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

MARGARITA URRUTIA, as an individual
and on behalf of all others similarly situated,

Plaintiff,

vs.

MAGNOLIA FOODS, LLC; a California
Limited Liability Company; and DOES 1
through 100,

Defendants.

CASE NO. CIVSB2324321

**FIRST AMENDED CLASS AND
REPRESENTATIVE ACTION
COMPLAINT:**

- (1) **MINIMUM WAGE VIOLATIONS
(LABOR CODE §§ 1182.12, 1194,
1194.2, 1197, 1198);**
- (2) **FAILURE TO PAY ALL
OVERTIME WAGES (LABOR
CODE §§ 204, 510, 1194, 1198);**
- (3) **MEAL PERIOD VIOLATIONS
(LABOR CODE §§ 226.7, 512, 558);**
- (4) **REST PERIOD VIOLATIONS
(LABOR CODE §§ 226.7, 516, 558);**
- (5) **FAILURE TO REIMBURSE FOR
ALL NECESSARY BUSINESS
EXPENDITURES (LABOR CODE
§§ 2802, 2804);**
- (6) **WAGE STATEMENT PENALTIES
(LABOR CODE § 226 *et seq.*);**
- (7) **WAITING TIME PENALTIES
(LABOR CODE §§ 201-203);**
- (8) **UNFAIR COMPETITION (BUS &
PROF CODE § 17200 *et seq.*); and**

**(9) CIVIL PENALTIES UNDER
THE PRIVATE ATTORNEYS
GENERAL ACT (LABOR
CODE § 2698 *et seq.*).**

**DEMAND FOR JURY TRIAL
UNLIMITED CIVIL CASE**

1 Plaintiff Margarita Urrutia (“Plaintiff”), on behalf of herself and all others similarly
2 situated, hereby brings this First Amended Class and Representative Action Complaint
3 (“Complaint”) against Defendants Magnolia Foods, LLC, a California Limited Liability
4 Company; and DOES 1 to 100, inclusive (collectively “Defendants”), and on information and
5 belief alleges as follows:

6 **JURISDICTION**

7 1. Plaintiff, on behalf of herself and all others similarly situated, hereby brings this
8 Complaint for recovery of unpaid wages and penalties under California Business and Professions
9 Code § 17200 *et. Seq.*, Labor Code §§ 201-204, 226, 226.7, 510, 512, 516, 558, 1182.12,
10 1194, 1194.2, 1197, 1198, 2698 *et seq.*, 2802, and 2804; and Industrial Welfare Commission Wage
11 Order 1 (“Wage Order 1”), in addition to seeking injunctive relief, declaratory relief, and
12 restitution. This Complaint is brought pursuant to California Code of Civil Procedure § 382. This
13 Court has jurisdiction over Defendants’ violations of the California Labor Code because the
14 amount in controversy exceeds this Court's jurisdictional minimum.

15 **VENUE**

16 2. Venue is proper in this judicial district pursuant to California Code of Civil
17 Procedure §§ 395(a) and 395.5, as at least some of the acts and omissions complained of herein
18 occurred in San Bernardino County. Defendants own, maintain offices, transact business, have an
19 agent or agents within San Bernardino County, and/or otherwise are found within San Bernardino
20 County, and Defendants are within the jurisdiction of this Court for purposes of service of process.

21 **PARTIES**

22 3. Plaintiff is, and at all times relevant herein was, an individual over the age of
23 eighteen (18). At all relevant times herein, Plaintiff was, and currently is, a California resident.
24 Within the statute of limitations periods applicable to each cause of action pled herein, Plaintiff
25 was employed by Defendants as a non-exempt employee. Plaintiff was, and is, a victim of
26 Defendants’ policies and/or practices complained of herein, lost money and/or property, and has
27 been deprived of the rights guaranteed by California Business and Professions Code § 17200 *et.*
28 *seq.*, Labor Code §§ 201-204, 226, 226.7, 510, 512, 516, 558, 1182.12, 1194, 1194.2, 1197, 1198,

1 2698 *et seq.*, 2802, and 2804; and Wage Order 1, which sets employment standards for the
2 manufacturing industry.

3 4. Plaintiff is informed and believes, and based thereon alleges, that during the
4 applicable statute of limitations for each cause of action pled herein and continuing to the present,
5 Defendants engage in and continue to engage in the manufacturing of corn and flour tortillas,
6 wraps, chips, cakes and other baked goods, and employed Plaintiff and other, similarly-situated
7 non-exempt employees within San Bernardino County, and the State of California and, therefore,
8 were (and are) doing business in San Bernardino County and the State of California.

9 5. Plaintiff does not know the true names or capacities, whether individual, partner,
10 or corporate, of the defendants sued herein as DOES 1 to 100, inclusive, and for that reason, said
11 defendants are sued under such fictitious names, and Plaintiff will seek leave from this Court to
12 amend this Complaint when such true names and capacities are discovered. Plaintiff is informed,
13 and believes, and based thereon alleges, that each of said fictitious defendants, whether individual,
14 partners, or corporate, were responsible in some manner for the acts and omissions alleged herein,
15 and proximately caused Plaintiff and the Classes (as defined in Paragraph 18) to be subject to the
16 unlawful employment practices, wrongs, injuries and damages complained of herein.

17 6. Plaintiff is informed, and believes, and thereon alleges, that at all times mentioned
18 herein, Defendants were and are the employers of Plaintiff and all members of the Classes.

19 7. At all relevant times, each of said Defendants participated in the doing of the acts
20 hereinafter alleged to have been done by the named Defendants; and furthermore, the Defendants,
21 and each of them, were the agents, servants, and employees of each and every one of the other
22 Defendants, as well as the agents of all Defendants, and at all times herein mentioned were acting
23 within the course and scope of said agency and employment. Defendants, and each of them,
24 approved of, condoned, and/or otherwise ratified each and every one of the acts or omissions
25 complained of herein.

26 8. At all times mentioned herein, Defendants, and each of them, were members of
27 and engaged in a joint venture, partnership, and common enterprise, and acting within the course
28 and scope of and in pursuance of said joint venture, partnership, and common enterprise. Further,

1 Plaintiff alleges that all Defendants were joint employers for all purposes of Plaintiff and all
2 members of the Classes.

3 **GENERAL FACTUAL ALLEGATIONS**

4 9. Defendants manufacture corn and flour tortillas, wraps, chips, cakes and other
5 baked goods. Plaintiff began working for Defendants at its Mira Loma, California and Rialto,
6 California facilities as a non-exempt “packer” in approximately 2014. Plaintiff’s employment
7 with Defendant ended on approximately October 14, 2022.

8 10. During Plaintiff’s employment with Defendants, Plaintiff was not paid for all
9 hours she actually worked. Specifically, Defendants required Plaintiff and other non-exempt
10 employees to don protective gear, such as aprons, hair nets, and earplugs, and wash their hands
11 prior to clocking in for their shift, such that Plaintiff and other non-exempt employees were not
12 paid for the time spent donning mandatory protective gear and washing their hands prior to
13 entering the “production/processing” floor. Similarly, Plaintiff and other non-exempt employees
14 had to doff their protective gear after clocking out at the end of their shift without being
15 compensated for this additional time. As a result, Defendants required Plaintiff and other non-
16 exempt employees to perform work while off-the-clock, and Defendants failed to compensate
17 Plaintiff and other non-exempt employees for all minimum and overtime wages owed.

18 11. During Plaintiff’s employment with Defendants, Plaintiff often worked over eight
19 (8) hours per workday and/or more than forty (40) hours per workweek but did not receive
20 overtime compensation equal to one and one-half times her regular rate of pay for working
21 overtime hours. Specifically, Defendants paid Plaintiff and other non-exempt employees a shift
22 differential incentive pay, “Shift Diff,” and/or other forms of pay that are not excludable from an
23 employee’s “regular rate” of pay (hereinafter the aforementioned forms of pay are collectively
24 referred to as “Incentive Pay”). However, Defendants failed to properly calculate Plaintiff’s and
25 other non-exempt employees’ regular rates of pay as a result of their receipt of Incentive Pay,
26 thereby miscalculating and underpaying the overtime wages owed to them.

27 12. Defendants failed to provide Plaintiff and other non-exempt employees with all
28 legally compliant meal periods due to Defendants’ meal period policies/practices, which have

1 resulted in late (commencing after the fifth hour of work), short (less than 30 minutes of net rest)
2 and missed meal periods. Specifically, Defendants required Plaintiff and other non-exempt
3 employees to doff their protective gear after they clock out for lunch and put back on their
4 protective gear prior to clocking back in for the remainder of their shifts, resulting in short (less
5 than 30 minutes of net rest) meal periods. Defendants also failed to provide Plaintiff and other
6 non-exempt employees with 30 minutes of net rest in an area away from the work station that is
7 appropriate for rest, which employers are required by the Wage Order to maintain for their
8 employees during meal and rest periods. Defendants have also failed to provide Plaintiff and other
9 non-exempt employees with an uninterrupted second meal period of at least 30 minutes in
10 duration during shifts in excess of 10.0 hours. On those occasions when Plaintiff was not provided
11 with all legally compliant meal periods to which she was entitled, Defendants failed to always
12 compensate Plaintiff with the required meal period premium(s) for each workday there was a
13 meal period violation as mandated by Labor Code § 226.7.

14 13. In addition, when paying meal period premiums, Defendants failed to properly
15 incorporate all Incentive Pay into employees' "regular rate" of compensation, thereby
16 underpaying Plaintiff's and/or other non-exempt employees' meal period premiums under Labor
17 Code § 226.7, which requires meal period premiums to be paid at an hour of pay at the employee's
18 "regular rate of compensation." *See Ferra v. Loews Hollywood Hotel, LLC*, 11 Cal.5th 858 (2021)
19 (holding "regular rate of compensation" in Labor Code § 226.7 to be synonymous with "regular
20 rate of pay" in Labor Code § 510, and therefore meal and rest period premiums must incorporate
21 incentive pay just like overtime premiums).

22 14. Defendants have also failed to authorize and permit all required rest periods for
23 Plaintiff and other non-exempt employees as Defendants' rest period policies/practices failed to
24 authorize and permit employees to take an off-duty rest period of at least 10 minutes for every
25 four hours worked, or major fraction thereof. Specifically, Plaintiff was often prevented from
26 taking rest periods due to work demands imposed by Defendants. Moreover, as with meal periods,
27 Defendants failed to authorize and permit a full ten minutes of "net rest" in an area appropriate
28 for rest away from the workstation during rest periods. Despite failing to authorize and permit

1 Plaintiff and other non-exempt employees to take all rest periods to which they are entitled, upon
2 information and belief, during at least a portion of the relevant time period, Defendants
3 maintained no mechanism for the payment of rest period premium payments as required by Labor
4 Code § 226.7 and did not pay Plaintiff or other non-exempt employees any rest period premiums
5 when they experienced a rest period violations.

6 15. Defendants also failed to reimburse Plaintiff and other non-exempt employees for
7 use of their personal cellular phones for work activities. Upon information and belief, Defendants
8 required Plaintiff and other non-exempt employees to communicate with coworkers and their
9 supervisors through their personal cellular phones; however, Defendants failed to reimburse
10 Plaintiff and other non-exempt employees for the use of their personal cellular phones for business
11 purposes.

12 16. Throughout Plaintiff's employment with Defendants, Defendants failed to
13 properly incorporate the value of earned Incentive Pay into the regular rate of pay when
14 calculating employees' sick time pay. Instead, Defendants paid Plaintiff and other non-exempt
15 employees at their base rates of pay for sick time pay earned, in violation of California law.

16 17. As a result of Defendants' failure to pay all minimum and overtime wages, failure
17 to pay all meal and rest period premium wages, and failure to pay sick time pay at the correct
18 regular rates of pay, Defendants failed to pay all final wages owed to Plaintiff and other non-
19 exempt employees upon their respective separations from employment. As a further result of
20 Defendants' failure to pay all minimum and overtime wages and failure to pay all meal and rest
21 period premium wages, Defendants failed to issue accurate and compliant wage statements to
22 Plaintiff and other non-exempt employees.

23 **CLASS ACTION ALLEGATIONS**

24 18. **Class Definitions:** Plaintiff brings this action on behalf of herself and the
25 following Classes pursuant to § 382 of the Code of Civil Procedure:

- 26 a. The Minimum Wage Class consists of all of Defendants' current and former non-
27 exempt employees in California who were subject to Defendants' timekeeping
28 policies and/or practices, during the four years immediately preceding the filing of

1 this action through the present.

2 b. The Overtime Class consists of all of Defendants' current and former non-exempt
3 employees in California who worked more than 8.0 hours per day and/or 40.0
4 hours per week and: (i) received Incentive Pay during the same pay period; and/or
5 (ii) were subject to Defendants' timekeeping policies and/or practices, during the
6 four years immediately preceding the filing of this action through the present.

7 c. The Meal Period Class consists of all of Defendants' current and former non-
8 exempt employees in California who: (i) worked at least one shift in excess of 5.0
9 hours; and/or (ii) worked at least one shift in excess of 10.0 hours; and/or (iii)
10 earned Incentive Pay and received a meal period premium during the same pay
11 period, during the four years immediately preceding the filing of this action
12 through the present.

13 d. The Rest Period Class consists of all of Defendants' current and former non-
14 exempt employees in California who worked at least one shift in excess of 3.5
15 hours, during the four years immediately preceding the filing of this action through
16 the present.

17 e. The Employee Expense Class consists of all of Defendants' current and former
18 non-exempt employees in California who were not reimbursed for the use of their
19 personal cellular phones, during the four years immediately preceding the filing of
20 this action through the present.

21 f. The Waiting Time Class consists of: (i) all members of the Minimum Wage Class,
22 Overtime Class, Meal Period Class, Rest Period Class, and/or Employee Expense
23 Class; and/or (ii) all of Defendants' current and former non-exempt employees in
24 California who earned Incentive Pay and received sick time pay during the same
25 pay period, who separated their employment with Defendants during the three
26 years immediately preceding the filing of this action through the present.

27 g. The Wage Statement Class consists of all of the Minimum Wage Class, Overtime
28 Class, Meal Period Class, Rest Period Class, and/or Employee Expense Class, who

received a wage statement from Defendants at any time during the one year immediately preceding the filing of this action through the present.

19. **Numerosity/Ascertainability:** The members of the Classes are so numerous that joinder of all members would be unfeasible and not practicable. The membership of the Classes and Subclasses are unknown to Plaintiff at this time; however, it is estimated that the members of the Classes number greater than one hundred (100) individuals. The identity of such membership is readily ascertainable via inspection of Defendants' employment records.

20. **Common Questions of Law and Fact Predominate/Well Defined Community of Interest:** There are common questions of law and fact as to Plaintiff and all other similarly situated employees, which predominate over questions affecting only individual members including, without limitation to:

- i. Whether Defendants' timekeeping policies and/or practices resulted in the failure to properly compensate members of the Minimum and Overtime Wage Classes for all hours actually worked;
- ii. Whether Defendants properly paid all overtime wages to members of the Overtime Class;
- iii. Whether Defendants provided all legally compliant meal periods to members of the Meal Period Class pursuant to Labor Code §§ 226.7 and 512;
- iv. Whether Defendants authorized and permitted all legally compliant rest periods to members of the Rest Period Class pursuant to Labor Code §§ 226.7 and 516;
- v. Whether Defendants provided meal and rest period premium payments for non-compliant meal and rest periods;
- vi. Whether Defendants failed to reimburse members of the Employee Expense Class for necessary work expenses;
- vii. Whether Defendants paid all wages/compensation due upon separation to members of the Waiting Time Class as required under California law; and
- viii. Whether Defendants furnished legally compliant wage statements to members of the Wage Statement Class pursuant to Labor Code § 226.

1 21. **Predominance of Common Questions:** Common questions of law and fact
2 predominate over questions that affect only individual members of the Classes. The common
3 questions of law set forth above are numerous and substantial and stem from Defendants' policies
4 and/or practices applicable to each individual class member, including but not limited to
5 Defendants' timekeeping policies/practices, and meal and rest period policies/practices. As such,
6 the common questions predominate over individual questions concerning each individual class
7 member's showing as to their eligibility for recovery or as to the amount of their damages.

8 22. **Typicality:** The claims of Plaintiff are typical of the claims of the Classes because
9 Plaintiff was employed by Defendants as a non-exempt employee in California during the
10 statute(s) of limitations period applicable to each cause of action pled in the Complaint. As alleged
11 herein, Plaintiff, like the members of the Classes, was not paid all minimum and overtime wages
12 owed due to Defendants' timekeeping policies/practices, was not provided all required meal
13 periods, was not authorized and permitted all rest periods, did not receive premium pay for non-
14 compliant meal and rest periods, was not reimbursed for all necessary business expenditures, was
15 not provided with accurate, compliant, itemized wage statements, and was not paid all wages
16 owed at her time of separation from employment.

17 23. **Adequacy of Representation:** Plaintiff is fully prepared to take all necessary steps
18 to represent fairly and adequately the interests of the members of the Classes. Moreover,
19 Plaintiff's attorneys are ready, willing and able to fully and adequately represent the members of
20 the Classes and Plaintiff. Plaintiff's attorneys have prosecuted and defended numerous wage-and-
21 hour class actions in state and federal courts in the past and are committed to vigorously
22 prosecuting this action on behalf of the members of the Classes.

23 24. **Superiority:** The California Labor Code is broadly remedial in nature and serves
24 an important public interest in establishing minimum working conditions and standards in
25 California. These laws and labor standards protect the average working employee from
26 exploitation by employers who have the responsibility to follow the laws and who may seek to
27 take advantage of superior economic and bargaining power in setting onerous terms and
28 conditions of employment. The nature of this action and the format of laws available to Plaintiff

1 and members of the Classes make the class action format a particularly efficient and appropriate
2 procedure to redress the violations alleged herein. If each employee were required to file an
3 individual lawsuit, Defendants would necessarily gain an unconscionable advantage since they
4 would be able to exploit and overwhelm the limited resources of each individual plaintiff with
5 their vastly superior financial and legal resources. Moreover, requiring each member of the
6 Class(es) to pursue an individual remedy would also discourage the assertion of lawful claims by
7 employees who would be disinclined to file an action against their former and/or current employer
8 for real and justifiable fear of retaliation and permanent damages to their careers at subsequent
9 employment. Further, the prosecution of separate actions by the individual class members, even
10 if possible, would create a substantial risk of inconsistent or varying verdicts or adjudications
11 with respect to the individual class members against Defendants herein; and which would
12 establish potentially incompatible standards of conduct for Defendants; and/or legal
13 determinations with respect to individual class members which would, as a practical matter, be
14 dispositive of the interest of the other class members not parties to adjudications or which would
15 substantially impair or impede the ability of the class members to protect their interests. Further,
16 the claims of the individual members of the Class are not sufficiently large to warrant vigorous
17 individual prosecution considering all of the concomitant costs and expenses attending thereto.
18 As such, the Classes identified in Paragraph 18 are maintainable as classes under § 382 of the
19 Code of Civil Procedure.

20 **FIRST CAUSE OF ACTION**

21 **MINIMUM WAGE VIOLATIONS**

22 **(AGAINST ALL DEFENDANTS)**

23 25. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

24 26. Wage Order 1, § 4 and California Labor Code §§ 1197 and 1182.12 establish the
25 right of employees to be paid minimum wages for all hours worked, in amounts set by state law.
26 Labor Code §§ 1194(a) and 1194.2(a) provide that an employee who has not been paid the legal
27 minimum wage as required by Labor Code § 1197 may recover the unpaid balance together with
28 attorneys' fees and costs of suit, as well as liquidated damages in an amount equal to the unpaid

wages and interest accrued thereon. At all relevant times herein, Defendants failed to conform its pay practices to the requirements of the law by failing to pay Plaintiff and members of the Minimum Wage Class for all hours worked, including, but not limited to, all hours they were subject to the control of Defendants and/or suffered or permitted to work under the California Labor Code and Wage Order 1.

27. California Labor Code § 1198 makes unlawful the employment of an employee under conditions that the IWC prohibits. California Labor Code §§ 1194(a) and 1194.2(a) provide that an employer who has failed to pay its employees the legal minimum wage is liable to pay those employees the unpaid balance of the unpaid wages as well as liquidated damages in an amount equal to the wages due and interest thereon.

28. As a consequence of Defendants' non-payment of minimum wages, Plaintiff and members of the Minimum Wage Class seek penalties pursuant to Wage Order 1 § 20(a) and California Labor Code § 1199; interest pursuant to California Labor Code §§ 218.6 and 1194 and Civil Code §§ 3287 and 3289; liquidated damages pursuant to California Labor Code § 1194.2; attorneys' fees and costs of suit pursuant to California Labor Code § 1194 *et seq.*; and damages and/or penalties pursuant to California Labor Code § 558(a).

SECOND CAUSE OF ACTION

FAILURE TO PAY ALL OVERTIME WAGES

(AGAINST ALL DEFENDANTS)

29. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

30. This cause of action is brought pursuant to Labor Code §§ 204, 510, 1194, and 1198, which provide that non-exempt employees are entitled to all overtime wages and compensation for all overtime hours worked and provide a private right of action for the failure to pay all overtime compensation for overtime work performed.

31. At all relevant times, Defendants were required to compensate hourly non-exempt employees, including Plaintiff and members of the Overtime Class, for all overtime hours worked pursuant to California Labor Code § 1194 and IWC Wage Order No. 1. Wage Order 1, § 3(B) requires an employer to pay an employee "one and one-half (1½) times such employee's regular

rate of pay” for work in excess of 8 hours per work day and/or in excess of 40 hours in a workweek. Labor Code § 510 and Wage Order 1, Section 3 also require an employer to pay an employee double the employee’s regular rate of work in excess of 12 hours each workday and/or any work in excess of eight (8) hours on the seventh day of the workweek. As alleged herein, Defendants caused Plaintiff and the members of the Overtime Class to work overtime and/or double-time hours but did not properly compensate Plaintiff and the members of the Overtime Class at one and one-half times their regular rate of pay (or double-time, in the case of double-time hours) for such hours.

32. The foregoing policies and practices are unlawful and create entitlement to recovery by Plaintiff and the Overtime Class members in a civil action for the unpaid amount of overtime premiums owing, including interest thereon, statutory penalties, attorneys’ fees, and costs of suit according to California Labor Code §§ 204, 210, 216, 218.6, 510, 1194, and 1198; Code of Civil Procedure § 1021.5; and Civil Code §§ 3287 and 3289.

THIRD CAUSE OF ACTION

MEAL PERIOD VIOLATIONS

(AGAINST ALL DEFENDANTS)

33. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

34. Plaintiff is informed and believes, and based thereon alleges, that Defendants failed in their affirmative obligation to provide all of their non-exempt employees in California, including Plaintiff and members of the Meal Period Class, with all legally compliant meal periods in accordance with the mandates of the California Labor Code and Wage Order 1, § 11. Despite Defendants’ violations, Defendants did not pay an additional hour of pay to Plaintiff and members of the Meal Period Class at their respective regular rates of compensation, in accordance with California Labor Code §§ 204, 210, 226.7, and 512.

35. As a result, Defendants are responsible for paying premium compensation for meal period violations including interest thereon, statutory penalties, civil penalties, and costs of suit, pursuant to Labor Code §§ 226.7, 512, 558, Wage Order 1, and Civil Code §§ 3287(b) and 3289.

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1 **FOURTH CAUSE OF ACTION**

2 **REST PERIOD VIOLATIONS**

3 **(AGAINST ALL DEFENDANTS)**

4 36. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

5 37. Wage Order 1, § 12 and California Labor Code §§ 226.7, 516 and 558 establish
6 the right of employees to be provided with a rest period of at least ten (10) minutes for each four
7 (4) hour period worked, or major fraction thereof. Despite Defendants' failure to authorize and
8 permit Plaintiff and members of the Rest Period Class to take all legally complaint rest periods as
9 alleged herein, Defendants did not pay these individuals an additional hour of pay at their
10 respective regular rate for the rest periods that they failed to authorize and permit them to take, as
11 required by Labor Code § 226.7.

12 38. Defendants' policies and practices described herein are unlawful and create an
13 entitlement to recovery by Plaintiff and members of the Rest Period Class in a civil action for the
14 unpaid amount of rest period premiums owing, including interests thereon, statutory penalties,
15 civil penalties, attorneys' fees, and costs of suit according to California Labor Code §§ 226.7,
16 516, 558, Wage Order 1, and Civil Code §§ 3287(b) and 3289.

17 **FIFTH CAUSE OF ACTION**

18 **FAILURE TO REIMBURSE FOR ALL NECESSARY BUSINESS EXPENDITURES**

19 **(AGAINST ALL DEFENDANTS)**

20 39. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

21 40. At all relevant times herein, Defendants were subject to Labor Code § 2802, which
22 states that "an employer shall indemnify his or her employees for all necessary expenditures or
23 losses incurred by the employee in direct consequence of the discharge of his or her duties, or of
24 his or her obedience to the directions of the employer."

25 41. At all relevant times herein, Defendants were subject to Labor Code § 2804, which
26 states that "any contract or agreement, express or implied, made by any employee to waive the
27 benefits of this article or any part thereof, is null and void, and this article shall not deprive any
28 employee or his personal representative of any right or remedy to which he is entitled under the

laws of this State.”

42. Due to Defendants’ unlawful policy and practice of requiring employees to use their personal cellular phones for work purposes and failing to compensate employees for the use of their personal cellular phones, Defendants have violated Labor Code § 2802.

43. As a proximate result of Defendants’ policies and/or practices in violation of Labor Code §§ 2802 and 2804, Plaintiff and members of the Employee Expense Class suffered damages in sums, which will be shown according to proof.

44. Plaintiff and members of the Employee Expense Class are entitled to attorneys’ fees and costs of suit pursuant to Labor Code § 2802(c) for bringing this action.

45. Pursuant to Labor Code §2802(b), any action brought for the reimbursement of necessary expenditures carries interest at the same rate as judgments in civil actions. Thus, Plaintiff and members of the Employee Expense Class are entitled to interest, which shall accrue from the date on which they incurred the initial necessary expenditure.

SIXTH CAUSE OF ACTION

WAGE STATEMENT VIOLATIONS

(AGAINST ALL DEFENDANTS)

46. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

47. Plaintiff is informed and believes, and based thereon alleges, that Defendants knowingly and intentionally, as a matter of uniform policy and practice, failed to furnish Plaintiff and members of the Wage Statement Class with accurate and complete, itemized wage statements that included, among other requirements, all hours worked, total gross wages earned, all rates of pay and corresponding number of hours worked, total net wages earned, and the correct name and address of the legal entity that is the employer in violation of Labor Code § 226 *et seq.*

48. Defendants’ failure to furnish Plaintiff and members of the Wage Statement Class with accurate and complete, itemized wage statements resulted in actual injury, as said failures led to, among other things, the non-payment of minimum and overtime wages and meal and rest period premium wages owed and deprived them of the information necessary to identify the discrepancies in Defendants’ reported data.

49. Defendants' failures create an entitlement to recovery by Plaintiff and members of the Wage Statement Class in a civil action for all damages and/or penalties pursuant to Labor Code § 226 *et seq.*, including statutory penalties, civil penalties, reasonable attorneys' fees, and costs of suit according to California Labor Code § 226 *et seq.*

SEVENTH CAUSE OF ACTION

WAITING TIME PENALTIES

(AGAINST ALL DEFENDANTS)

50. Plaintiff re-alleges and incorporates all previous paragraphs.

51. This cause of action is brought pursuant to Labor Code §§ 201-203, which require an employer to pay all wages earned immediately at the time of separation of employment in the event the employer discharges the employee, or if the employee provides at least 72 hours of notice of his/her intent to quit. In the event the employee provides less than 72 hours of his/her intent to quit, said employee's wages become due and payable no later than 72 hours upon said employee's last date of employment.

52. Plaintiff is informed and believes, and based thereon alleges, that Defendants failed to timely pay Plaintiff and members of the Waiting Time Class all final wages due to them at the time of their separation, which includes, among other things, underpaid minimum and overtime wages, underpaid sick time pay, and meal and rest period premium wages. Further, Plaintiff is informed and believes, and based thereon alleges, that as a matter of uniform policy and practice, Defendants continue to fail to pay members of the Waiting Time Class all earned wages at the end of employment in a timely manner pursuant to Labor Code §§ 201-203. Defendants' failure to pay all final wages was willful within the meaning of Labor Code § 203.

53. Defendants' willful failure to timely pay Plaintiff and members of the Waiting Time Class their earned wages upon separation from employment, results in a continued payment of wages up to thirty (30) days from the time the wages were due. Therefore, Plaintiff and members of the Waiting Time Class are entitled to compensation pursuant to Labor Code § 203, plus reasonable attorneys' fees and costs of suit.

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1 **EIGHTH CAUSE OF ACTION**

2 **UNFAIR COMPETITION**

3 **(AGAINST ALL DEFENDANTS)**

4 54. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

5 55. Defendants have engaged and continue to engage in unfair and/or unlawful
6 business practices in California in violation of California Business and Professions Code § 17200
7 *et seq.*, by: (a) failing to pay Plaintiff and members of the Minimum Wage Class all minimum
8 wages owed; (b) failing to pay Plaintiff and members of the Overtime Class all overtime wages
9 owed; (c) failing to provide Plaintiff and members of the Meal Period Class with all meal periods
10 to which they are entitled, and failing to pay them meal period premium payments; (d) failing to
11 authorize and permit Plaintiff and members of the Rest Period Class all rest periods to which they
12 are entitled, and failing to pay them rest period premium payments; (e) failing to reimburse the
13 Employee expense Class for all necessary business expenditures; (f) failing to pay the Waiting
14 Time Class all final wages at the time of separation from employment; and (g) failing to issue
15 accurate and itemized wage statements to the Wage Statement Class.

16 56. Defendants' utilization of these unfair and/or unlawful business practices deprived
17 Plaintiff and continues to deprive members of the Classes of compensation to which they are
18 legally entitled, constitutes unfair and/or unlawful competition, and provides an unfair advantage
19 over Defendants' competitors who have been and/or are currently employing workers and
20 attempting to do so in honest compliance with applicable wage and hour laws.

21 57. Because Plaintiff is a victim of Defendants' unfair and/or unlawful conduct alleged
22 herein, Plaintiff for herself and on behalf of the members of the Classes, seeks full restitution of
23 monies, as necessary and according to proof, to restore any and all monies withheld, acquired
24 and/or converted by Defendants pursuant to Business and Professions Code §§ 17203 and 17208.

25 58. The acts complained of herein occurred within the last four years immediately
26 preceding the filing of the Complaint in this action.

27 59. Plaintiff was compelled to retain the services of counsel to file this court action to
28 protect her interests and those of the Classes, to obtain restitution and injunctive relief on behalf

1 of Defendants' current non-exempt employees, and to enforce important rights affecting the
2 public interest. Plaintiff has thereby incurred the financial burden of attorneys' fees and costs,
3 which she is entitled to recover under Code of Civil Procedure § 1021.5.

4 **NINTH CAUSE OF ACTION**

5 **PRIVATE ATTORNEYS GENERAL ACT**

6 **(AGAINST ALL DEFENDANTS)**

7 60. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

8 61. Defendants have committed several Labor Code violations against Plaintiff,
9 members of the Classes, and other aggrieved employees. Plaintiff, an "aggrieved employee"
10 within the meaning of Labor Code § 2698 *et seq.*, acting on behalf of herself and other aggrieved
11 employees, brings this representative action against Defendants to recover the civil penalties due
12 to Plaintiff, the members of the Classes, other aggrieved employees, and the State of California
13 according to proof pursuant to Labor Code § 558 and § 2699 (a) and (f) including, but not limited
14 to: (1) \$100.00 for each initial violation for each failure to pay each employee and \$200 for each
15 subsequent violation or willful or intentional violation pursuant to Labor Code § 210 for each
16 failure to pay each employee, plus 25% of the amount unlawfully withheld; (2) \$50.00 for each
17 initial violation and \$100 for each subsequent violation pursuant to Labor Code § 558 per
18 employee per pay period; (3) \$100.00 for each initial violation and \$250.00 for each subsequent
19 violation pursuant to Labor Code § 1197.1 per employee per pay period; (4) \$250.00 for each
20 initial violation and \$1,000.00 for each subsequent violation pursuant to Labor Code § 226.3 per
21 employee per pay period; and/or (5) \$100.00 for each initial violation and \$200 for each
22 subsequent violation per employee per pay period for those violations of the Labor Code for
23 which no civil penalty is specifically provided, based on the following Labor Code violations:

24 a. Failing to pay minimum wages for all hours worked to Plaintiff, the Minimum
25 Wage Class, and other aggrieved employees in violation of Labor Code §§
26 1182.12, 1194, 1194.2, 1197, and 1198;

27 b. Failing to pay Plaintiff, the Overtime Class, and other aggrieved employees all
28 earned overtime compensation in violation of Labor Code §§ 204, 510, 1194, and

1198;

c. Failing to provide all legally required meal periods, and failure to pay meal period premium wages, to Plaintiff, the Meal Period Class, and other aggrieved employees at the regular rate of compensation in violation of Labor Code §§ 226.7, 512, 558, and 1198;

d. Failing to authorize and permit all legally required rest periods, and failure to pay rest period premium wages, to Plaintiff, the Rest Period Class, and other aggrieved employees at the regular rate of compensation in violation of Labor Code §§ 226.7, 516, 558, and 1198;

e. Failing to reimburse Plaintiff, the Employee Expense Class, and other aggrieved employees for all necessary work expenses incurred in violation of Labor Code §§ 2802 and 2804;

f. Failing to pay Plaintiff, the Waiting Time Class, and aggrieved employees sick pay at their respective regular rates of pay in violation of Labor Code §§ 246, 558, and 1198;

g. Failing to furnish Plaintiff, the Wage Statement Class, and other aggrieved employees with complete, accurate, itemized wage statements in violation of Labor Code § 226;

h. Failing to timely pay all final wages and compensation earned by Plaintiff, the Waiting Time Class, and other aggrieved employees at the time of separation in violation of Labor Code §§ 201, 202, and 203;

i. Failing to pay Plaintiff and other aggrieved employees all earned wages at least twice during each calendar month in violation of Labor Code § 204; and

j. Failing to maintain accurate records on behalf of Plaintiff and other aggrieved employees in violation of Labor Code § 1174 and 1198.

62. On September 27, 2023, Plaintiff notified Defendants via certified mail, and notified the California Labor and Workforce Development Agency (“LWDA”) via its website, of Defendants’ violations of the California Labor Code and Plaintiff’s intent to bring a claim for civil penalties under California Labor Code § 2698 et seq. with respect to the violations of the

1 California Labor Code identified in Paragraph 61 (a)-(j). Now that sixty-five days have passed
2 from Plaintiff notifying Defendants and the LWDA of these violations, and the LWDA has not
3 provided notice that it intends to investigate the violations, Plaintiff has exhausted her
4 administrative requirements for bringing a claim under the Private Attorneys General Act with
5 respect to these violations.

6 63. Based on the foregoing, Plaintiff seeks to represent herself and all Aggrieved
7 Employees, as defined by Labor Code § 2699(c).

8 64. Plaintiff was compelled to retain the services of counsel to file this court action to
9 protect her interests and the interests of other aggrieved employees, and to assess and collect the
10 civil penalties owed by Defendants. Plaintiff has thereby incurred attorneys' fees and costs, which
11 she is entitled to receive under California Labor Code § 2699(g).

12 **PRAYER**

13 WHEREFORE, Plaintiff prays for judgment for herself and for all others on whose behalf
14 this suit is brought against Defendants, as follows:

- 15 1. For an order certifying the proposed Classes;
- 16 2. For an order appointing Plaintiff as representative of the Classes;
- 17 3. For an order appointing Counsel for Plaintiff as Counsel for the Classes;
- 18 4. Upon the First Cause of Action, for payment of minimum wages, liquidated
19 damages, and penalties according to proof pursuant to Labor Code §§ 1182.12, 1194, 1194.2,
20 1197, and 1198;
- 21 5. Upon the Second Cause of Action, for compensatory, consequential, general and
22 special damages according to proof pursuant to Labor Code §§ 204, 510, 558, 1194, and 1198;
- 23 6. Upon the Third Cause of Action, for compensatory, consequential, general and
24 special damages according to proof pursuant to Labor Code §§ 226.7, 512, and 558;
- 25 7. Upon the Fourth Cause of Action, for compensatory, consequential, general, and
26 special damages according to proof pursuant to Labor Code §§ 226.7, 516, and 558;
- 27 8. Upon the Fifth Cause of Action, for compensatory, consequential, general, and
28 special damages according to proof pursuant to Labor Code §§ 2802 and 2804;

1 9. Upon the Sixth Cause of Action, for statutory penalties pursuant to Labor Code §
2 226 *et seq.*;

3 10. Upon the Seventh Cause of Action, for statutory waiting time penalties pursuant
4 to Labor Code §§ 201-203;

5 11. Upon the Eighth Cause of Action, for restitution to Plaintiff and members of the
6 Classes of all money and/or property unlawfully acquired by Defendants by means of any acts or
7 practices declared by this Court to be in violation of Business and Professions Code § 17200 *et*
8 *seq.*;

9 12. Upon the Ninth Cause of Action, for civil penalties due to Plaintiff, other
10 aggrieved employees, and the State of California according to proof pursuant to Labor Code §§
11 558 and 2699(a) and (f) including, but not limited to: (1) \$100.00 for each initial violation for
12 each failure to pay each employee and \$200 for each subsequent violation or willful or intentional
13 violation pursuant to Labor Code § 210 for each failure to pay each employee, plus 25% of the
14 amount unlawfully withheld; (2) \$50.00 for each initial violation and \$100 for each subsequent
15 violation pursuant to Labor Code § 558 per employee per pay period; (3) \$100.00 for each initial
16 violation and \$250.00 for each subsequent violation pursuant to Labor Code § 1197.1 per
17 employee per pay period; (4) \$250.00 for each initial violation and \$1,000.00 for each subsequent
18 violation pursuant to Labor Code § 226.3 per employee per pay period; and/or (5) \$100.00 for
19 each initial violation and \$200 for each subsequent violation per employee per pay period for
20 those violations of the Labor Code for which no civil penalty is specifically provided, based on
21 the Labor Code violations identified in Paragraph 61 (a)-(j);

22 13. Prejudgment interest on all due and unpaid wages pursuant to California Labor
23 Code § 218.6 and Civil Code §§ 3287 and 3289;

24 14. On all causes of action, for attorneys' fees and costs as provided by Labor Code
25 §§ 226, 1194, 2699(g), 2802(c); and Code of Civil Procedure § 1021.5; and

26 ///

27 ///

28 ///

1 15. For such other and further relief, the Court may deem just and proper.

2
3 Dated: December 4, 2023

Respectfully submitted,
HAINES LAW GROUP, APC

4
5 By: _____

Paul K. Haines
Attorneys for Plaintiff

6
7
8 **DEMAND FOR JURY TRIAL**

9 Plaintiff hereby demands a jury trial with respect to all issues triable by jury.

10
11 Dated: December 4, 2023

Respectfully submitted,
HAINES LAW GROUP, APC

12
13 By: _____

Paul K. Haines
Attorneys for Plaintiff