rest period policies upon regularly scheduled paydays.

93. Relief. Defendants' failure to pay Plaintiff and those Class Members wages on their regularly scheduled paydays subjects Defendants to civil penalties in the amount of \$100 per employee per initial violation and \$200 per employee for every subsequent violation of Labor Code § 204 pursuant to Labor Code § 210.

94. Failure to Pay Upon Termination. Plaintiff and many Class Members have left Defendants' employ during the Class Period. As discussed above, Defendants knowingly failed to pay Plaintiff and Class Members all their earned wages upon termination. Instead, Defendants willfully and intentionally refused to pay minimum wages, regular rate wages, overtime wages, and meal and/or rest period premiums as alleged herein to Plaintiff and Class Members in violation of Labor Code §§ 201 and 202.

95. Relief. Defendants' failure to pay Plaintiff and those Class Members who are no longer employed by Defendants their wages earned and unpaid at the time of discharge,

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

5 **SEVENTH CAUSE OF ACTION**

6 ***Labor Code § 2802***

7 ***Failure to Reimburse Necessary Business Expenses***

8 **(Plaintiff and Non-Exempt Class Against Defendants)**

9 96. Plaintiff repeats and incorporates by reference every allegation in this com-
10 plaint as if fully set forth herein.

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

17 98. As a matter of uniform and systemic policy, Defendants failed to reimburse
18 their non-exempt employees for necessary business expenditures pursuant to Labor Code §
19 2802. For example, Defendants failed to adequately and reasonably reimburse Plaintiff or
20 other Class Members for mandatory training expenses. Plaintiff or other Class Members
21 were also not reimbursed for duty equipment that Defendants required they carry on each
22 shift, such as, duty belts, radios, handcuffs, flashlights, batons, pepper spray, and other se-
23 curity-related equipment.

24 99. By unlawfully failing to reimburse Plaintiff and Class Members, Defendants
25 are liable for a reasonable portion of their incurred expenses, to be determined upon trial,
26 plus reasonable attorneys' fees and costs. Lab. Code § 2802.

EIGHTH CAUSE OF ACTION

Cal. Bus. & Prof. Code §§16600, 16600.1, 16600.5 and

Labor Code Section 432.5

Illegal Noncompete Agreements

(Plaintiff and Illegal Non-Compete Class Against Defendants)

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

101. “Except as provided in this chapter, every contract by which anyone is restrained from engaging in a lawful profession, trade, or business of any kind is to that extent void.” Cal. Bus. & Prof. Code § 16600.

102. As of January 1, 2024, under Section 16600.1, it is illegal for an employer “to include a noncompete clause in an employment contract, or to require an employee to enter a noncompete agreement” Cal. Bus. & Prof. Code § 16600.1.

103. Further, employers are required under Section 16600.1 to provide a curative notice “in the form of a written individualized communication” to employees employed after January 1, 2022, whose contracts include a barred non-compete clause or agreement.

104. All noncompete clauses or agreements covered under Section 16600-16600.5 are void and an impacted “employee, former employee, or prospective employee may bring a private action to enforce this chapter for injunctive relief or the recovery of actual damages, or both.” Cal. Bus. & Prof. Code § 16600.5. A prevailing employee is also entitled to recover reasonable attorney’s fees and costs. *Id.*

105. Separately, under Labor Code § 432.5, “[n]o employer, or agent, manager, superintendent, or officer thereof, shall require any employee or applicant for employment to agree, in writing, to any term or condition which is known by such employer, or agent, manager, superintendent, or officer thereof to be prohibited by law.” Cal. Lab. Code § 432.5.

106. Defendants required its employees to enter into employment contracts and/or required as a condition of employment that they “agree[] not to directly or indirectly compete with the business of International Protective Service, Inc. (IPS), its subsidiaries, and/or

1 its successors, including competing or attempting to compete with clients who have in effect
2 a business relationship with International Protective Service, Inc. (IPS) and/or its subsidi-
3 aries.”

4 107. Defendants “Non-Compete Agreement” binds its employees indefinitely.

5 108. These requirements violate Cal. Bus. & Prof. Code § 16600 and are not covered
6 by any exemption to that chapter.

7 109. Defendants also failed to provide a curative notice “in the form of a written
8 individualized communication” to all Class Members employed after January 1, 2024 in
9 which the notified employees that these requirements were void.

10 110. Defendants’ actions violated Cal. Bus. & Prof. Code §§ 16600, 16600.1, and
11 16600.5. Class Members are entitled to injunctive relief and actual damages, and legal fees
12 to remedy these violations.

13 **NINTH CAUSE OF ACTION**

14 ***Labor Code §§ 232, 923, and 1197.5(k)***

15 ***Illegal Restrictions on Discussing Wages***

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

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

19 112. Labor Code § 232 provides that “[n]o employer may do any of the following:
20 (a) require, as a condition of employment, that an employee refrain from disclosing the
21 amount of his or her wages; (b) require an employee to sign a waiver or other document that
22 purports to deny the employee the right to disclose the amount of his or her wages; [or] (c)
23 discharge, formally discipline, or otherwise discriminate against an employee who discloses
24 the amount of his or her wages.” Lab. Code § 232; *see also Grant-Burton v. Covenant Care,*
25 *Inc.*, 99 Cal.App.4th 1361, 1367, 77 (2002) (“The very purpose of [Section 232] is to protect
26 employees who want to discuss some aspect of their compensation.”).

27 113. Labor Code § 1197.5(k) provides that “[a]n employer shall not discharge, or in
28 any manner discriminate or retaliate against, any employee by reason of any action taken by

1 the employee to invoke or assist in any manner the enforcement of this section. An employer
2 shall not prohibit an employee from disclosing the employee's own wages, discussing the
3 wages of others, inquiring about another employee's wages, or aiding or encouraging any
4 other employee to exercise his or her rights under this section.

5 114. Labor Code § 923 protects the rights of employees to organize, including to
6 discuss wages, to negotiate with their employer and otherwise protect their rights under the
7 Labor Code: "[T]he declared purpose of section 923 is to guarantee to individual employees
8 full freedom of self-organization and of association with others for the pur-pose of collective
9 bargaining or other mutual aid or protection, free from interference or coercion by their
10 employers." *Gelini v. Tishgart*, 77 Cal.App.4th 219, 224 (1999).

11 115. "Any employee who has been discharged, discriminated or retaliated against,
12 in the terms and conditions of their employment because the employee engaged in any
13 conduct delineated in this section may recover in a civil action reinstatement and
14 reimbursement for lost wages and work benefits caused by the acts of the employer,
15 including interest thereon, as well as appropriate equitable relief." Lab. Code § 1197.5.
16 Despite these clear mandates, Defendants implemented a company-wide policy deeming
17 "individual employee compensation" as confidential, and prohibited non-exempt employees
18 from discussing their wages with anyone other than a Chief Deputy or above. On information
19 and belief, from at least approximately February 2021 through approximately June 2025,
20 Plaintiff and Class Members were expressly prohibited discussing compensation "amongst
21 themselves," and cautioned that any violations could result in disciplinary action.

22 116. The Class is entitled to appropriate equitable relief, including injunctive relief,
23 as well as actual damages for lost wages and work benefits for Defendants' illegal conduct.

24 **TENTH CAUSE OF ACTION**

25 ***Violation of California's Investigative Credit Reporting Agencies Act***

26 ***Civ. Code § 1786, et seq.***

27 **(Plaintiff and Consumer Class Against Defendants)**

28 117. Plaintiff repeats and incorporates by reference every allegation in this

complaint as if fully set forth herein.

118. Civil Code section 1786.16(a)(2)(B)(i)-(vi)) provides, in pertinent part, that “[i]f, at any time, an investigative report is sought for employment purposes...the person seeking the investigative consumer report may procure the report, or cause the report to be made, only if all of the following apply:

(B) The person procuring or causing the report to be made provides a clear and conspicuous disclosure in writing to the consumer at any time before the report is procured or caused to be made in a document that consists solely of the disclosure, that:

“(i) An investigative consumer report may be obtained.

(ii) The permissible purpose of the report is identified.

(iii) The disclosure may include information of the consumer’s character, general reputation, personal characteristics, and mode of living.

(iv) Identifies the name, address, and telephone number of the investigative consumer reporting agency conducting the investigation.

(v) Notifies the consumer in writing of the nature and scope of the investigation requested, including summary of the provisions of Section 1786.22.

(v) Notifies the consumer of the Internet Web site address of the investigative consumer reporting agency identified in clause (iv), or, if the agency has no Internet Web site address, the telephone number of the agency, where the consumer may find information about the investigative reporting agency’s privacy practices[.]”

119. Civil Code section 1786.16(a)(2)(C)(4), also requires that “[t]he person procuring or causing the request to be made shall certify to the investigative consumer reporting agency that the person has made the applicable disclosures to the consumer required by this subdivision and that the person will comply with subdivision (b).”

120. Civil Code section 1786.16(a)(2)(C)(5), further requires that “[t]he person procuring or causing it to be prepared agrees to provide a copy of the report to the subject of the investigation, as provided in subdivision (b).”

121. Civil Code section 1786.16(b)(1), further requires that any person who requests

1 a n investigative consumer report regarding a consumer, shall “[p]rovide the consumer a
2 means by which the consumer may indicate on a written form, by means of a box to check,
3 that the consumer wishes to receive a copy of any report that is prepared.” Employers must
4 provide a clear and conspicuous disclosure before the report is made, certify that they made
5 the applicable disclosures to the consumer, provide a copy of the report to applicants and/or
6 employees, and also provide a box that the consumer may check on a written form if her or
7 she wishes to receive a copy of any report that is prepared.. However, if an employer
8 considers taking adverse action against an applicant or employee as a result of receiving
9 information pursuant to the ICRAA, then “the user of the investigative consumer report shall
10 so advise the consumer against whom the adverse action has been taken and supply the
11 name and address of the investigative consumer reporting agency making the report.” Civil
12 Code section 1786.16(b)(2).

13 122. Defendants violated Civil Code section 1786.16(a)(2)(B)(iv)/(v)/(vi) by failing
14 to include in their disclosure the identification of the investigative consumer reporting
15 agency conducting the investigation, failing to include a summary of the provision of Section
16 1786.22, and failing to include the website or telephone number for the investigative
17 reporting agency.

18 123. Defendants also violated Civil Code section 1786.16(a)(2)(C)(5), in that they
19 failed to disclose in their “Disclosure and Authorization Pertaining to Consumer Reports
20 Pursuant to the Fair Credit Reporting Act” and “Authorization to Release Information for
21 Employment” that Plaintiff and Class Members had a right to a copy of their background
22 check report.

23 124. Defendants also violated Civil Code section 1786.16(b)(1) by failing to include
24 a box for Plaintiff and Class Members to check if they wished to receive a copy of their
25 background check report in Defendants’ “Disclosure and Authorization Pertaining to
26 Consumer Reports Pursuant to the Fair Credit Reporting Act” and “Authorization to Release
27 Information for Employment” forms.

28 125. Defendants engaged in a further unlawful practice that violates Civil Code

1 section 1786.16(a)(2)(C)(4) because any certification provided by Defendants to the
2 investigative consumer reporting agency certifying that Defendants complied with the
3 applicable disclosure to the consumer would have been false for the foregoing reasons.

4 126. Defendants' violations of the ICRAA were grossly negligent and/or willful
5 because they chose to operate under a systematic practice under a falsely obtained
6 certification and while using the same uniform written disclosure and authorization form
7 that failed to comply with Defendants' grave responsibilities to disclose to applicants and/or
8 employees that Plaintiff and Class Members had additional rights and protections.

9 127. Plaintiff and Class Members are entitled to recover actual damages or ten
10 thousand dollars (\$10,000),⁴ except in the case of class actions, including attorney's fees
11 and costs. They are also entitled to punitive damages in the case of "grossly negligent or
12 willful" violations, Cal. Civ. Code § 1786.50, and injunctive relief to prevent ongoing and
13 future violations.

14 **ELEVENTH CAUSE OF ACTION**

15 ***Violation of California's Consumer Credit Reporting Agencies Act***

16 ***Civ. Code § 1785.1, et seq.***

17 **(Plaintiff and Consumer Class Against Defendants)**

18 128. Plaintiff repeats and incorporates by reference every allegation in this
19 complaint as if fully set forth herein.

20 129. Civil Code section 1785.20.5(a) provides that "[p]rior to requesting a
21 consumer credit report for employment purposes, the user of the report shall provide
22 written notice to the person involved. The notice shall inform the person that a report will
23 be used, and shall identify the specific basis under subdivision (a) of Section 1024.5 of the
24 Labor Code for use of the report."

25 _____
26 ⁴ Plaintiff and Class Members are not required to allege or prove any adverse employment
27 action or consequential harm to establish standing under the Investigative Consumer Report-
28 ing Agencies Act. *Parsonage v. Wal-Mart Assocs., Inc.*, No. D083831, ____ Cal. App. 5th ____
(Cal. Ct. App. Feb. 4, 2026) (certified for publication).

1 130. Civil Code section 1785.20.5(a) further provides that “[t]he notice shall also
2 inform the person of the source of the report, and shall contain a box that the person may
3 check off to receive a copy of the credit report. If the consumer indicates that he or she wishes
4 to receive a copy of the report, the user shall request that a copy be provided to the person
5 when the user requests its copy from the credit reporting agency.”

6 131. Employers must both provide notice and a basis under Labor Code section
7 1024.5 prior to requesting a consumer report to applicants and/or employees and also
8 provide a box for the applicant and/or employee to check off to receive a copy of the credit
9 report. However, if employment is denied because of information contained in a consumer
10 credit report, “the user of the consumer credit report shall so advise the consumer against
11 whom the adverse action has been taken and supply the name and address of the consumer
12 credit reporting agency making the report.” Civil Code section 1785.20.5(b).

13 132. Defendants violated Civil Code section 1785.20.5(a) by failing to provide
14 written notice identifying the specific bases for which a background check report would be
15 used prior to requesting a consumer credit report for employment purposes. Indeed,
16 Defendants engaged in a practice that further violated Civil Code section 1785.20.5(a) in that
17 it failed to disclose in their “Disclosure and Authorization Pertaining to Consumer Reports
18 Pursuant to the Fair Credit Reporting Act” and “Authorization to Release Information for
19 Employment” forms that Plaintiff and Class Members had a right to a copy of their
20 background check report.

21 133. Defendants further violated Civil Code section 1785.20.5(a) by failing to
22 include a box giving Plaintiffs and the Class the option to receive a copy of their background
23 check report in Defendants’ “Disclosure and Authorization Pertaining to Consumer Reports
24 Pursuant to the Fair Credit Reporting Act” and “Authorization to Release Information for
25 Employment” forms.

26 134. Defendants’ violations of the CCRAA were negligent and/or willful because
27 they chose to operate under a systematic practice using the same uniform written disclosure
28 and authorization form that failed to comply with Defendants’ grave responsibilities to

disclose to applicants and/or employees that Plaintiff and Class Members had additional rights and protections.

135. Plaintiff and Class Members are entitled to recover actual damages, including attorneys’ fees and costs, applicable pain and suffering, injunctive relief, and punitive damages. Additionally, they may seek injunctive relief under Cal. Civ. Code § 1785.31.

TWELFTH CAUSE OF ACTION

Business & Professions Code §§ 17200, et seq.

Unlawful Business Practices

(Plaintiff and Class Against Defendants)

136. Plaintiff repeats and incorporates by reference all the allegations of this Complaint as though fully set forth herein.

137. Defendants are “persons” as defined by California Business & Professions Code § 17201, as they are a natural person, corporations, firms, partnerships, joint stock companies, and/or associations.

138. Unlawful Business Practices. Defendants’ knowing violations of provisions of the Labor Code and IWC Wage Order No. 5-2001 constitute unlawful business practices as set forth in Business & Professions Code § 17200, *et seq.*

139. Defendants’ failure to abide by the laws discussed herein provided Defendants an unfair advantage over their competitors at the expense of their workers. Instead, Defendants cut corners in the name of higher profits and at the expense of employee well-being. Defendants’ actions thereby constitute an unfair, fraudulent, and/or unlawful business practice under Business & Professions Code § 17200, *et seq.*

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

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

DEMAND FOR JURY TRIAL

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

PRAYER FOR RELIEF

WHEREFORE, Plaintiff respectfully prays judgment as follows:

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

Dated: February 9, 2026

Respectfully submitted,
KING & SIEGEL LLP

By: 

Elliot J. Siegel
Melissa R. Rinehart
Attorneys for Plaintiff and the Putative
Class