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FILED
Superior Court of California
County of Los Angeles

11/13/2023

David W. Slayton, Executive Officer / Clerk of Court

By: R. Lozano Deputy

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

ESTEBAN ACOSTA, individually, and on
behalf of other members of the general
public similarly situated, and as an
aggrieved employee pursuant to the Private
Attorneys General Act ("PAGA"),

Plaintiff,

vs.

CROWNCO INC., a California corporation;
and DOES 1 through 10, inclusive,

Defendants.

Case No.: 23STCV17225

**FIRST AMENDED CLASS ACTION
COMPLAINT & ENFORCEMENT
ACTION UNDER THE PRIVATE
ATTORNEYS GENERAL ACT,
CALIFORNIA LABOR CODE §§ 2698, ET
SEQ.**

- (1) Violation of California Labor Code §§ 510 and 1198 (Unpaid Overtime);
- (2) Violation of California Labor Code §§ 1182.12, 1194, 1197, 1197.1, and 1198 (Unpaid Minimum Wages);
- (3) Violation of California Labor Code §§ 226.7, 512(a), 516, and 1198 (Failure to Provide Meal Periods);
- (4) Violation of California Labor Code §§ 226.7, 516, and 1198 (Failure to Authorize and Permit Rest Periods);
- (5) Violation of Labor Code §§ 226.7, 516, and 1198 (Failure to Provide Recovery Periods);
- (6) Violation of California Labor Code §§ 226(a), 1174(d), and 1198 (Non-Compliant Wage Statements and Failure to Maintain Accurate Payroll Records);
- (7) Violation of California Labor Code §§ 201 and 202 (Wages Not Timely Paid Upon Termination);
- (8) Violation of California Labor Code § 204 (Failure to Timely Pay Wages During Employment);

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- (9) Violation of California Labor Code § 2802 (Unreimbursed Business Expenses);
- (10) Civil Penalties for Violations of California Labor Code, Pursuant to PAGA, §§ 2698, *et seq.*;
- (11) Violation of California Business & Professions Code §§ 17200, *et seq.* (Unlawful Business Practices); and
- (12) Violation of California Business & Professions Code §§ 17200, *et seq.* (Unfair Business Practices)

Jury Trial Demanded

1 Plaintiff Esteban Acosta, individually and on behalf of all other members of the public
2 similarly situated, and as an aggrieved employee and on behalf of all aggrieved employees,
3 alleges as follows:

4 JURISDICTION AND VENUE

5 1. This class action is brought pursuant to California Code of Civil Procedure
6 section 382 and California Labor Code sections 2698, *et seq.* (“PAGA”) to recover civil
7 penalties and any other available relief on behalf of Plaintiff, the State of California, and other
8 current and former employees who worked for Defendants in California as non-exempt,
9 hourly paid employees and received at least one wage statement and against whom one or
10 more violations of any provision in Division 2 Part 2 Chapter 1 of the Labor Code or any
11 provision regulating hours and days of work in the applicable Industrial Welfare Commission
12 (“IWC”) Wage Order were committed, as set forth in this complaint. The monetary damages,
13 penalties, and restitution sought by Plaintiff exceed the minimal jurisdiction limits of the
14 Superior Court and will be established according to proof at trial. This Court has jurisdiction
15 over this action pursuant to the California Constitution, Article VI, section 10. The statutes
16 under which this action is brought do not specify any other basis for jurisdiction. Plaintiff’s
17 share of damages, penalties, and other relief sought in this action does not exceed \$75,000.

18 2. This Court has jurisdiction over Defendants because Defendants are either
19 citizens of California, have sufficient minimum contacts in California, or otherwise
20 intentionally avail themselves of the California market so as to render the exercise of
21 jurisdiction over them by the California courts consistent with traditional notions of fair play
22 and substantial justice. There is no basis for federal diversity jurisdiction in this action
23 because there is no complete diversity, and this case falls within the statutory exceptions to
24 “minimal diversity” jurisdiction under the Class Action Fairness Act, 28 U.S.C. § 1332(d)(4).
25 Upon information and belief, two-thirds or more of the class members and Defendants are
26 citizens of California and/or (a) two-thirds of the class members and Defendants are citizens
27 of California; (b) the alleged wage and hour violations occurred in California; (c) significant
28 relief is being sought against Defendants whose violations of California wage and hour laws

1 form a significant basis for Plaintiff's claims; and (d) no other class action has been filed
2 within the past three (3) years on behalf of the same proposed class against Defendants
3 asserting the same or similar factual allegations.

4 3. Venue is proper in this Court, because Defendants employ persons within the
5 County of Los Angeles, and have violated the requirements of the California Labor Code and
6 applicable IWC Wage Order in this county which give rise to the penalties sought in this
7 action. Cal. Code Civ. P. § 393. Specifically, Defendants have violated the requirements of
8 the California Labor Code and applicable IWC Wage Order in at least one location within the
9 County of Los Angeles, including Defendants' division in Valencia (27240 Turnberry Lane
10 #200, Valencia, California 91355). Pursuant to California Civil Code of Procedure section
11 393, venue is proper for the recovery of a penalty or forfeiture imposed by statute in the
12 county in which the cause, or some part of the cause, arose. Because Defendants have
13 employees in Los Angeles County and Plaintiff could bring this action to recover penalties in
14 Los Angeles County, venue is proper.

15 **THE PARTIES**

16 4. Plaintiff Esteban Acosta is a resident of Fallbrook, in San Diego County,
17 California. Defendants employed Plaintiff as an hourly paid, non-exempt Prep & Detail
18 employee from approximately July 2022 to September 2022. During his employment,
19 Plaintiff typically worked eight (8) hours or more per day and five (5) days per week.
20 Plaintiff's primary job duties included, without limitation, inspecting homes for defects,
21 performing maintenance, and repairing defects.

22 5. CROWNCO INC. was and is, upon information and belief, a California
23 corporation, and at all times hereinafter mentioned, an employer whose employees are
24 engaged throughout this county and the State of California.

25 6. Plaintiff is unaware of the true names or capacities of the Defendants sued
26 herein under the fictitious names DOES 1 through 10, but will seek leave of this Court to
27 amend the complaint and serve such fictitiously named Defendants once their names and
28 capacities become known.

7. Plaintiff is informed and believes, and thereon alleges, that DOES 1 through 10 were the partners, agents, owners, or managers of CROWNCO INC. at all relevant times.

8. Plaintiff is informed and believes, and thereon alleges, that each and all of the acts and omissions alleged herein was performed by, or is attributable to, CROWNCO INC. and/or DOES 1 through 10 (collectively, “Defendants” or “CROWNCO”), each acting as the agent, employee, alter ego, and/or joint venturer of, or working in concert with, each of the other co-Defendants and was acting within the course and scope of such agency, employment, joint venture, or concerted activity with legal authority to act on the others’ behalf. The acts of any and all Defendants were in accordance with, and represent, the official policy of Defendants.

9. At all relevant times, Defendants, and each of them, ratified each and every act or omission complained of herein. At all relevant times, Defendants, and each of them, aided and abetted the acts and omissions of each and all the other Defendants in proximately causing the damages herein alleged.

10. Plaintiff is informed and believes, and thereon alleges, that each of said Defendants is in some manner intentionally, negligently, or otherwise responsible for the acts, omissions, occurrences, and transactions alleged herein.

GENERAL ALLEGATIONS

11. Defendants are a general contractor in the residential development industry providing services throughout Southern California. Upon information and belief, Defendants maintain a single, centralized Human Resources (“HR”) department at their company headquarters in Murrieta, California, which is responsible for the recruiting and hiring of new employees, and communicating and implementing Defendants’ company-wide policies, including timekeeping policies and meal and rest period policies, to employees throughout California.

12. In particular, Plaintiff and class members, on information and belief, received the same standardized documents and/or written policies. Upon information and belief, the usage of standardized documents and/or written policies, including new-hire documents,

1 indicate that Defendants dictated policies at the corporate level and implemented them
2 company-wide, regardless of their employees' assigned locations or positions. Upon
3 information and belief, Defendants set forth uniform policies and procedures in several
4 documents provided at an employee's time of hire.

5 13. Upon information and belief, Defendants maintain a centralized Payroll
6 department at their company headquarters in Murrieta, California, which processes payroll for
7 all non-exempt, hourly paid employees working for Defendants at their various locations and
8 jobsites in California, including Plaintiff and class members. Based upon information and
9 belief, Defendants issue the same formatted wage statements to all non-exempt, hourly paid
10 employees in California, irrespective of their work locations. Upon information and belief,
11 Defendants process payroll for departing employees in the same manner throughout the State
12 of California, regardless of the manner in which each employee's employment ends.

13 14. Defendants continue to employ non-exempt or hourly paid employees in
14 California.

15 15. Plaintiff is informed and believes, and thereon alleges, that at all times herein
16 mentioned, Defendants were advised by skilled lawyers and other professionals, employees
17 and advisors knowledgeable about California labor and wage law, employment and personnel
18 practices, and about the requirements of California law.

19 16. Plaintiff is informed and believes, and thereon alleges, that Plaintiff and class
20 members were not paid for all hours worked because all hours worked were not recorded.

21 17. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
22 should have known that Plaintiff and class members were entitled to receive certain wages for
23 overtime compensation and that they were not receiving certain wages for overtime
24 compensation.

25 18. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
26 should have known that Plaintiff and class members were entitled to receive at least minimum
27 wages for compensation and that they were not receiving at least minimum wages for work
28 that was required to be done off-the-clock. In violation of the California Labor Code, Plaintiff

1 and class members were not paid at least minimum wages for work done off-the-clock.

2 19. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
3 should have known that Plaintiff and class members were entitled to meal periods in
4 accordance with the California Labor Code and applicable IWC Wage Order or payment of
5 one (1) additional hour of pay at their regular rates of pay when they were not provided with
6 timely, uninterrupted, thirty (30) minute meal periods and that Plaintiff and class members
7 were not provided with all meal periods or payment of one (1) additional hour of pay at their
8 regular rates of pay when they did not receive a timely, uninterrupted, thirty (30) minute meal
9 period.

10 20. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
11 should have known that Plaintiff and class members were entitled to rest periods in
12 accordance with the California Labor Code and applicable IWC Wage Order or payment of
13 one (1) additional hour of pay at their regular rates of pay when they were not authorized and
14 permitted to take a compliant rest period and that Plaintiff and class members were not
15 authorized and permitted to take compliant rest periods or provided with payment of one (1)
16 additional hour of pay at their regular rates of pay when they were not authorized and
17 permitted to take a compliant rest period.

18 21. Plaintiff is informed and believes, and thereon allege, that Defendants knew or
19 should have known that Plaintiff and class members were entitled to recovery periods in
20 accordance with the California Labor Code and applicable General Industry Safety (“GIS”)
21 Order or payment of one (1) additional hour of pay at their regular rates of pay when they
22 were not provided a compliant recovery period and that Plaintiff and class members were not
23 provided with compliant recovery periods or payment of one (1) additional hour of pay at their
24 regular rates of pay when they were not provided a compliant recovery period.

25 22. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
26 should have known that Plaintiff and class members were entitled to receive complete and
27 accurate wage statements in accordance with California law. In violation of the California
28 Labor Code, Plaintiff and class members were not provided complete and accurate wage

1 statements.

2 23. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
3 should have known that they had a duty to maintain accurate and complete payroll records in
4 accordance with the California Labor Code and applicable IWC Wage Order, but willfully,
5 knowingly, and intentionally failed to do so.

6 24. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
7 should have known that Plaintiff and class members were entitled to timely payment of all
8 wages earned upon termination of employment. In violation of the California Labor Code,
9 Plaintiff and class members did not receive payment of all wages due, including, but not
10 limited to, overtime wages; minimum wages; and/or meal, rest, and recovery period
11 premiums, within permissible time periods.

12 25. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
13 should have known that Plaintiff and class members were entitled to timely payment of wages
14 during their employment. In violation of the California Labor Code, Plaintiff and class
15 members did not receive payment of all wages, including, but not limited to, overtime wages;
16 minimum wages; and/or meal, rest, and recovery period premiums, within permissible time
17 periods.

18 26. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
19 should have known that Plaintiff and class members were entitled to receive their full wages
20 due without having to execute a release of claims. In violation of the California Labor Code,
21 Defendants required Plaintiff and class members to release their claims for unpaid wages as a
22 condition to receiving their paychecks.

23 27. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
24 should have known that Plaintiff and class members were entitled to receive full
25 reimbursement for all business-related expenses and costs they incurred during the course and
26 scope of their employment and that they did not receive full reimbursement of applicable
27 business-related expenses and costs incurred.

28 28. Plaintiff is informed and believes, and thereon alleges, that at all times herein

mentioned, Defendants knew or should have known that Defendants had a duty to provide Plaintiff and class members with written notice of the material terms of their employment with Defendants as required by the California Wage Theft Prevention Act, but failed to do so.

29. Plaintiff is informed and believes, and thereon alleges, that at all times herein mentioned, that Defendants knew or should have known that they had a duty to provide Plaintiff and class members with safety devices and safeguards to protect their life, health, and safety in the workplace, but failed to do so.

30. Plaintiff is informed and believes, and thereon alleges, that at all times herein mentioned, Defendants knew or should have known that they had a duty to compensate Plaintiff and class members for all hours worked, and that Defendants had the financial ability to pay such compensation, but willfully, knowingly, and intentionally failed to do so, and falsely represented to Plaintiff and class members that they were properly denied wages, all in order to increase Defendants' profits.

PAGA REPRESENTATIVE ALLEGATIONS

31. At all times herein set forth, PAGA provides that any provision of law under the Labor Code and applicable IWC Wage Order that provides for a civil penalty to be assessed and collected by the Labor and Workforce Development Agency ("LWDA") for violations of the California Labor Code and applicable IWC Wage Order may, as an alternative, be recovered by aggrieved employees in a civil action brought on behalf of themselves and other current or former employees pursuant to procedures outlined in California Labor Code section 2699.3.

32. PAGA defines an "aggrieved employee" in Labor Code section 2699(c) as "any person who was employed by the alleged violator and against whom one or more of the alleged violations was committed."

33. Plaintiff and other current and former employees of Defendants are "aggrieved employees" as defined by Labor Code section 2699(c) in that they are all Defendants' current or former employees and one or more of the alleged violations were committed against them.

34. Pursuant to California Labor Code sections 2699.3 and 2699.5, an aggrieved

1 employee, including Plaintiff, may pursue a civil action arising under PAGA after the
2 following requirements have been met:

- 3 (a) The aggrieved employee or representative shall give written notice by
4 online filing with the LWDA and by certified mail to the employer of
5 the specific provisions of the California Labor Code alleged to have
6 been violated, including the facts and theories to support the alleged
7 violation.
- 8 (b) An aggrieved employee's notice filed with the LWDA pursuant to
9 2699.3(a) and any employer response to that notice shall be
10 accompanied by a filing fee of seventy-five dollars (\$75).
- 11 (c) The LWDA shall notify the employer and the aggrieved employee or
12 representative by certified mail that it does not intend to investigate the
13 alleged violation ("LWDA Notice") within sixty (60) calendar days of
14 the postmark date of the aggrieved employee's notice. Upon receipt of
15 the LWDA Notice, or if no LWDA Notice is provided within sixty-five
16 (65) calendar days of the postmark date of the aggrieved employee's
17 notice, the aggrieved employee may commence a civil action pursuant
18 to California Labor Code section 2699 to recover civil penalties.

19 35. Pursuant to California Labor Code section 2699.3(c), aggrieved employees,
20 through Plaintiff, may pursue a civil action arising under PAGA for violations of any
21 provision other than those listed in Section 2699.5 after the following requirements have been
22 met:

- 23 (a) The aggrieved employee or representative shall give written notice by
24 online filing with the LWDA and by certified mail to the employer of
25 the specific provisions of the California Labor Code alleged to have
26 been violated (other than those listed in Section 2699.5), including the
27 facts and theories to support the alleged violation.
- 28 (b) An aggrieved employee's notice filed with the LWDA pursuant to

2699.3(c) and any employer response to that notice shall be accompanied by a filing fee of seventy-five dollars (\$75).

(c) The employer may cure the alleged violation within thirty-three (33) calendar days of the postmark date of the notice sent by the aggrieved employee or representative. The employer shall give written notice within that period of time by certified mail to the aggrieved employee or representative and by online filing with the LWDA if the alleged violation is cured, including a description of actions taken, and no civil action pursuant to Section 2699 may commence. If the alleged violation is not cured within the 33-day period, the aggrieved employee may commence a civil action pursuant to Section 2699.

36. On September 7, 2023, Plaintiff provided written notice by online filing to the LWDA and by Certified Mail to Defendants of the specific provisions of the California Labor Code alleged to have been violated, including facts and theories to support the alleged violations, in accordance with California Labor Code section 2699.3. Plaintiff's written notice was accompanied with the applicable filing fee of seventy-five dollars (\$75). The LWDA PAGA Administrator confirmed receipt of Plaintiff's written notice and assigned Plaintiff PAGA Case Number LWDA-CM-980277-23. On September 8, 2023, Plaintiff filed an amended written notice by online filing to the LWDA and by certified mail to Defendants of the specific provisions of the California Labor Code alleged to have been violated, supplementing and/or clarifying the facts and theories to support the alleged violations set forth in his original LWDA notice, in accordance with California Labor Code section 2699.3. True and correct copies of Plaintiff's written notices to the LWDA and Defendants are attached hereto as "Exhibit 1."

37. As of the filing date of this complaint, over 65 days have passed since Plaintiff sent the notices described above to the LWDA, and the LWDA has not responded that it intends to investigate Plaintiff's claims and Defendants have not cured the violations.

38. Thus, Plaintiff has satisfied the administrative prerequisites under California

1 Labor Code sections 2699.3(a) and 2699.3(c) to recover civil penalties against Defendants for
2 violations of California Labor Code sections 201, 202, 204, 206.5, 226(a), 226.7, 510, 512(a),
3 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2802, 2810.5, 6401, and 6403.

4 39. Labor Code section 558(a) provides “[a]ny employer or other person acting on
5 behalf of an employer who violates, or causes to be violated, a section of this chapter or any
6 provision regulating hours and days of work in any order of the Industrial Welfare
7 Commission shall be subject to a civil penalty as follows: (1) For any initial violation, fifty
8 dollars (\$50) for each underpaid employee for each pay period for which the employee was
9 underpaid (2) For each subsequent violation, one hundred dollars (\$100) for each
10 underpaid employee for each pay period for which the employee was underpaid” Labor
11 Code section 558(c) provides “[t]he civil penalties provided for in this section are in addition
12 to any other civil or criminal penalty provided by law.”

13 40. Defendants, at all times relevant to this complaint, were employers or persons
14 acting on behalf of an employer(s) who violated Plaintiff’s and other aggrieved employees’
15 rights by violating various sections of the California Labor Code as set forth above.

16 41. As set forth below, Defendants have violated numerous provisions of both the
17 Labor Code sections regulating hours and days of work as well as the applicable IWC Wage
18 Order.

19 42. Pursuant to PAGA, and in particular, California Labor Code sections 2699(a),
20 2699.3(a), 2699.3(c), and 2699.5, and section 558, Plaintiff, acting in the public interest as a
21 private attorney general, seeks assessment and collection of civil penalties for himself, all
22 other aggrieved employees, and the State of California against Defendants for violations of
23 California Labor Code sections 201, 202, 204, 206.5, 226(a), 226.7, 510, 512(a), 516, 1174(d),
24 1182.12, 1194, 1197, 1197.1, 1198, 2802, 2810.5, 6401, and 6403.

25 **CLASS ACTION ALLEGATIONS**

26 43. Plaintiff brings this action on his own behalf, as well as on behalf of each and
27 all other persons similarly situated, and thus seeks class certification under California Code of
28 Civil Procedure section 382.

1 44. All claims alleged herein arise under California law for which Plaintiff seeks
2 relief authorized by California law.

3 45. Plaintiff's proposed class consists of and is defined as follows:

4 All persons who worked for Defendants as non-exempt, hourly
5 paid employees in California, within four years prior to the filing
of the initial complaint until the date of trial ("Class").

6 46. Plaintiff's proposed subclass consists of and is defined as follows:

7 All persons who worked for Defendants as non-exempt, hourly
8 paid employees in California and who received at least one wage
statement within one (1) year prior to the filing of the initial
9 complaint until the date of trial ("Subclass").

10 47. Members of the Class and Subclass are referred to herein as "class members."

11 48. Plaintiff reserves the right to redefine the Class and Subclass and to add
12 additional subclasses as appropriate based on further investigation, discovery, and specific
13 theories of liability.

14 49. There are common questions of law and fact as to class members that
15 predominate over questions affecting only individual members, including, but not limited to:

- 16 (a) Whether Defendants required Plaintiff and class members to work over
17 eight (8) hours per day, over twelve (12) hours per day, or over forty
18 (40) hours per week and failed to pay all legally required overtime
19 compensation to Plaintiff and class members;
- 20 (b) Whether Defendants failed to pay Plaintiff and class members at least
21 minimum wages for all hours worked;
- 22 (c) Whether Defendants failed to provide Plaintiff and class members with
23 meal periods;
- 24 (d) Whether Defendants failed to authorize and permit Plaintiff and class
25 members to take rest periods;
- 26 (e) Whether Defendants failed to provide Plaintiff and class members with
27 recovery periods;
- 28 (f) Whether Defendants provided Plaintiff and class members with

complete and accurate wage statements as required by California Labor Code section 226(a);

(g) Whether Defendants maintained accurate payroll records as required by California Labor Code section 1174(d);

(h) Whether Defendants failed to pay earned overtime wages; minimum wages; and/or meal, rest, and recovery period premiums due to Plaintiff and class members upon their discharge;

(i) Whether Defendants failed to timely pay overtime wages; minimum wages; and/or meal, rest, and recovery period premiums due to Plaintiff and class members during their employment;

(j) Whether Defendants unlawfully required Plaintiff and class members to execute releases of claims as a condition to receiving their earned wages;

(k) Whether Defendants failed to reimburse Plaintiff and class members for necessary and required business-related expenditures and/or losses incurred by them in the scope of their employment;

(l) Whether Defendants failed to provide written notice of information material to Plaintiff's and class members' employment with Defendants;

(m) Whether Defendants failed to provide Plaintiff and class members with safety devices and safeguards, such as personal protective equipment;

(n) Whether Defendants engaged in unlawful and unfair business practices in violation of California Business & Professions Code sections 17200, *et seq.*; and

(o) The appropriate amount of damages, restitution, or monetary penalties resulting from Defendants' violations of California law.

50. There is a well-defined community of interest in the litigation and the class members are readily ascertainable:

(a) Numerosity: The class members are so numerous that joinder of all

1 members would be unfeasible and impractical. The membership of the
2 entire class is unknown to Plaintiff at this time; however, the class is
3 estimated to be greater than one hundred (100) individuals and the
4 identity of such membership is readily ascertainable by inspection of
5 Defendants' employment records.

6 (b) Typicality: Plaintiff is qualified to, and will, fairly and adequately
7 protect the interests of each class member with whom he has a well-
8 defined community of interest, and Plaintiff's claims (or defenses, if
9 any) are typical of all class members as demonstrated herein.

10 (c) Adequacy: Plaintiff is qualified to, and will, fairly and adequately
11 protect the interests of each class member with whom he has a well-
12 defined community of interest and typicality of claims, as demonstrated
13 herein. Plaintiff acknowledges that he has an obligation to make known
14 to the Court any relationship, conflicts or differences with any class
15 member. Plaintiff's attorneys, the proposed class counsel, are versed in
16 the rules governing class action discovery, certification, and settlement.
17 Plaintiff has incurred, and throughout the duration of this action, will
18 continue to incur costs and attorneys' fees that have been, are, and will
19 be necessarily expended for the prosecution of this action for the
20 substantial benefit of each class member.

21 (d) Superiority: The nature of this action makes the use of class action
22 adjudication superior to other methods. A class action will achieve
23 economies of time, effort, and expense as compared with separate
24 lawsuits, and will avoid inconsistent outcomes because the same issues
25 can be adjudicated in the same manner and at the same time for the
26 entire class.

27 (e) Public Policy Considerations: Employers in the State of California
28 violate employment and labor laws every day. Current employees are

1 often afraid to assert their rights out of fear of direct or indirect
2 retaliation. Former employees are fearful of bringing actions because
3 they believe their former employers might damage their future
4 endeavors through negative references and/or other means. Class
5 actions provide the class members who are not named in the complaint
6 with a type of anonymity that allows for the vindication of their rights
7 while simultaneously protecting their privacy.

8 **FIRST CAUSE OF ACTION**

9 **Violation of California Labor Code §§ 510 and 1198—Unpaid Overtime** 10 **(Against all Defendants)**

11 51. Plaintiff incorporates by reference and re-alleges as if fully stated herein each
12 and every allegation set forth above.

13 52. Labor Code section 1198 makes it illegal to employ an employee under
14 conditions of labor that are prohibited by the applicable IWC Wage Order. California Labor
15 Code section 1198 requires that “. . . the standard conditions of labor fixed by the commission
16 shall be the . . . standard conditions of labor for employees. The employment of any employee
17 . . . under conditions of labor prohibited by the order is unlawful.”

18 53. California Labor Code section 1198 and the applicable IWC Wage Order
19 provide that it is unlawful to employ persons without compensating them at a rate of pay
20 either time-and-one-half or two-times that person’s regular rate of pay, depending on the
21 number of hours worked by the person on a daily or weekly basis.

22 54. Specifically, the applicable IWC Wage Order provides that Defendants are and
23 were required to pay Plaintiff and class members working more than eight (8) hours in a day
24 or more than forty (40) hours in a workweek, at the rate of time and one-half (1 ½) for all
25 hours worked in excess of eight (8) hours in a day or more than forty (40) hours in a
26 workweek.

27 55. The applicable IWC Wage Order further provides that Defendants are and were
28 required to pay Plaintiff and class members working more than twelve (12) hours in a day,

overtime compensation at a rate of two (2) times their regular rate of pay. An employee's regular rate of pay includes all remuneration for employment paid to, or on behalf of, the employee, including nondiscretionary bonuses and incentive pay.

56. California Labor Code section 510 codifies the right to overtime compensation at one and one-half (1 ½) times the regular rate of pay for hours worked in excess of eight (8) hours in a day or forty (40) hours in a week or for the first eight (8) hours worked on the seventh (7th) day of work, and to overtime compensation at twice the employee's regular rate of pay for hours worked in excess of twelve (12) hours in a day or in excess of eight (8) hours in a day on the seventh (7th) day of work.

57. During the relevant time period, Defendants willfully failed to pay all overtime wages owed to Plaintiff and class members. During the relevant time period, Plaintiff and class members were not paid overtime premiums for all of the hours they worked in excess of eight (8) hours in a day, in excess of twelve (12) hours in a day, and/or in excess of forty (40) hours in a week, because all hours worked were not recorded.

58. First, during the relevant time period, Defendants had a policy and/or practice of discouraging and impeding Plaintiff and class members from recording hours worked that were outside of their scheduled shifts, in order to limit the amount of overtime employees could accrue. In doing so, Defendants failed to implement a timekeeping system at their jobsites and do not provide employees with any mechanism, such as a time clock or electronic timekeeping system, to accurately track and record their hours worked. Instead, Defendants' policy and/or practice is to require employees, including Plaintiff and class members, to fill out handwritten timesheets and to submit them to management every Friday for review and approval. Upon information and belief, Defendants' management sometimes required Plaintiff and class members to effectively round their time worked by recording only their scheduled shift start-times and shift end-times instead of their actual hours worked to limit overtime hours employees were eligible to be compensated for. Upon information and belief, Defendants' timekeeping policies are, and continue to be, unfair and have, over time, resulted in the underpayment of wages to Plaintiff and class members. To the extent Defendants'

1 timekeeping policies have taken away time worked that was eligible for overtime, Plaintiff
2 and class members have been denied overtime pay for all hours worked.

3 59. Alternatively, Defendants had, and continue to have, a company-wide policy
4 and/or practice of failing to correctly record hours worked by their employees. Instead, on
5 information and belief, Defendants' policy and/or practice is to simply pay employees,
6 including Plaintiff and class members, for the hours they are scheduled to work (*see infra*).
7 Because Defendants failed to accurately record their actual hours worked, Plaintiff and class
8 members were not paid for all hours worked before or after their scheduled shifts.

9 60. Moreover, during the relevant time period, Defendants had, and continue to
10 have, a company-wide policy and/or practice of requiring Plaintiff and class members to
11 perform work-related tasks while off-the-clock outside of their shifts. For example, prior to
12 the start of his scheduled shift, Defendants required Plaintiff to complete a walkthrough of
13 properties with Defendants' management to discuss what needed to be done on at least one (1)
14 occasion; this took approximately 15 minutes and Plaintiff was not able to record this time
15 spent working.

16 61. Second, Defendants had, and continue to have, company-wide policies and/or
17 practices of understaffing their jobsites while assigning heavy workloads, including pressuring
18 employees to meet project deadlines and productivity requirements. Defendants' policies
19 and/or practices resulted in a failure to provide Plaintiff and class members with adequate
20 meal period coverage, and thus, Plaintiff and class members were not always afforded
21 uninterrupted 30-minute meal periods during shifts when they were entitled to receive a meal
22 period. Defendants also had a practice of failing to schedule meal periods which, in
23 conjunction with the assignment of heavy workloads, further caused Plaintiff and class
24 members to not be relieved of their duties for compliant meal periods. For example,
25 Defendants' supervisors frequently interrupted or cut short Plaintiff's and class members'
26 meal periods to ask what they were doing, discuss work-related matters and assignments, and
27 ask when they were returning to work. Defendants did not compensate Plaintiff and class
28 members for the time they spent working off the clock during unpaid meal periods.

62. Third, on information and belief, because Defendants frowned upon employees accruing meal period penalties, Defendants' management pressured Plaintiff and class members to record compliant meal periods on their timesheets, even when they did not receive compliant meal periods. As a result, Plaintiff and class members were required to perform their assigned tasks off-the-clock (including during meal periods) because Defendants wanted to avoid paying penalties for missed, interrupted, or shortened meal periods. Thus, Defendants did not record all hours worked during meal periods and Plaintiff and class members performed work during meal periods for which they were not paid.

63. Defendants knew or should have known that, as a result of these company-wide practices and/or policies, Plaintiff and class members were performing their assigned duties off-the-clock before their shifts and during meal periods, and were suffered or permitted to perform work for which they were not paid. Because Plaintiff and class members regularly worked shifts of eight (8) hours a day or more, or forty (40) hours a week or more, much of this off-the-clock work qualified for overtime premium pay. Therefore, Plaintiff and class members were not paid overtime wages for all of the overtime hours they actually worked.

64. Defendants' failure to pay Plaintiff and class members the balance of overtime compensation, as required by California law, violates the provisions of California Labor Code sections 510 and 1198. Pursuant to California Labor Code section 1194, Plaintiff and class members are entitled to recover from Defendants their unpaid overtime compensation, as well as interest, costs, and attorneys' fees.

SECOND CAUSE OF ACTION

**Violation of California Labor Code §§ 1182.12, 1194, 1197, 1197.1, and 1198—Unpaid
Minimum Wages
(Against all Defendants)**

65. Plaintiff incorporates by reference and re-alleges as if fully stated herein each and every allegation set forth above.

66. At all relevant times, California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198 provide that the minimum wage for employees fixed by the IWC is the

1 minimum wage to be paid to employees, and the payment of a wage less than the minimum so
2 fixed is unlawful. Compensable work time is defined in IWC Wage Order No. 16-2001 as
3 “the time during which an employee is subject to the control of an employer, and includes all
4 the time the employee is suffered or permitted to work, whether or not required to do so.”
5 Cal. Code Regs. Tit. 8, § 11160(2)(J) (defining “Hours Worked”).

6 67. As stated, during the relevant time period, Defendants failed to provide
7 Plaintiff and class members with an appropriate timekeeping mechanism, such as a time clock
8 or electronic timekeeping system, to accurately track and record their hours worked. Instead,
9 Defendants maintained a company-wide policy and/or practice of limiting overtime accrual
10 and pressuring employees to effectively round their time worked by recording their scheduled
11 hours on their handwritten timesheets rather than hours actually worked, thereby shorting
12 Plaintiff and class members for work performed outside their scheduled shifts. As set forth
13 above, pursuant to this policy, Plaintiff and class members performed various work-related
14 tasks while off-the-clock before their shifts, including completing walkthroughs of the
15 properties. Alternatively, Defendants had a company-wide policy and/or practice of only
16 paying Plaintiff and class members for their scheduled shifts, rather than their actual hours
17 worked, because Defendants failed to track hours worked outside of their scheduled shifts.

18 68. As also stated, due to Defendants’ policies and/or practices of understaffing
19 their jobsites while assigning heavy workloads and failing to schedule meal periods, Plaintiff
20 and class members were impeded from taking all uninterrupted meal periods to which they
21 were entitled and were required to work off-the-clock during meal periods, have their meal
22 periods interrupted, and/or were otherwise not relieved of all duties during unpaid meal
23 periods. Moreover, as stated, in order to prevent employees from accruing meal period
24 penalties, upon information and belief, Defendants’ management pressured employees to
25 record on their timesheets that they took meal periods regardless of whether they had received
26 compliant meal periods or not, in order to strictly limit penalties that would need to be paid by
27 Defendants.

28 69. Thus, Defendants did not pay minimum wages for all hours worked by Plaintiff

1 and class members. To the extent that these off-the-clock hours did not qualify for overtime
2 premium payment, Defendants did not pay at least minimum wages for those hours worked
3 off-the-clock in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and
4 1198.

5 70. As result, Defendants regularly failed to pay at least minimum wages to
6 Plaintiff and class members for all of the hours they worked in violation of California Labor
7 Code sections 1182.12, 1194, 1197, 1197.1, and 1198. Pursuant to California Labor Code
8 section 1194.2, Plaintiff and class members are entitled to recover from Defendants liquidated
9 damages in an amount equal to the wages unlawfully unpaid and interest thereon.

10 **THIRD CAUSE OF ACTION**

11 **Violations of California Labor Code §§ 226.7, 512(a), 516, and 1198—Meal Period**

12 **Violations**

13 **(Against all Defendants)**

14 71. Plaintiff incorporates by reference and re-alleges as if fully stated herein each
15 and every allegation set forth above.

16 72. At all relevant times herein set forth, California Labor Code section 512(a)
17 provides that an employer may not require, cause, or permit an employee to work for a period
18 of more than five (5) hours per day without providing the employee with a meal period of not
19 less than thirty (30) minutes, except that if the total work period per day of the employee is
20 not more than six (6) hours, the meal period may be waived by mutual consent of both the
21 employer and the employee. Under California law, first meal periods must start after no more
22 than five hours. *Brinker Rest. Corp. v. Superior Court*, 53 Cal. 4th 1004, 1041-1042 (2012).

23 73. At all relevant times herein set forth, California Labor Code sections 226.7,
24 512(a), 516, and 1198 provide that no employer shall require an employee to work during any
25 meal period mandated by an applicable order of the IWC.

26 74. At all relevant times herein set forth, Labor Code sections 226.7 and 512(a) and
27 the applicable IWC Wage Order also require employers to provide a second meal period of
28 not less than thirty (30) minutes if an employee works over ten (10) hours per day or to pay an

1 employee one (1) additional hour of pay at the employee's regular rate, except that if the total
2 hours worked is no more than twelve (12) hours, the second meal period may be waived by
3 mutual consent of the employer and the employee only if the first meal period was not waived.

4 75. First, as stated, during the relevant time period, Defendants had, and continue
5 to have, company-wide policies and/or practices of understaffing while assigning heavy
6 workloads, including pressure to meet project deadlines and productivity requirements, which
7 resulted in a lack of meal period coverage and prevented Plaintiff and class members from
8 taking all timely, uninterrupted meal periods to which they were entitled. Further, as also
9 stated, Defendants had a company-wide practice of failing to schedule meal periods, which
10 further caused Plaintiff and class members to not be relieved of their duties for compliant
11 meal periods.

12 76. As a result, Plaintiff and class members have had to work through all or part of
13 their meal periods, had their meal periods interrupted, and/or had to wait extended periods of
14 time before taking meal periods. For example, Plaintiff took his meal periods late on at least
15 three (3) occasions throughout his employment, after having worked in excess of five (5)
16 hours into his shift, in order to complete his assigned tasks. As a further example,
17 Defendants' supervisors frequently interrupted or cut short Plaintiff's meal periods to ask him
18 what he was doing, discuss work-related matters and assignments, and ask when he was
19 returning to work. Plaintiff and class members did not sign valid meal period waivers on days
20 that they were entitled to meal periods and were not relieved of all duties.

21 77. Second, as stated above, on information and belief, because Defendants
22 frowned upon employees accruing meal period penalties, Defendants' management pressured
23 Plaintiff and class members to record compliant meal periods on their timesheets regardless of
24 whether they had received a compliant meal period or not, in order to strictly limit the meal
25 penalties that would need to be paid by Defendants. For example, Defendants' management
26 told Plaintiff that compliant meal periods would be recorded on his behalf even during shifts
27 when he had not, in fact, received these timely, uninterrupted meal periods.

28 78. At all times mentioned herein, Defendants knew or should have known that as a

1 result of their policies, Plaintiff and class members were not actually relieved of all duties to
2 take timely, uninterrupted meal periods. Defendants further knew or should have known that
3 they did not pay Plaintiff and class members meal period premiums when meal periods were
4 late, interrupted, shortened, and/or missed. Further, to the extent that Defendants’
5 timekeeping policies reported that Plaintiff and class members were provided with timely, full
6 30-minute meal periods when, in fact, the meal periods were taken after the fifth hour of work
7 or were less than 30 minutes, Plaintiff and class members did not receive meal period
8 premiums for these improperly rounded meal periods.

9 79. Furthermore, Defendants engaged in a company-wide practice and/or policy of
10 not paying all meal period premiums owed when compliant meal periods are not provided.
11 Because of this practice and/or policy, Plaintiff and class members have not received premium
12 pay for all missed, late, and interrupted meal periods. As a result, Defendants failed to
13 provide Plaintiff and class members compliant meal periods in violation of California Labor
14 Code sections 226.7, 512(a), and 516 and failed to pay the full meal period premiums due.

15 80. Defendants’ conduct violates the applicable IWC Wage Order, and California
16 Labor Code sections 226.7, 512(a), 516, and 1198. Plaintiff and class members are therefore
17 entitled to recover from Defendants one (1) additional hour of pay at the employee’s regular
18 rate of compensation for each work day that the meal period was not provided.

19 **FOURTH CAUSE OF ACTION**

20 **Violation of California Labor Code §§ 226.7, 516, and 1198—Rest Period Violations** 21 **(Against all Defendants)**

22 81. Plaintiff incorporates by reference and re-alleges as if fully stated herein each
23 and every allegation set forth above.

24 82. At all relevant times herein set forth, the applicable IWC Wage Order and
25 California Labor Code sections 226.7, 516, and 1198 were applicable to Plaintiff’s and class
26 members’ employment by Defendants.

27 83. At all relevant times, the applicable IWC Wage Order provides that “[e]very
28 employer shall authorize and permit all employees to take rest periods, which insofar as

1 practicable shall be in the middle of each work period” and that the “rest period time shall be
2 based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4)
3 hours or major fraction thereof” unless the total daily work time is less than three and one-half
4 (3 ½) hours.

5 84. At all relevant times, California Labor Code section 226.7 provides that no
6 employer shall require an employee to work during any rest period mandated by an applicable
7 order of the California IWC. To comply with its obligation to authorize and permit rest
8 periods under California Labor Code section 226.7 and the applicable IWC Wage Order, an
9 employer must “relinquish any control over how employees spend their break time, and
10 relieve their employees of all duties—including the obligation that an employee remain on
11 call. A rest period, in short, must be a period of rest.” *Augustus v. ABM Security Services,*
12 *Inc.*, 2 Cal. 5th 257, 273 (2016). Pursuant to the applicable IWC Wage Order and California
13 Labor Code section 226.7(c), Plaintiff and class members are entitled to recover from
14 Defendants one (1) additional hour of pay at their regular rates of pay for each work day that a
15 required rest period was not authorized and permitted.

16 85. During the relevant time period, Defendants regularly failed to authorize and
17 permit Plaintiff and class members to take a ten (10) minute rest period per each four (4) hour
18 period worked or major fraction thereof. As with meal periods, Defendants’ company-wide
19 practices, including understaffing and assigning heavy workloads, including pressure to meet
20 deadlines and productivity requirements, prevented Plaintiff and class members from being
21 relieved of all duty to take rest periods. Defendants also failed to schedule rest periods, which
22 further led to Plaintiff and class members not being authorized and permitted to take rest
23 periods.

24 86. As a result of Defendants’ practices and policies, Plaintiff and class members
25 worked shifts in excess of 3.5 hours, in excess of 6 hours, and/or in excess of 10 hours without
26 receiving all uninterrupted 10-minute rest periods to which they were entitled. For example,
27 Plaintiff had to forego his rest periods entirely during his employment.

28 87. Defendants have also engaged in a systematic, company-wide practice and/or

1 policy of not paying rest period premiums owed when rest periods are not authorized and
2 permitted. Because of this practice and/or policy, Plaintiff and class members have not
3 received premium pay for all missed rest periods. As a result, Defendants denied Plaintiff and
4 class members rest periods and failed to pay them rest period premiums due, in violation of
5 Labor Code sections 226.7 and 516, and the applicable IWC Wage Order.

6 88. Defendants' conduct violates the applicable IWC Wage Order and California
7 Labor Code sections 226.7, 516, and 1198. Plaintiff and class members are therefore entitled
8 to recover from Defendants one (1) additional hour of pay at the employee's regular rate of
9 compensation for each work day that a compliant rest period was not authorized and
10 permitted.

11 **FIFTH CAUSE OF ACTION**

12 **Violation of California Labor Code §§ 226.7, 516, and 1198 & California Code of** 13 **Regulations Title 8, Section 3395—Heat Recovery Period Violations** 14 **(Against all Defendants)**

15 89. Plaintiff incorporates by reference and re-allege as if fully stated herein each
16 and every allegation set forth above.

17 90. At all relevant times herein set forth, the applicable GIS Order and California
18 Labor Code sections 226.7, 516, and 1198 were applicable to Plaintiff's and class members'
19 employment by Defendants.

20 91. At all relevant times, California Labor Code section 226.7(a) defines "recovery
21 period" to mean a cooldown period afforded an employee to prevent heat illness. California
22 Labor Code section 226.7 provides that no employer shall require an employee to work during
23 any recovery period mandated by an applicable order of the California IWC, the Occupational
24 Safety and Health Standards Board, or the Division of Occupational Safety and Health. The
25 applicable GIS Order provides that "[w]hen the outdoor temperature in the work area exceeds
26 80 degrees Fahrenheit, the employer shall have and maintain one or more areas with shade at
27 all times while employees are present that are either open to the air or provided with
28 ventilation or cooling." Cal. Code Regs. Tit. 8, § 3395(d)(1). Furthermore, "[t]he amount of

1 shade present shall be at least enough to accommodate the number of employees on recovery
2 or rest periods, so that they can sit in a normal posture fully in the shade without having to be
3 in physical contact with each other.” *Id.* “Employees shall be allowed and encouraged to take
4 a preventative cool-down rest in the shade when they feel the need to do so to protect
5 themselves from overheating. Such access to shade shall be permitted at all times.” *Id.*

6 92. During the relevant time period, Defendants violated California Labor Code
7 section 226.7 and California Code of Regulations, Title 8, section 3395(d), because
8 Defendants failed to provide Plaintiff and class members with recovery periods. For example,
9 Plaintiff was not provided shaded areas for recovery and was not permitted to take recovery
10 periods in a shaded area while working at various jobsites even though approximately half of
11 his work was performed outside under the sun and in high temperatures.

12 93. Defendants also engaged in a company-wide practice and/or policy of not
13 paying recovery period premiums owed when compliant recovery periods were not provided.
14 Because of this practice and/or policy, Plaintiff and class members have not received premium
15 pay for missed recovery periods.

16 94. Defendants’ conduct violates the applicable GIS Order and California Labor
17 Code sections 226.7, 516, and 1198. Plaintiff and class members are therefore entitled to
18 recover from Defendants one (1) additional hour of pay at the employee’s regular rate of
19 compensation for each work day that a compliant recovery period was not provided.

20 **SIXTH CAUSE OF ACTION**

21 **Violation of California Labor Code §§ 226(a), 1174(d), and 1198—Non-Compliant Wage**

22 **Statements and Failure to Maintain Accurate Payroll Records**

23 **(Against all Defendants)**

24 95. Plaintiff incorporates by reference and re-alleges as if fully stated herein each
25 and every allegation set forth above.

26 96. At all relevant times herein set forth, California Labor Code section 226(a)
27 provides that every employer shall furnish each of his or her employees an accurate and
28 complete itemized wage statement in writing, including, but not limited to, the name and

1 address of the legal entity that is the employer, the inclusive dates of the pay period, total
2 hours worked, and all applicable rates of pay.

3 97. At all relevant times, Defendants have knowingly and intentionally provided
4 Plaintiff and Subclass members with uniform, incomplete, and inaccurate wage statements.
5 For example, Defendants issued uniform wage statements to Plaintiff and Subclass members
6 that fail to correctly list: gross wages earned; total hours worked; net wages earned; and all
7 applicable hourly rates in effect during the pay period, including rates of pay for overtime
8 wages, and the corresponding number of hours worked at each hourly rate. Specifically,
9 Defendants violated sections 226(a)(1), 226(a)(2), 226(a)(5), and 226(a)(9).

10 98. Because Defendants did not accurately record the time Plaintiff and Subclass
11 members spent working off-the-clock and deducted time from their records for meal periods
12 that were interrupted and/or missed (and therefore time for which they should have been paid),
13 Defendants did not list the correct amount of gross wages and net wages earned by Plaintiff
14 and Subclass members in compliance with sections 226(a)(1) and 226(a)(5). For the same
15 reason, Defendants failed to accurately list the total number of hours worked by Plaintiff and
16 Subclass members in violation of section 226(a)(2), and failed to list the applicable hourly
17 rates of pay in effect during the pay period and corresponding accurate number of work hours
18 worked at each hourly rate in violation of section 226(a)(9).

19 99. The wage statement deficiencies also include, without limitation, failing to list
20 the number of piece-rate units earned and any applicable piece rate if the employee is paid on
21 a piece-rate basis; failing to list all deductions; failing to list the inclusive dates of the period
22 for which employees were paid; failing to list the name of the employee and only the last four
23 digits of his or her social security number or an employee identification number other than a
24 social security number; failing to list the name and address of the legal entity that is the
25 employer; and/or failing to state all hours worked as a result of not recording or stating hours
26 worked off-the-clock.

27 100. California Labor Code section 1174(d) provides that “[e]very person employing
28 labor in this state shall . . . [k]eep a record showing the names and addresses of all employees

1 employed and the ages of all minors” and “[k]eep, at a central location in the state or at the
2 plants or establishments at which employees are employed, payroll records showing the hours
3 worked daily by and the wages paid to, and the number of piece-rate units earned by and any
4 applicable piece rate paid to, employees employed at the respective plants or
5 establishments” At all relevant times, and in violation of Labor Code section 1174(d),
6 Defendants willfully failed to maintain accurate payroll records for Plaintiff and Subclass
7 members showing the daily hours they worked and the wages paid thereto as a result of failing
8 to record the off-the-clock hours that they worked.

9 101. California Labor Code section 1198 provides that the maximum hours of work
10 and the standard conditions of labor shall be those fixed by the Labor Commissioner and as
11 set forth in the applicable IWC Wage Order. Section 1198 further provides that “[t]he
12 employment of any employees for longer hours than those fixed by the order or under
13 conditions of labor prohibited by the order is unlawful.” Pursuant to the applicable IWC
14 Wage Order, employers are required to keep accurate time records showing when the
15 employee begins and ends each work period. During the relevant time period, Defendants
16 engaged in company-wide practices and/or policies of failing to record actual hours worked,
17 and thereby failed to keep accurate records of work period and meal period start and end times
18 for Plaintiff and Subclass members, in violation of section 1198.

19 102. Plaintiff and Subclass members are entitled to recover from Defendants the
20 greater of their actual damages caused by Defendants’ failure to comply with California Labor
21 Code section 226(a), or an aggregate penalty not exceeding four thousand dollars (\$4,000) per
22 employee.

23 SEVENTH CAUSE OF ACTION

24 Violation of California Labor Code §§ 201 and 202—Wages Not Timely Paid Upon 25 Termination 26 (Against all Defendants)

27 103. Plaintiff incorporates by reference and re-alleges as if fully stated herein each
28 and every allegation set forth above.

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

8 105. On information and belief, Defendants have a company-wide practice and/or
9 policy of paying departing employees their final wages late, instead of adhering to the time
10 requirements set forth in Labor Code sections 201 and 202. For example, Defendants
11 terminated Plaintiff on or about September 28, 2022; however, Defendants did not provide
12 Plaintiff with his final paycheck until about September 30, 2022, when it was mailed. Thus,
13 Defendants failed to pay Plaintiff his final wages immediately, in violation of California
14 Labor Code section 201.

15 106. Additionally, Defendants willfully failed to pay Plaintiff and class members
16 who are no longer employed by Defendants the earned and unpaid wages set forth above,
17 including but not limited to, overtime wages; minimum wages; and/or meal, rest, and recovery
18 period premiums, either at the time of discharge, or within seventy-two (72) hours of their
19 leaving Defendants' employ.

20 107. Defendants' failure to pay Plaintiff and class members who are no longer
21 employed by Defendants their wages earned and unpaid at the time of discharge, or within
22 seventy-two (72) hours of their leaving Defendants' employ, violates Labor Code sections 201
23 and 202. Plaintiff and class members are therefore entitled to recover from Defendants the
24 statutory penalty wages for each day they were not paid, at their regular rate of pay, up to a
25 thirty (30) day maximum pursuant to California Labor Code section 203.

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1 **EIGHTH CAUSE OF ACTION**

2 **Violation of California Labor Code § 204—Failure to Timely Pay Wages During**
3 **Employment**
4 **(Against all Defendants)**

5 108. Plaintiff incorporates by reference and re-alleges as if fully stated herein each
6 and every allegation set forth above.

7 109. This cause of action is dependent upon, and wholly derivative of, the overtime
8 wages; minimum wages; and/or meal, rest, and recovery period premiums that were not timely
9 paid to Plaintiff and class members during their employment.

10 110. At all times relevant herein set forth, Labor Code section 204 provides that all
11 wages earned by any person in any employment between the first (1st) and the fifteenth (15th)
12 days, inclusive, of any calendar month, other than those wages due upon termination of an
13 employee, are due and payable between the sixteenth (16th) and the twenty-sixth (26th) day of
14 the month during which the labor was performed.

15 111. At all times relevant herein, Labor Code section 204 provides that all wages
16 earned by any person in any employment between the sixteenth (16th) and the last day,
17 inclusive, of any calendar month, other than those wages due upon termination of an
18 employee, are due and payable between the first (1st) and the tenth (10th) day of the following
19 month.

20 112. At all times relevant herein, Labor Code section 204 provides that all wages
21 earned for labor in excess of the normal work period shall be paid no later than the payday for
22 the next regular payroll period. Alternatively, at all times relevant herein, Labor Code section
23 204 provides that the requirements of this section are deemed satisfied by the payment of
24 wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more than
25 seven (7) calendar days following the close of the payroll period.

26 113. During the relevant time period, Defendants willfully failed to pay Plaintiff and
27 class members all wages due including, but not limited to, overtime wages; minimum wages;
28 and/or meal, rest, and recovery period premiums, within the time periods specified by

1 California Labor Code section 204.

2 114. Defendants' failure to timely pay Plaintiff and class members all wages due
3 violates Labor Code section 204. Plaintiff and class members are therefore entitled to recover
4 from Defendants the statutory penalty wages pursuant to California Labor Code section 210.

5 **NINTH CAUSE OF ACTION**

6 **Violation of California Labor Code § 2802—Unpaid Business-Related Expenses**

7 **(Against all Defendants)**

8 115. Plaintiff incorporates by reference and re-alleges as if fully stated herein each
9 and every allegation set forth above.

10 116. At all times herein set forth, California Labor Code section 2802 provides that
11 an employer must reimburse employees for all necessary expenditures and losses incurred by
12 the employee in the performance of his or her job. The purpose of Labor Code section 2802 is
13 to prevent employers from passing off their cost of doing business and operating expenses on
14 to their employees. *Cochran v. Schwan's Home Service, Inc.*, 228 Cal. App. 4th 1137, 1144
15 (2014). The applicable wage order, IWC Wage Order No. 16-2001, provides that: "[w]hen the
16 employer requires the use of tools or equipment or are necessary to the performance of a job,
17 such tools and equipment shall be provided and maintained by the employer, except that an
18 employee whose wages are at least two (2) times the minimum wage provided herein may
19 provide and maintain hand tools and equipment customarily required by the trade or
20 craft"

21 117. First, during the relevant time period, Defendants, on a company-wide basis,
22 required Plaintiff and class members to use their personal mobile devices, including, but not
23 limited to, cellular phones, and/or mobile data to carry out their job duties but failed to
24 reimburse them for the costs of their work-related mobile device and/or mobile data expenses.
25 For example, Plaintiff was required to use his personal cellular phone and mobile data to
26 communicate with Defendants' management about work-related matters such as requesting
27 supplies. As a further example, Plaintiff was required to use his personal cellular phone to
28 take photos of various defects and send those photos to Defendants' management via text

1 messages. Although Defendants required Plaintiff and class members to use their personal
2 mobile devices and mobile data to carry out their work-related duties, Defendants failed to
3 fully reimburse them for their costs incurred.

4 118. Second, during the relevant time period, Defendants required Plaintiff and class
5 members to purchase tools, supplies, and safety equipment necessary for the performance of
6 their duties, but failed to reimburse them for their out-of-pocket costs. For example, Plaintiff
7 spent about \$35 on steel-toed boots and \$600 on various hand tools because Defendants failed
8 to provide him with the necessary tools, supplies, and/or safety equipment which were
9 required to perform his duties. Although Defendants required Plaintiff and class members to
10 purchase and use their own tools, supplies, and/or safety equipment in the performance of
11 their duties, they did not reimburse them for these expenses.

12 119. Defendants could have provided Plaintiff and class members with the actual
13 tools for use on the job, such as company mobile devices and necessary tools, supplies and
14 safety equipment. Or, Defendants could have reimbursed employees for their mobile device
15 usage and tools, supplies and safety equipment. At all relevant times, Plaintiff did not earn at
16 least two (2) times the minimum wage.

17 120. Defendants' company-wide policy and/or practice of passing on their operating
18 costs to Plaintiff and class members violates California Labor Code section 2802. Defendants
19 have intentionally and willfully failed to reimburse Plaintiff and class members for necessary
20 business-related expenses and costs.

21 121. Plaintiff and class members are entitled to recover from Defendants their
22 business-related expenses incurred during the course and scope of their employment, plus
23 interest.

24 **TENTH CAUSE OF ACTION**

25 **For Civil Penalties Pursuant to California Labor Code §§ 2698, *et seq.***

26 **(Against all Defendants)**

27 122. Plaintiff incorporates by reference and re-alleges as if fully stated herein each
28 and every allegation set forth above.

123. California Labor Code §§ 2698, *et seq.* (“PAGA”) permits Plaintiff to recover civil penalties for the violation(s) of the Labor Code sections enumerated in Labor Code section 2699.5. Section 2699.5 enumerates Labor Code sections 201, 202, 204, 206.5, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, and 2802. Labor Code section 2699.3(c) permits aggrieved employees, including Plaintiff, to recover civil penalties for violations of those Labor Code sections not found in section 2699.5, including sections 516, 1182.12, 2810.5, 6401, and 6403.

124. Defendants’ conduct, as alleged herein, violates numerous sections of the California Labor Code, including, but not limited to, the following:

- (a) Violation of Labor Code sections 510 and 1198, and the applicable IWC Wage Order for Defendants’ failure to compensate Plaintiff and other aggrieved employees with all required overtime pay, as alleged herein;
- (b) Violation of Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198, and the applicable IWC Wage Order for Defendants’ failure to compensate Plaintiff and other aggrieved employees with at least minimum wages for all hours worked, as alleged herein;
- (c) Violation of Labor Code sections 226.7, 512(a), 516, and 1198, and the applicable IWC Wage Order for Defendants’ failure to provide Plaintiff and other aggrieved employees with meal periods, as alleged herein;
- (d) Violation of Labor Code sections 226.7, 516, and 1198, and the applicable IWC Wage Order for Defendants’ failure to authorize and permit Plaintiff and other aggrieved employees to take rest periods, as alleged herein;
- (e) Violation of Labor Code sections 226(a) and 1198, and the applicable IWC Wage Order for failure to provide accurate and complete wage statements to Plaintiff and other aggrieved employees, as alleged herein;
- (f) Violation of Labor Code sections 1174(d) and 1198, and the applicable IWC Wage Order for failure to maintain payroll records, as alleged

herein;

- (g) Violation of Labor Code sections 201 and 202 for failure to pay all earned wages upon termination, as alleged herein;
- (h) Violation of Labor Code section 204 for failure to pay all earned wages during employment, as alleged herein;
- (i) Violation of Labor Code section 206.5 for requiring Plaintiff and other aggrieved employees to execute a release of claims as a condition to receiving wages due to them, as set forth below;
- (j) Violation of Labor Code section 2802 for failure to reimburse Plaintiff and other aggrieved employees for all business expenses necessarily incurred, as alleged herein and set forth below;
- (k) Violation of Labor Code section 2810.5(a)(1)(A)-(C) for failure to provide written notice of information material to Plaintiff's and other aggrieved employees' employment with Defendants, as set forth below; and
- (l) Violation of Labor Code sections 6401 and 6403 for failure to provide Plaintiff and other aggrieved employees with safety devices and safeguards for the workplace, as set forth below.

125. At all relevant times herein set forth, California Labor Code section 206.5 prohibits employers from requiring employees to execute releases of a claim or right "on account of wages due, or to become due, or made as an advance on wages to be earned, unless payment of those wages has been made. A release required or executed in violation of the provisions of this section shall be null and void as between the employer and the employee."

126. During the relevant time period, Defendants required Plaintiff and other aggrieved employees to release their claims for meal and/or rest period violations, as well as their claims for uncompensated hours worked, as a condition of receiving their paychecks. For example, Defendants required Plaintiff and other aggrieved employees to sign verifications on their timesheets that their timesheets were accurate and correct: "I certify that

1 I worked the hours reported on this timesheet during the week shown I also am
2 confirming that I have taken my required meal and rest breaks.”

3 127. Defendants compelled Plaintiff other aggrieved employees to sign these false
4 verifications when they, in fact, were not provided all meal or rest periods and/or had not been
5 able to accurately record all of the hours they had worked. Defendants’ policy and practice of
6 requiring Plaintiff and other aggrieved employees to release their claims for meal or rest
7 period violations and/or their claims for uncompensated hours worked, as a condition to
8 receiving their wages, is in violation of California Labor Code section 206.5. Plaintiff and
9 other aggrieved employees are therefore entitled to recover civil penalties pursuant to Labor
10 Code sections 2699(a), (f), and (g).

11 128. At all relevant times herein, as stated, California Labor Code section 2802
12 requires employers to pay for all necessary expenditures and losses incurred by the employee
13 in the performance of his or her job. During the relevant time period, Defendants, on a
14 company-wide basis, required that other aggrieved employees use their own personal vehicles
15 for work purposes, but failed to reimburse them for all costs of travel, including mileage.
16 Although Defendants required other aggrieved employees to utilize their personal vehicles to
17 carry out their work-related responsibilities, Defendants failed to reimburse them for their
18 mileage or travel expenses. Defendants’ company- wide policy and/or practice of not
19 reimbursing employees for expenses necessarily incurred in violation of California Labor
20 Code section 2802. Other aggrieved employees are therefore entitled to recover civil penalties
21 pursuant to Labor Code sections 2699(a), (f), and (g).

22 129. At all relevant times herein, California’s Wage Theft Prevention Act was
23 enacted to ensure that employers provide employees with basic information material to their
24 employment relationship at the time of hiring, and to ensure that employees are given written
25 and timely notice of any changes to basic information material to their employment. Codified
26 at California Labor Code section 2810.5, the Wage Theft Prevention Act provides that at the
27 time of hiring, an employer must provide written notice to employees containing basic and
28 material payroll information, including, among other things, the rate(s) of pay and basis

1 thereof, whether paid by the hour, shift, day, week, salary, piece, commission, or otherwise,
2 including any rates for overtime, the regular payday designated by the employer, and any
3 allowances claims as part of the minimum wage, including meal or lodging allowances. Labor
4 Code § 2810.5(a)(1)(A)-(C).

5 130. At all relevant times, on information and belief, Defendants failed, on a
6 company-wide basis, to provide written notice to Plaintiff and aggrieved employees that lists
7 the requisite information set forth in Labor Code section 2810.5(a)(1)(A)-(C). Defendants'
8 failure to provide Plaintiff and aggrieved employees with written notice of basic information
9 regarding their employment with Defendants is in violation of California Labor Code section
10 2810.5. Plaintiff and other aggrieved employees are therefore entitled to recover civil
11 penalties pursuant to Labor Code sections 2699(a), (f), and (g).

12 131. At all relevant times herein, California Labor Code section 6401 provides that
13 employers must furnish and use safety devices and safeguards, and adopt and use practices,
14 means, methods, operations, and processes which are reasonably adequate to render the
15 employment and place of employment safe and healthy. California Labor Code Section 6401
16 further provides that an employer must do everything reasonably necessary to protect the life,
17 safety, and health of their employees. California Labor Code section 6403(a) requires that
18 employers provide and use safety devices and safeguards reasonably adequate to render the
19 employment and place of employment safe.

20 132. During the relevant period, as stated above, Defendants failed to provide
21 Plaintiff and aggrieved employees with personal protective equipment, such as steel-toed
22 boots, to keep them safe in the workplace. Despite the fact that Defendants required Plaintiff
23 and aggrieved employees to wear certain personal protective equipment, including steel-toed
24 boots, while engaged in their work-related duties, Defendants failed to provide such
25 reasonably necessary equipment to Plaintiff and aggrieved employees to keep them safe.
26 Thus, Defendants' failure to provide Plaintiff and aggrieved employees with safety devices
27 and safeguards for the workplace violates Labor Code sections 6401 and 6403. Plaintiff and
28 other aggrieved employees are therefore entitled to recover civil penalties pursuant to Labor

Code sections 2699(a), (f), and (g).

ELEVENTH CAUSE OF ACTION

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

Unlawful Business Practices

(Against all Defendants)

133. Plaintiff incorporates by reference and re-alleges as if fully stated herein each and every allegation set forth above.

134. Defendants are “persons” as defined by California Business & Professions Code section 17201, as they are corporations, firms, partnerships, joint stock companies, and/or associations.

135. Defendants’ conduct, as alleged herein, has been, and continues to be, unfair, unlawful and harmful to Plaintiff, class members, and to the general public. Plaintiff has suffered injury in fact and has lost money as a result of Defendants’ unlawful business practices. Plaintiff seeks to enforce important rights affecting the public interest within the meaning of Code of Civil Procedure section 1021.5.

136. Defendants’ activities, as alleged herein, are violations of California law, and constitute unlawful business acts and practices in violation of California Business & Professions Code sections 17200, *et seq.*

137. A violation of California Business & Professions Code sections 17200, *et seq.* may be predicated on the violation of any state or federal law. In the instant case, Defendants’ policies and practices have violated state law in at least the following respects:

- (a) Requiring non-exempt, hourly paid employees, including Plaintiff and class members, to work overtime without paying them proper compensation in violation of California Labor Code sections 510 and 1198, and the applicable IWC Wage Order, as alleged herein;
- (b) Failing to pay at least minimum wage to Plaintiff and class members in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198, and the applicable IWC Wage Order, as alleged

herein;

- (c) Failing to provide all meal periods to Plaintiff and class members in violation of California Labor Code sections 226.7, 512(a), 516, and 1198, and the applicable IWC Wage Order, as alleged herein;
- (d) Failing to authorize and permit Plaintiff and class members to take all rest periods in violation of California Labor Code sections 226.7, 516, and 1198, and the applicable IWC Wage Order, as alleged herein;
- (e) Failing to provide all recovery periods to Plaintiff and class members in violation of California Labor Code sections 226.7, 516, and 1198, and the applicable GIS Order, as alleged herein;
- (f) Failing to provide Plaintiff and class members with accurate wage statements and failing to maintain accurate payroll records in violation of California Labor Code sections 226(a), 1174(d), and 1198, and the applicable IWC Wage Order, as alleged herein;
- (g) Failing to timely pay all earned wages to Plaintiff and class members in violation of California Labor Code section 204, as alleged herein;
- (h) Requiring Plaintiff and class members to execute releases of claims as a condition to receiving their earned wages, in violation of California Labor Code section 206.5, as set forth below;
- (i) Failing to reimburse Plaintiff and class members for all business expenses necessarily incurred in violation of California Labor Code section 2802, as alleged herein;
- (j) Failing to provide written notice of information material to Plaintiff's and class members' employment with Defendants in violation of California Labor Code section 2810.5(a)(1)(A)-(C), as set forth below; and
- (k) Failing to provide Plaintiff and class members with safety devices and safeguards, such as personal protective equipment, in violation of

1 California Labor Code sections 6401 and 6403 as set forth below.

2 138. At all relevant times herein set forth, California Labor Code section 206.5
3 prohibits employers from requiring employees to execute releases of a claim or right “on
4 account of wages due, or to become due, or made as an advance on wages to be earned, unless
5 payment of those wages has been made. A release required or executed in violation of the
6 provisions of this section shall be null and void as between the employer and the employee.”

7 139. During the relevant time period, Defendants required Plaintiff and class
8 members to release their claims for meal and/or rest period violations, as well as their claims
9 for uncompensated hours worked, as a condition of receiving their paychecks. For example,
10 Defendants required Plaintiff and class members to sign verifications on their timesheets that
11 their timesheets were accurate and correct: “I certify that I worked the hours reported on this
12 timesheet during the week shown I also am confirming that I have taken my required
13 meal and rest breaks.”

14 140. Defendants compelled Plaintiff and class members to sign these false
15 verifications when they, in fact, were not provided all meal or rest periods and/or had not been
16 able to accurately record all of the hours they had worked. Defendants’ policy and practice of
17 requiring Plaintiff and class members to release their claims for meal or rest period violations
18 and/or their claims for uncompensated hours worked, as a condition to receiving their wages,
19 is in violation of California Labor Code section 206.5.

20 141. At all relevant times herein, California’s Wage Theft Prevention Act was
21 enacted to ensure that employers provide employees with basic information material to their
22 employment relationship at the time of hiring, and to ensure that employees are given written
23 and timely notice of any changes to basic information material to their employment. Codified
24 at California Labor Code section 2810.5, the Wage Theft Prevention Act provides that at the
25 time of hiring, an employer must provide written notice to employees containing basic and
26 material payroll information, including, among other things, the rate(s) of pay and basis
27 thereof, whether paid by the hour, shift, day, week, salary, piece, commission, or otherwise,
28 including any rates for overtime, the regular payday designated by the employer, and any

allowances claims as part of the minimum wage, including meal or lodging allowances. Labor Code § 2810.5(a)(1)(A)-(C).

142. At all relevant times, on information and belief, Defendants failed, on a company-wide basis, to provide written notice to Plaintiff and class members that lists the requisite information set forth in Labor Code section 2810.5(a)(1)(A)-(C). Defendants' failure to provide Plaintiff and class members with written notice of basic information regarding their employment with Defendants is in violation of California Labor Code section 2810.5.

143. At all relevant times herein, California Labor Code section 6401 provides that employers must furnish and use safety devices and safeguards, and adopt and use practices, means, methods, operations, and processes which are reasonably adequate to render the employment and place of employment safe and healthy. California Labor Code Section 6401 further provides that an employer must do everything reasonably necessary to protect the life, safety, and health of their employees. California Labor Code section 6403(a) requires that employers provide and use safety devices and safeguards reasonably adequate to render the employment and place of employment safe.

144. During the relevant period, as stated above, Defendants failed to provide Plaintiff and class members with personal protective equipment, such as steel-toed boots, to keep them safe in the workplace. Despite the fact that Defendants required Plaintiff and class members to wear certain personal protective equipment, including steel-toed boots, while engaged in their work-related duties, Defendants failed to provide such reasonably necessary equipment to Plaintiff and class members to keep them safe. Thus, Defendants' failure to provide Plaintiff and class members with safety devices and safeguards for the workplace violates Labor Code sections 6401 and 6403.

145. As a result of the violations of California law herein described, Defendants unlawfully gained an unfair advantage over other businesses. Plaintiff and class members have suffered pecuniary loss by Defendants' unlawful business acts and practices alleged herein.

146. Pursuant to California Business & Professions Code sections 17200, *et seq.*,

1 Plaintiff and class members are entitled to restitution of the wages withheld and retained by
2 Defendants during a period that commences four years prior to the filing of this complaint; a
3 permanent injunction requiring Defendants to pay all outstanding wages due to Plaintiff and
4 class members; and an award of attorneys' fees pursuant to California Code of Civil
5 Procedure section 1021.5 and other applicable laws; and an award of costs.

6 **TWELFTH CAUSE OF ACTION**

7 **Violation of California Business & Professions Code §§ 17200, *et seq.* –**

8 **Unfair Business Practices**

9 **(Against all Defendants)**

10 147. Plaintiff incorporates by reference and re-alleges as if fully stated herein each
11 and every allegation set forth above.

12 148. Defendants are “persons” as defined by California Business & Professions
13 Code section 17201, as they are corporations, firms, partnerships, joint stock companies,
14 and/or associations.

15 149. Defendants’ conduct, as alleged herein, has been, and continues to be, unfair,
16 and harmful to Plaintiff, class members, and to the general public. Plaintiff has suffered
17 injury in fact and has lost money as a result of Defendants’ unfair business practices. Plaintiff
18 seeks to enforce important rights affecting the public interest within the meaning of Code of
19 Civil Procedure section 1021.5.

20 150. Defendants’ activities, namely Defendants’ company-wide practice and/or
21 policy of not paying Plaintiff and class members all meal and rest period premiums due to
22 them under California Labor Code section 226.7, deprived Plaintiff and class members of the
23 compensation guarantee and enhanced enforcement implemented by section 226.7. The
24 statutory remedy provided by section 226.7 is a “‘dual-purpose’ remedy intended primarily to
25 compensate employees, and secondarily to shape employer conduct.” *Safeway, Inc. v.*
26 *Superior Court*, 238 Cal. App. 4th 1138, 1149 (2015). The statutory benefits of section 226.7
27 were guaranteed to Plaintiff and class members as part of their employment with Defendants,
28 and thus Defendants’ practice and/or policy of denying these statutory benefits constitutes an

1 unfair business practice in violation of California Business & Professions Code sections
2 17200, *et seq.* (*Id.*)

3 151. A violation of California Business & Professions Code sections 17200, *et seq.*
4 may be predicated on any unfair business practice. In the instant case, Defendants' policies
5 and practices have violated the spirit of California's meal and rest period laws and constitute
6 acts against the public policy behind these laws.

7 152. Pursuant to California Business & Professions Code sections 17200, *et seq.*,
8 Plaintiff and class members are entitled to restitution for the class-wide loss of the statutory
9 benefits implemented by section 226.7 withheld and retained by Defendants during a period
10 that commences four years prior to the filing of this complaint; a permanent injunction
11 requiring Defendants to pay all statutory benefits implemented by section 226.7 due to
12 Plaintiff and class members; an award of attorneys' fees pursuant to California Code of Civil
13 Procedure section 1021.5 and other applicable laws; and an award of costs.

14 **REQUEST FOR JURY TRIAL**

15 Plaintiff requests a trial by jury.

16 **PRAYER FOR RELIEF**

17 Plaintiff, on behalf of all others similarly situated, prays for relief and judgment
18 against Defendants, jointly and severally, as follows:

19 1. For damages, unpaid wages, penalties, injunctive relief, and attorneys' fees in
20 excess of twenty-five thousand dollars (\$25,000), exclusive of interest and costs. Plaintiff
21 reserves the right to amend his prayer for relief to seek a different amount.

22 **Class Certification**

- 23 2. That this case be certified as a class action;
24 3. That Plaintiff be appointed as the representative of the Class and Subclass;
25 4. That counsel for Plaintiff be appointed as class counsel.

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

27 5. That the Court declare, adjudge, and decree that Defendants violated California
28 Labor Code sections 510 and 1198 and the applicable IWC Wage Order by willfully failing to

1 pay all overtime wages due to Plaintiff and class members;

2 6. For general unpaid wages at overtime wage rates and such general and special
3 damages as may be appropriate;

4 7. For pre-judgment interest on any unpaid overtime compensation commencing
5 from the date such amounts were due, or as otherwise provided by law;

6 8. For reasonable attorneys' fees and for costs of suit incurred herein pursuant to
7 California Labor Code section 1194(a); and

8 9. For such other and further relief as the Court may deem equitable and
9 appropriate.

10 **As to the Second Cause of Action**

11 10. That the Court declare, adjudge and decree that Defendants violated California
12 Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198 and the applicable IWC Wage
13 Order by willfully failing to pay minimum wages to Plaintiff and class members;

14 11. For general unpaid wages and such general and special damages as may be
15 appropriate;

16 12. For pre-judgment interest on any unpaid compensation from the date such
17 amounts were due, or as otherwise provided by law;

18 13. For reasonable attorneys' fees and for costs of suit incurred herein pursuant to
19 California Labor Code section 1194(a);

20 14. For liquidated damages pursuant to California Labor Code section 1194.2; and

21 15. For such other and further relief as the Court may deem equitable and
22 appropriate.

23 **As to the Third Cause of Action**

24 16. That the Court declare, adjudge, and decree that Defendants violated California
25 Labor Code sections 226.7, 512(a), 516, and 1198 and the applicable IWC Wage Order by
26 willfully failing to provide all meal periods to Plaintiff and class members;

27 17. That the Court make an award to the Plaintiff and class members of one (1)
28 hour of pay at each employee's regular rate of pay for each workday that a meal period was

not provided;

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

19. For premiums pursuant to California Labor Code section 226.7(c);

20. For pre-judgment interest on any unpaid meal period premiums from the date such amounts were due, or as otherwise provided by law;

21. For attorneys' fees pursuant to California Code of Civil Procedure section 1021.5, or as otherwise provided by law; and

22. For such other and further relief as the Court may deem equitable and appropriate.

As to the Fourth Cause of Action

23. That the Court declare, adjudge and decree that Defendants violated California Labor Code sections 226.7, 516, and 1198 and the applicable IWC Wage Order by willfully failing to authorize and permit Plaintiff and class members to take all rest periods;

24. That the Court make an award to the Plaintiff and class members of one (1) hour of pay at each employee's regular rate of pay for each workday that a rest period was not authorized and permitted;

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

26. For premiums pursuant to California Labor Code section 226.7(c);

27. For pre-judgment interest on any unpaid rest period premiums from the date such amounts were due, or as otherwise provided by law;

28. For attorneys' fees pursuant to California Code of Civil Procedure section 1021.5, or as otherwise provided by law; and

29. For such other and further relief as the Court may deem equitable and appropriate.

As to the Fifth Cause of Action

30. That the Court declare, adjudge and decree that Defendants violated California

1 Labor Code sections 226.7, 516, and 1198 and the applicable GIS Order by willfully failing to
2 provide all recovery periods to Plaintiff and class members;

3 31. That the Court make an award to the Plaintiff and class members of one (1) hour
4 of pay at each employee's regular rate of pay for each workday that a recovery period was not
5 provided;

6 32. For all actual, consequential, and incidental losses and damages, according to
7 proof;

8 33. For premiums pursuant to California Labor Code section 226.7(c);

9 34. For pre-judgment interest on any unpaid recovery period premiums from the date
10 such amounts were due, or as otherwise provided by law;

11 35. For attorneys' fees pursuant to California Code of Civil Procedure section
12 1021.5, or as otherwise provided by law; and

13 36. For such other and further relief as the Court may deem equitable and
14 appropriate.

15 **As to the Sixth Cause of Action**

16 37. That the Court declare, adjudge and decree that Defendants violated the
17 recordkeeping provisions of California Labor Code section 226(a) and the applicable IWC
18 Wage Order as to Plaintiff and Subclass members, and willfully failed to provide accurate
19 itemized wage statements thereto;

20 38. For all actual, consequential, and incidental losses and damages, according to
21 proof;

22 39. For injunctive relief pursuant to California Labor Code section 226(h);

23 40. For statutory penalties pursuant to California Labor Code section 226(e);

24 41. For attorneys' fees and costs pursuant to California Labor Code section
25 226(e)(1); and

26 42. For such other and further relief as the Court may deem equitable and
27 appropriate.

28 //

As to the Seventh Cause of Action

43. That the Court declare, adjudge and decree that Defendants violated California Labor Code sections 201 and 202 by willfully failing to pay overtime wages; minimum wages; and/or meal, rest, and recovery period premiums owed at the time of termination of the employment of Plaintiff and other terminated class members;

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

45. For waiting time penalties according to proof pursuant to California Labor Code section 203 for all employees who have left Defendants' employ;

46. For pre-judgment interest on any unpaid wages from the date such amounts were due, or as otherwise provided by law;

47. For attorneys' fees pursuant to California Code of Civil Procedure section 1021.5, or as otherwise provided by law; and

48. For such other and further relief as the Court may deem equitable and appropriate.

As to the Eighth Cause of Action

49. That the Court declare, adjudge and decree that Defendants violated California Labor Code section 204 by willfully failing to timely pay Plaintiff and class members overtime wages; minimum wages; and/or meal, rest, and recovery period premiums during their employment;

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

51. For statutory penalties according to proof pursuant to California Labor Code section 210;

52. For pre-judgment interest on any unpaid wages from the date such amounts were due, or as otherwise provided by law;

53. For attorneys' fees pursuant to California Code of Civil Procedure section 1021.5, or as otherwise provided by law; and

1 54. For such other and further relief as the Court may deem equitable and
2 appropriate.

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

4 55. That the Court declare, adjudge and decree that Defendants violated California
5 Labor Code section 2802 by willfully failing to reimburse and/or indemnify all business-
6 related expenses and costs incurred by Plaintiff and class members;

7 56. For unpaid business-related expenses and such general and special damages as
8 may be appropriate;

9 57. For pre-judgment interest on any unpaid business-related expenses from the
10 date such amounts were due, or as otherwise provided by law;

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

13 59. For attorneys' fees and costs pursuant to California Labor Code section
14 2802(c), or as otherwise provided by law; and

15 60. For such other and further relief as the Court may deem equitable and
16 appropriate.

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

18 61. That the Court declare, adjudge and decree that Defendants violated the
19 following California Labor Code provisions as to Plaintiff and/or other aggrieved employees:
20 510 and 1198 (by failing to pay all overtime compensation); 1182.12, 1194, 1197, 1197.1, and
21 1198 (by failing to pay at least minimum wages for all hours worked); 226.7, 516, and 1198
22 (by failing to authorize and permit all rest periods); 226.7, 512(a), 516, and 1198 (by failing to
23 provide all meal periods); 226.7, 516, and 1198 (by failing to provide all heat recovery
24 periods); 226(a), 1174(d), and 1198 (by failing to provide accurate wage statements and
25 maintain accurate payroll records); 201 and 202 (by failing to timely pay all earned wages
26 upon termination); 204 (by failing to timely pay all earned wages during employment); 206.5
27 (by requiring employees to release claims as a condition to receive paychecks); 2802 (by
28 failing to reimburse business expenses); 2810.5 (by failing to provide written notice of

material terms of employment); and 6401 and 6403 (by failing to provide safety devices and safeguards);

62. For civil penalties pursuant to the California Labor Code, including sections 210, 226.3, 256, 558, 1174.5, 2699(a), (f), and (g), for violations of California Labor Code sections 201, 202, 204, 206.5, 226(a), 226.7, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2802, 2810.5, 6401, and 6403;

63. For attorneys' fees and costs pursuant to California Labor Code section 2699(g)(1), and any and all other relevant statutes, for Defendants' violations of California Labor Code sections 201, 202, 204, 206.5, 226(a), 226.7, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2802, 2810.5, 6401, and 6403;

64. For pre-judgment and post-judgment interest as provided by law; and

65. For such other and further relief as the Court may deem equitable and appropriate.

As to the Eleventh Cause of Action

66. That the Court declare, adjudge and decree that Defendants' conduct of failing to provide Plaintiff and class members all overtime wages due to them, failing to provide Plaintiff and class members all minimum wages due to them, failing to provide Plaintiff and class members all meal periods, failing to authorize and permit Plaintiff and class members to take all rest periods, failing to provide all heat recovery periods, failing to provide Plaintiff and class members accurate and complete wage statements, failing to maintain accurate payroll records for Plaintiff and class members, failing to timely pay Plaintiff and class members all earned wages during employment, requiring employees to release claims as a condition to receive paychecks, failing to reimburse Plaintiff and class members for business-related expenses, failing to provide written notice of material terms of employment, and failing to provide safety devices and safeguards constitutes an unlawful business practice in violation of California Business and Professions Code sections 17200, *et seq.*;

67. For restitution of unpaid wages to Plaintiff and all class members and prejudgment interest from the day such amounts were due and payable;

1 68. For the appointment of a receiver to receive, manage and distribute any and all
2 funds disgorged from Defendants and determined to have been wrongfully acquired by
3 Defendants as a result of violations of California Business & Professions Code sections
4 17200, *et seq.*;

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

7 70. For such other and further relief as the Court may deem equitable and
8 appropriate.

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

10 71. That the Court declare, adjudge and decree that Defendants' conduct of denying
11 Plaintiff and class members the statutory benefits guaranteed under California Labor Code
12 section 226.7 constitutes an unfair business practice in violation of California Business and
13 Professions Code sections 17200, *et seq.*;

14 72. For restitution of the statutory benefits under California Labor Code section
15 226.7 unfairly withheld from Plaintiff and class members and prejudgment interest from the
16 day such amounts were due and payable;

17 73. For the appointment of a receiver to receive, manage and distribute any and all
18 funds disgorged from Defendants and determined to have been wrongfully acquired by
19 Defendants as a result of violations of California Business & Professions Code sections
20 17200, *et seq.*;

21 74. For reasonable attorneys' fees and costs of suit incurred herein pursuant to
22 California Code of Civil Procedure section 1021.5;

23 75. For pre-judgment and post-judgment interest as provided by law; and

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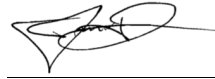
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1 76. For such other and further relief as the Court may deem equitable and
2 appropriate.

3
4 Dated: November 13, 2023

Respectfully submitted,

5
6 Capstone Law APC

7 By: 

8 Robert Drexler
9 Molly DeSario
Jonathan Lee

10 Attorneys for Plaintiff Esteban Acosta
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EXHIBIT “1”

ANTHONY CASTILLO
310.712.8169 Direct
Anthony.Castillo@capstonelawyers.com

September 7, 2023

VIA ONLINE SUBMISSION

California Labor & Workforce Development Agency
ATTN: PAGA Administrator
(<https://dir.tfaforms.net/308>)

Subject: *Esteban Acosta v. Crownco Inc.*

Dear PAGA Administrator:

This office represents Esteban Acosta in connection with his claims under the California Labor Code. Mr. Acosta was an employee of CROWNCO INC. ("CROWNCO").

The employer may be contacted directly at the addresses below:

CROWNCO INC.
26697 PIERCE CIRCLE
MURRIETA, CA 92562

CROWNCO INC.
36625 KEVIN RD STE 149
WILDOMAR, CA 92595

Mr. Acosta intends to seek civil penalties, attorney's fees, costs, and other available relief for violations of the California Labor Code, which are recoverable under sections 2698, *et seq.*, the Labor Code Private Attorneys General Act of 2004 ("PAGA"). Mr. Acosta seeks relief on behalf of himself, the State of California, and other persons who are or were employed by CROWNCO as a non-exempt, hourly paid employee in California and who received at least one wage statement ("aggrieved employees"). This letter is sent in compliance with the notice and reporting requirements of California Labor Code section 2699.3.

CROWNCO employed Mr. Acosta as an hourly paid, non-exempt Prep & Detail employee from approximately July 2022 to September 2022. During his employment, Mr. Acosta typically worked eight (8) hours or more per day and five (5) days per week. At the time his employment ended, Mr. Acosta was compensated approximately \$23.00 per hour. His primary job duties included, without limitation, inspecting homes for defects, performing maintenance, and repairing defects.

CROWNCO committed one or more of the following Labor Code violations against Mr. Acosta, the facts and theories of which follow, making him an “aggrieved employee” pursuant to California Labor Code section 2699(c):¹

CROWNCO’s Company-Wide and Uniform Payroll and HR Practices

CROWNCO INC. is a California corporation and a general contractor in the residential development industry providing services throughout Southern California. Upon information and belief, CROWNCO maintains a single, centralized Human Resources (HR) department at its corporate headquarters in Murrieta, California, for all non-exempt, hourly paid employees working for CROWNCO in California, including Mr. Acosta and other aggrieved employees. At all relevant times, CROWNCO issued and maintained uniform, standardized scheduling and timekeeping practices and procedures for all non-exempt, hourly paid employees in California, including Mr. Acosta and other aggrieved employees, regardless of their location or position.

Upon information and belief, CROWNCO maintains a centralized Payroll department at its corporate headquarters in Murrieta, California, which processes payroll for all non-exempt, hourly paid employees working for CROWNCO in California, including Mr. Acosta and other aggrieved employees. Further, CROWNCO issues the same formatted wage statements in the same manner for all non-exempt, hourly paid employees working in California, including Mr. Acosta and other aggrieved employees, irrespective of their location, position, or manner in which each employee’s employment ended. In other words, CROWNCO utilized the same methods and formulas when calculating wages due to Mr. Acosta and other aggrieved employees in California.

Violation of California Labor Code §§ 510 and 1198 – Unpaid Overtime

California Labor Code sections 510 and 1198 and the applicable Industrial Welfare Commission (“IWC”) Wage Order require employers to pay employees working more than eight (8) hours in a day or more than forty (40) hours in a workweek at the rate of time-and-one-half (1 ½) times the regular rate of pay for all hours worked in excess of eight (8) hours in a day or more than forty (40) hours in a workweek. The applicable IWC Wage Order further provides that employers are required to pay employees working more than twelve (12) hours in a day overtime compensation at a rate of two (2) times their regular rate of pay. An employee’s regular rate of pay includes all remuneration for employment paid to, or on behalf of, the employee, including nondiscretionary bonuses and incentive pay.

CROWNCO willfully failed to pay all overtime wages owed to Mr. Acosta and other aggrieved employees. During the relevant time period, Mr. Acosta and other aggrieved employees were not paid overtime premiums for all of the hours they worked in excess of eight (8) hours in a day, in excess of twelve (12) hours in a day, and/or in excess of forty (40) hours in a week, because all hours that they worked were not recorded.

¹ These facts, theories, and claims are based on Mr. Acosta’s experience and counsel’s review of those records currently available relating to Mr. Acosta’s employment. Discovery conducted in litigation of wage and hour claims such as these often reveals additional claims that the aggrieved employee was not initially aware of (because the aggrieved employee was not aware of the law’s requirements, the employer misinformed its employee of the law’s requirements, or because the employer effectively hid the violations). Thus, Mr. Acosta reserves the right to supplement this letter with additional facts, theories, and claims if he becomes aware of them subsequent to the submission of this letter.

First, during the relevant time period, CROWNCO had a policy and/or practice of discouraging and impeding Mr. Acosta and other aggrieved employees from recording hours worked that were outside of their scheduled shifts, in order to limit the amount of overtime employees could accrue. In doing so, CROWNCO failed to implement a timekeeping system at its jobsites and does not provide employees with any mechanism, such as a time clock or electronic timekeeping system, to accurately track and record their hours worked. Instead, CROWNCO's policy and/or practice is to require employees, including Mr. Acosta and other aggrieved employees, to fill out handwritten timesheets and to submit them to management every Friday for review and approval. Upon information and belief, CROWNCO's management sometimes required Mr. Acosta and other aggrieved employees to record only their scheduled shift start-times and shift end-times instead of their actual hours worked to limit overtime hours employees were eligible to be compensated for. Upon information and belief, CROWNCO's timekeeping policies are, and continue to be, unfair and have, over time, resulted in the underpayment of wages to Mr. Acosta and other aggrieved employees. To the extent CROWNCO's timekeeping policies have taken away time worked that was eligible for overtime, Mr. Acosta and other aggrieved employees have been denied overtime pay for all hours worked.

Alternatively, CROWNCO had, and continues to have, a company-wide policy and/or practice of failing to correctly record hours worked by its employees. Instead, on information and belief, CROWNCO's policy and/or practice is to simply pay employees, including Mr. Acosta and other aggrieved employees, for the hours they are scheduled to work (*see infra*). Because CROWNCO failed to accurately record their actual hours worked, Mr. Acosta and other aggrieved employees were not paid for all hours worked before or after their scheduled shifts.

Second, during the relevant time period, CROWNCO had, and continues to have, a company-wide policy and/or practice of requiring Mr. Acosta and other aggrieved employees to perform work-related tasks while off-the-clock outside of their shifts. For example, prior to the start of his scheduled shift, CROWNCO required Mr. Acosta to complete a walkthrough of properties with CROWNCO's management to discuss what needed to be done on at least one (1) occasion; this took approximately 15 minutes and Mr. Acosta was not able to record this time spent working.

Third, during the relevant period, on information and belief, CROWNCO had a policy and/or practice of improperly rounding employees' clock-in and/or clock-out times in its timekeeping system to the start and/or end of their scheduled hours worked, rather than their actual hours worked. CROWNCO's rounding policy resulted in the failure to compensate other aggrieved employees fully for all hours worked, causing other aggrieved employees to not be paid overtime wages for all of the overtime hours they actually worked. CROWNCO's policy of rounding is unfair and has, over time, resulted in the underpayment of wages to other aggrieved employees. To the extent CROWNCO's rounding policy has taken away time worked that was eligible for overtime, other aggrieved employees were denied overtime pay for all hours worked.

Fourth, CROWNCO had, and continues to have, company-wide policies and/or practices of understaffing its jobsites while assigning heavy workloads, including pressuring employees to meet project deadlines and productivity requirements. CROWNCO's policies and/or practices resulted in a failure to provide Mr. Acosta and other aggrieved employees with adequate meal period coverage, and thus, Mr. Acosta and other aggrieved employees were not always afforded uninterrupted 30-minute meal periods during shifts when they were entitled to receive a meal period. CROWNCO also had a practice of failing to schedule meal periods which, in conjunction with the assignment of heavy workloads, further caused Mr. Acosta and other aggrieved employees to not be relieved of their duties for compliant meal periods. For example, CROWNCO's supervisors frequently

interrupted or cut short Mr. Acosta's and other aggrieved employees' meal periods to ask what they were doing, discuss work-related matters and assignments, and ask when they were returning to work. CROWNCO did not compensate Mr. Acosta and other aggrieved employees for the time they spent working off the clock during unpaid meal periods.

Fifth, on information and belief, because CROWNCO frowned upon employees accruing meal period penalties, CROWNCO's management pressured Mr. Acosta and other aggrieved employees to record compliant meal periods on their timesheets, even when they did not receive compliant meal periods. As a result, Mr. Acosta and other aggrieved employees were required to perform their assigned tasks off-the-clock (including during meal periods) because CROWNCO wanted to avoid paying penalties for missed, interrupted, or shortened meal periods. Thus, CROWNCO did not record all hours worked during meal periods and Mr. Acosta and other aggrieved employees performed work during meal periods for which they were not paid.

CROWNCO knew or should have known that, as a result of these company-wide practices and/or policies, Mr. Acosta and other aggrieved employees were performing their assigned duties off-the-clock before their shifts and during meal periods, and were suffered or permitted to perform work for which they were not paid. Because Mr. Acosta and other aggrieved employees regularly worked shifts of eight (8) hours a day or more, or forty (40) hours a week or more, much of this off-the-clock work qualified for overtime premium pay. Therefore, Mr. Acosta and other aggrieved employees were not paid overtime wages for all of the overtime hours they actually worked.

Moreover, CROWNCO did not pay other aggrieved employees the correct overtime rate for the recorded overtime hours that they generated. In addition to an hourly wage, CROWNCO paid other aggrieved employees incentive pay, nondiscretionary bonuses, and/or other forms of remuneration. However, in violation of the California Labor Code, CROWNCO failed to incorporate all compensation, including incentive pay, nondiscretionary bonuses, and/or other forms of remuneration, into the calculation of the regular rate of pay for purposes of calculating the overtime wage rate. Therefore, during times when other aggrieved employees worked overtime and received these other forms of pay, CROWNCO failed to pay all overtime wages by paying a lower overtime rate than required.

CROWNCO's failure to pay Mr. Acosta and other aggrieved employees the balance of overtime compensation, as required by California law, violates the provisions of California Labor Code sections 510 and 1198. Mr. Acosta and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 1182.12, 1194, 1197, 1197.1, and 1198 – Unpaid Minimum Wages

California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198 require employers to pay employees the minimum wage fixed by the IWC. The payment of a lesser wage than the minimum so fixed is unlawful. Compensable work time is defined in IWC Wage Order No. 16-2001 as "the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so." Cal. Code Regs. tit. 8, § 11160(2)(J) (defining "Hours Worked").

As stated, during the relevant time period, CROWNCO failed to provide Mr. Acosta and other aggrieved employees with an appropriate timekeeping mechanism, such as a time clock or electronic timekeeping system, to accurately track and record their hours worked. Instead, CROWNCO maintained a company-wide policy and/or practice of limiting overtime accrual and pressuring employees to record scheduled hours on their handwritten timesheets rather than hours actually worked, thereby shorting Mr. Acosta and other aggrieved employees for work performed outside their scheduled shifts. As set forth above, pursuant to this policy, Mr. Acosta and other aggrieved employees performed various work-related tasks while off-the-clock before their shifts, including completing walkthroughs of the properties. Alternatively, CROWNCO had a company-wide policy and/or practice of only paying Mr. Acosta and other aggrieved employees for their scheduled shifts, rather than their actual hours worked, because CROWNCO failed to track hours worked outside of their scheduled shifts. Furthermore, as stated, on information and belief, CROWNCO had a policy and/or practice of rounding other aggrieved employees' hourly clock-in and/or clock-out times in its timekeeping system to the start and/or end of their scheduled shift times, resulting in the failure to compensate them for all hours worked.

As also stated, due to CROWNCO's policies and/or practices of understaffing its jobsites while assigning heavy workloads and failing to schedule meal periods, Mr. Acosta and other aggrieved employees were impeded from taking all uninterrupted meal periods to which they were entitled and were required to work off-the-clock during meal periods, have their meal periods interrupted, and/or were otherwise not relieved of all duties during unpaid meal periods. Moreover, as stated, in order to prevent employees from accruing meal period penalties, upon information and belief, CROWNCO's management pressured employees to record on their timesheets that they took meal periods regardless of whether they had received compliant meal periods or not, in order to strictly limit penalties that would need to be paid by CROWNCO.

Thus, CROWNCO did not pay minimum wages for all hours worked by Mr. Acosta and other aggrieved employees. To the extent that these off-the-clock hours did not qualify for overtime premium payment, CROWNCO did not pay at least minimum wages for those hours worked off-the-clock in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198.

Accordingly, CROWNCO regularly failed to pay at least minimum wages to Mr. Acosta and other aggrieved employees for all of the hours they worked in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198. Mr. Acosta and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 1197.1 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 226.7, 512(a), 516, and 1198 – Failure to Provide Meal Periods

California Labor Code sections 226.7, 512(a), 516, and 1198, and the applicable IWC Wage Order require employers to provide meal periods and to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a meal or rest period is not provided. Pursuant to Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order, an employer may not require, cause or permit an employee to work for a period of more than five (5) hours per day without providing the employee with an uninterrupted meal period of not less than thirty (30) minutes, except that if the total work period per day of the employee is not more than six (6) hours, the meal period may be waived by mutual consent of both the employer and the employee. Under California law, first meal periods must start after no more than five hours. *Brinker Rest. Corp. v. Superior Court*, 53

Cal. 4th 1004, 1041-1042 (2012). Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order also require employers to provide a second meal period of not less than thirty (30) minutes if an employee works over ten (10) hours per day or to pay an employee one (1) additional hour of pay at the employee's regular rate, except that if the total hours worked is no more than twelve (12) hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived.

First, as stated, during the relevant time period, CROWNCO had, and continues to have, company-wide policies and/or practices of understaffing while assigning heavy workloads, including pressure to meet project deadlines and productivity requirements, which resulted in a lack of meal period coverage and prevented Mr. Acosta and other aggrieved employees from taking all timely, uninterrupted meal periods to which they were entitled. Further, as also stated, CROWNCO had a company-wide practice of failing to schedule meal periods, which further caused Mr. Acosta and other aggrieved employees to not be relieved of their duties for compliant meal periods.

As a result, Mr. Acosta and other aggrieved employees have had to work through all or part of their meal periods, had their meal periods interrupted, and/or had to wait extended periods of time before taking meal periods. For example, Mr. Acosta took his meal periods late on at least three (3) occasions throughout his employment, after having worked in excess of five (5) hours into his shift, in order to complete his assigned tasks. As a further example, CROWNCO's supervisors frequently interrupted or cut short Mr. Acosta's meal periods to ask him what he was doing, discuss work-related matters and assignments, and ask when he was returning to work.

Second, as stated above, on information and belief, because CROWNCO frowned upon employees accruing meal period penalties, CROWNCO's management pressured Mr. Acosta and other aggrieved employees to record compliant meal periods on their timesheets regardless of whether they had received a compliant meal period or not, in order to strictly limit the meal penalties that would need to be paid by CROWNCO. For example, CROWNCO's management told Mr. Acosta that compliant meal periods would be recorded on his behalf even during shifts when he had not, in fact, received these timely, uninterrupted meal periods.

Third, CROWNCO did not provide other aggrieved employees with second 30-minute meal periods on days that they worked in excess of ten (10) hours in one day. Mr. Acosta and other aggrieved employees did not sign valid meal period waivers on days that they were entitled to meal periods and were not relieved of all duties.

At all times herein mentioned, CROWNCO knew or should have known that, as a result of these policies, Mr. Acosta and other aggrieved employees were prevented from being relieved of all duties and were required to perform some of their assigned duties during meal periods. CROWNCO further knew or should have known that it did not pay Mr. Acosta and other aggrieved employees meal period premiums when meal periods were late, interrupted, shortened, and/or missed. Further, to the extent that CROWNCO's rounding policy reported that other aggrieved employees were provided with timely, full 30-minute meal periods when, in fact, the meal periods were taken after the fifth hour of work or were less than 30 minutes, other aggrieved employees did not receive meal period premiums for these improperly rounded meal periods.

Furthermore, CROWNCO engaged in a company-wide practice and/or policy of not paying all meal period premiums owed when compliant meal periods are not provided. Because of this practice and/or policy, Mr. Acosta and other aggrieved employees have not received premium pay for missed,

late, and interrupted meal periods. Alternatively, to the extent that CROWNCO did pay other aggrieved employees premium pay for missed, late, and interrupted meal periods, CROWNCO did not pay other aggrieved employees at the correct rate of pay for premiums because CROWNCO systematically failed to include all forms of compensation, such as incentive pay, nondiscretionary bonuses, and/or other forms of remuneration, in the regular rate of pay.

Accordingly, CROWNCO failed to provide all meal periods in violation of California Labor Code sections 226.7, 512(a), 516, and 1198. Mr. Acosta and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 226.7, 516, and 1198 – Failure to Authorize and Permit Rest Periods

California Labor Code sections 226.7, 516, and 1198, and the applicable IWC Wage Order require employers to provide rest periods and to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a meal or rest period is not provided. California Labor Code section 226.7 provides that no employer shall require an employee to work during any rest period mandated by an applicable order of the California IWC. The applicable IWC Wage Order provides that "[e]very employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period" and that the "rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof" unless the total daily work time is less than three and one-half (3 ½) hours.

To comply with its obligation to authorize and permit rest periods under California Labor Code section 226.7 and the applicable IWC Wage Order, an employer must "relinquish any control over how employees spend their break time, and relieve their employees of all duties—including the obligation that an employee remain on call. A rest period, in short, must be a period of rest." *Augustus, et al. v. ABM Security Services, Inc.*, 2 Cal. 5th 257, 273 (2016).

During the relevant time period, CROWNCO regularly failed to authorize and permit Mr. Acosta and other aggrieved employees to take a ten (10) minute rest period per each four (4) hour period worked or major fraction thereof. As with meal periods, CROWNCO's company-wide practices, including understaffing and assigning heavy workloads, including pressure to meet deadlines and productivity requirements, prevented Mr. Acosta and other aggrieved employees from being relieved of all duty to take rest periods. CROWNCO also failed to schedule rest periods, which further led to Mr. Acosta and other aggrieved employees not being authorized and permitted to take rest periods.

As a result of CROWNCO's practices and policies, Mr. Acosta and other aggrieved employees worked shifts in excess of 3.5 hours, in excess of 6 hours, and/or in excess of 10 hours without receiving all uninterrupted 10-minute rest periods to which they were entitled. For example, Mr. Acosta had to forego his rest periods entirely during his employment.

CROWNCO has also engaged in a company-wide practice and/or policy of not paying rest period premiums owed when compliant rest periods are not authorized and permitted. Because of this practice and/or policy, Mr. Acosta and other aggrieved employees have not received premium pay for all missed rest periods. Alternatively, to the extent that CROWNCO did pay other aggrieved employees one (1) additional hour of premium pay for missed rest periods, CROWNCO did not pay

other aggrieved employees at the correct rate of pay for premiums because CROWNCO failed to include all forms of compensation, such as incentive pay, nondiscretionary bonuses, and/or other forms of remuneration, in the regular rate of pay.

Accordingly, CROWNCO failed to authorize and permit all rest periods in violation of California Labor Code sections 226.7, 516, and 1198. Mr. Acosta and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 226.7, 516, and 1198 & California Code of Regulations Title 8, Section 3395 – Failure to Provide Heat Recovery Periods

California Labor Code sections 226.7, 516, 1198 and the applicable IWC Wage Order require employers to provide recovery periods and to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a meal or rest or recovery period is not provided. California Labor Code section 226.7(a) defines "recovery period" to mean a cooldown period afforded an employee to prevent heat illness. California Labor Code section 226.7 provides that no employer shall require an employee to work during any recovery period mandated by an applicable order of the California IWC, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health. The applicable General Industry Safety Order provides that "[w]hen the outdoor temperature in the work area exceeds 80 degrees Fahrenheit, the employer shall have and maintain one or more areas with shade at all times while employees are present that are either open to the air or provided with ventilation or cooling." Cal. Code Regs. tit. 8, § 3395(d)(1). Furthermore, "[t]he amount of shade present shall be at least enough to accommodate the number of employees on recovery or rest periods, so that they can sit in a normal posture fully in the shade without having to be in physical contact with each other." *Id.* "Employees shall be allowed and encouraged to take a preventative cool-down rest in the shade when they feel the need to do so to protect themselves from overheating. Such access to shade shall be permitted at all times." *Id.*

During the relevant time period, CROWNCO violated California Labor Code section 226.7 and California Code of Regulations, Title 8, section 3395(d), because CROWNCO failed to provide Mr. Acosta and other aggrieved employees with recovery periods. For example, Mr. Acosta was not provided shaded areas for recovery and was not permitted to take recovery periods in a shaded area while working at various jobsites even though approximately half of his work was performed outside under the sun and in high temperatures.

CROWNCO also has engaged in a company-wide practice and/or policy of not paying all recovery period premiums owed when compliant recovery periods are not provided. Because of this practice and/or policy, Mr. Acosta and other aggrieved employees have not received premium pay for missed recovery periods. Alternatively, to the extent that CROWNCO did pay other aggrieved employees for missed recovery periods, CROWNCO did not pay other aggrieved employees at the correct rate of pay, because CROWNCO systematically failed to include all compensation, such as incentive pay, nondiscretionary bonuses, and/or other forms of remuneration, in the regular rate of pay.

Accordingly, CROWNCO failed to authorize and permit all recovery periods in violation of California Labor Code sections 226.7, 516, and 1198, and California Code of Regulations, Title 8, section 3395. Mr. Acosta and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 226(a), 1174(d), and 1198 – Non-Compliant Wage Statements and Failure to Maintain Accurate Payroll Records

California Labor Code section 226(a) requires employers to make, keep, and provide true, accurate, and complete employment records. CROWNCO has not provided Mr. Acosta and other aggrieved employees with properly itemized wage statements. Labor Code section 226(e) provides that if an employer fails to comply with providing an employee with properly itemized wage statements as set forth in 226(a), then the employee is entitled to recover the greater of all actual damages or \$50 for the initial pay period in which a violation occurs and \$100 per employee for each violation in a subsequent pay period, not to exceed \$4,000. Further, Labor Code section 226.3 provides that any employer who violates section 226(a) shall be subject to a civil penalty in the amount of \$250 per employee per violation in an initial citation and \$1,000 per employee for each violation in a subsequent citation, for which the employer fails to provide the employee a wage statement or fails to keep the required records pursuant to Section 226(a).

During the relevant time period, CROWNCO has knowingly and intentionally provided Mr. Acosta and other aggrieved employees with uniform, incomplete, and inaccurate wage statements. For example, CROWNCO issued uniform wage statements to Mr. Acosta and other aggrieved employees that fail to correctly list: gross wages earned; total hours worked; net wages earned; and all applicable hourly rates in effect during the pay period, including rates of pay for overtime wages; meal, rest, and recovery period premiums; and/or paid sick leave, and the corresponding number of hours worked at each hourly rate. Specifically, CROWNCO violated sections 226(a)(1), 226(a)(2), 226(a)(5), and 226(a)(9).

Because CROWNCO did not record the time Mr. Acosta and other aggrieved employees spent working off-the-clock, improperly rounded other aggrieved employees' total hours worked, and deducted time from their records for meal periods that were interrupted and/or missed (and therefore time for which they should have been paid), CROWNCO did not list the correct amount of gross wages and net wages earned by Mr. Acosta and other aggrieved employees in compliance with section 226(a)(1) and section 226(a)(5), respectively. For the same reason, CROWNCO failed to accurately list the total number of hours worked by Mr. Acosta and other aggrieved employees, in violation of section 226(a)(2), and failed to list the applicable hourly rates of pay in effect during the pay period and the corresponding accurate number of hours worked at each hourly rate, in violation of section 226(a)(9).

Additionally, because CROWNCO did not calculate other aggrieved employees' regular rate of pay correctly for purposes of paying overtime wages; meal, rest, and recovery period premiums; and/or paid sick leave, CROWNCO did not list the correct amount of gross wages in compliance with section 226(a)(1). For the same reason, CROWNCO failed to list the correct amount of net wages in violation of section 226(a)(5). CROWNCO also failed to correctly list all applicable hourly rates in effect during the pay period, namely, correct rates of pay for overtime wages; meal, rest, and recovery period premiums; and/or paid sick leave, in violation of section 226(a)(9).

The wage statement deficiencies also include, among other things, failing to list the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis; failing to list all deductions; failing to list the inclusive dates of the period for which aggrieved employees were paid; failing to list the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number; failing to

list the name and address of the legal entity that is the employer; and/or failing to state all hours worked as a result of not recording or stating hours worked off-the-clock.

California Labor Code section 1174(d) provides that “[e]very person employing labor in this state shall . . . [k]eep a record showing the names and addresses of all employees employed and the ages of all minors” and “[k]eep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. . . .” At all relevant times, and in violation of Labor Code section 1174(d), CROWNCO willfully failed to maintain accurate payroll records for Mr. Acosta and other aggrieved employees showing the daily hours they worked and the wages paid thereto as a result of failing to record the off-the-clock hours that they worked and improperly rounding other aggrieved employees’ total hours worked.

California Labor Code section 1198 provides that the maximum hours of work and the standard conditions of labor shall be those fixed by the Labor Commissioner and as set forth in the applicable IWC Wage Order. Section 1198 further provides that “[t]he employment of any employees for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful.” Pursuant to the applicable IWC Wage Order, employers are required to keep accurate time records showing when the employee begins and ends each work period and meal period. During the relevant time period, CROWNCO engaged in company-wide practices and/or policies of failing to record actual hours worked and thereby failed, on a company-wide basis, to keep accurate records of work period and meal period start and end times for Mr. Acosta and other aggrieved employees, in violation of section 1198. Also, in light of CROWNCO’s failure to provide other aggrieved employees with second 30-minute meal periods to which they were entitled, CROWNCO kept no records of meal start and end times for second meal periods.

Because CROWNCO failed to provide the correct net and gross wages earned, applicable rates of pay, and number of total hours worked on wage statements, Mr. Acosta and other aggrieved employees have been prevented from verifying, solely from information on the wage statements themselves, that they were paid correctly and in full. Instead, Mr. Acosta and other aggrieved employees have had to look to sources outside of the wage statements themselves and reconstruct time records to determine whether in fact they were paid correctly and the extent of underpayment, thereby causing them injury.

Mr. Acosta and other aggrieved employees are entitled to recover civil penalties, attorney’s fees, costs, and interest thereon pursuant to Labor Code sections 226.3, 1174.5, and/or 2699(a), (f)-(g).

Violation of California Labor Code § 204 – Failure to Timely Pay Wages During Employment

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

deemed satisfied by the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more than seven (7) calendar days following the close of the payroll period.

During the relevant time period, CROWNCO willfully failed to pay Mr. Acosta and other aggrieved employees all wages due including, but not limited to, overtime wages; minimum wages; meal, rest, and recovery period premiums; and/or sick leave pay, within the time periods specified by California Labor Code section 204.

Mr. Acosta and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 210 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 201 and 202 – Failure to Timely Pay Final Wages Upon Termination

California Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

On information and belief, CROWNCO has a company-wide practice and/or policy of paying departing employees their final wages late, instead of adhering to the time requirements set forth in Labor Code sections 201 and 202. For example, CROWNCO terminated Mr. Acosta on or about September 28, 2022; however, CROWNCO did not provide Mr. Acosta with his final paycheck until about September 30, 2022, when it was mailed. Thus, CROWNCO failed to pay Mr. Acosta his final wages immediately, in violation of California Labor Code section 201.

Additionally, CROWNCO willfully failed to pay Mr. Acosta and other aggrieved employees who are no longer employed by CROWNCO the earned and unpaid wages set forth above, including but not limited to, overtime wages; minimum wages; meal, rest, and recovery period premiums; and/or sick leave pay, either at the time of discharge, or within seventy-two (72) hours of their leaving CROWNCO's employ.

Mr. Acosta and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 256 and/or 2699(a), (f)-(g).

Violation of California Labor Code § 206.5 – Release of Claims for Wages Due

California Labor Code section 206.5 prohibits employers from requiring employees to execute releases of a claim or right "on account of wages due, or to become due, or made as an advance on wages to be earned, unless payment of those wages has been made. A release required or executed in violation of the provisions of this section shall be null and void as between the employer and the employee."

During the relevant time period, CROWNCO required Mr. Acosta and other aggrieved employees to release their claims for meal and/or rest period violations, as well as their claims for uncompensated hours worked, as a condition of receiving their paychecks. For example, CROWNCO required Mr. Acosta and other aggrieved employees to sign verifications on their timesheets that their timesheets

were accurate and correct: “I certify that I worked the hours reported on this timesheet during the week shown I also am confirming that I have taken my required meal and rest breaks.”

CROWNCO compelled Mr. Acosta and other aggrieved employees to sign these false verifications when they, in fact, were not provided all meal or rest periods and/or had not been able to accurately record all of the hours they had worked. CROWNCO’s policy and practice of requiring Mr. Acosta and other aggrieved employees to release their claims for meal or rest period violations and/or their claims for uncompensated hours worked, as a condition to receiving their wages, is in violation of California Labor Code section 206.5.

Mr. Acosta and other aggrieved employees are entitled to civil penalties, attorney’s fees, costs, and interest thereon, pursuant to Labor Code sections 2699(a), (f)-(g).

Violation of California Labor Code §§ 246 and 248.6 – Failure to Properly Calculate Paid Sick Leave

At all relevant times herein, California Labor Code sections 245.5, 246, 246.5, 247, 247.5, 248.5, and 249 provide employees who have worked in California for 30 or more days from the commencement of employment with paid sick days, to be accrued at least one hour for every 30 hours worked. Employers must provide no less than 24 hours or three (3) days of paid sick leave (or equivalent paid leave or paid time off) in each year of the employee’s employment. Labor Code section 246(l) provides that an employer shall calculate paid sick leave by using one of two calculations: 1) “[p]aid sick time for nonexempt employees shall be calculated in the same manner as the regular rate of pay for the workweek in which the employee uses paid sick time, whether or not the employee actually works overtime in that workweek[;]” or 2) “[p]aid sick time for nonexempt employees shall be calculated by dividing the employee’s total wages, not including overtime premium pay, by the employee’s total hours worked in the full pay periods of the prior 90 days of employment.”

At all relevant times herein, California Labor Code section 248.6 provides covered employees with COVID-19 supplemental paid sick leave. California Labor Code section 248.6(b)(3)(A) provides that each hour of COVID-19 supplemental paid sick leave shall be compensated at a rate equal to the following: 1) “[c]alculated in the same manner as the regular rate of pay for the workweek in which the employee uses paid sick time, whether or not the employee actually works overtime in that workweek[;]” or 2) “[c]alculated by dividing the employee’s total wages, not including overtime premium pay, by the employee’s total nonovertime hours worked in the full pay periods occurring within the prior 90 days of employment; provided that, for nonexempt employees paid by piece rate, commission or other method that uses all hours to determine the regular rate of pay, total wages, not including overtime premium pay, shall be divided by all hours, to determine the correct amount of COVID-19 supplemental paid sick leave under this subdivision.”

During the relevant time period, on information and belief, CROWNCO did not pay other aggrieved employees the correct sick leave rates of pay. In addition to an hourly wage, CROWNCO paid other aggrieved employees incentive pay, nondiscretionary bonuses, and/or other forms of remuneration. However, in violation of the California Labor Code, CROWNCO failed to incorporate all remunerations, including incentive pay and/or nondiscretionary bonuses, into the calculation of the regular rate of pay for purposes of calculating the sick leave pay rate. Therefore, during times when other aggrieved employees took sick leave and received these other forms of pay, CROWNCO failed to pay all sick leave benefits by paying a lower sick leave pay rate than required. Specifically,

CROWNCO paid other aggrieved employees sick leave based on their hourly rate of pay instead of their regular rate of pay.

CROWNCO's failure to properly calculate the sick leave rates of pay based on all remuneration paid has resulted in an underpayment of sick leave benefits to other aggrieved employees on a company-wide basis in violation of Labor Code sections 246(l) and 248.6(b)(3)(A).

Other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 248.5 and/or 2699(a), (f)-(g).

Violation of California Labor Code § 2802 – Unreimbursed Business Expenses

California Labor Code section 2802 requires employers to pay for all necessary expenditures and losses incurred by the employee in the performance of his or her job. The purpose of Labor Code section 2802 is to prevent employers from passing off their cost of doing business and operating expenses on to their employees. *Cochran v. Schwan's Home Service, Inc.*, 228 Cal. App. 4th 1137, 1144 (2014). The applicable wage order, IWC Wage Order No. 16-2001, provides that: "[w]hen the employer requires the use of tools or equipment or they are necessary to the performance of a job, such tools and equipment shall be provided and maintained by the employer, except that an employee whose wages are at least two (2) times the minimum wage may provide and maintain hand tools and equipment customarily required by the trade or craft"

First, during the relevant time period, CROWNCO, on a company-wide basis, required Mr. Acosta and other aggrieved employees to use their personal mobile devices, including, but not limited to, cellular phones, and/or mobile data to carry out their job duties but failed to reimburse them for the costs of their work-related mobile device and/or mobile data expenses. For example, Mr. Acosta was required to use his personal cellular phone and mobile data to communicate with CROWNCO's management about work-related matters such as requesting supplies. As a further example, Mr. Acosta was required to use his personal cellular phone to take photos of various defects and send those photos to CROWNCO's management via text messages. Although CROWNCO required Mr. Acosta and other aggrieved employees to use their personal mobile devices and mobile data to carry out their work-related duties, CROWNCO failed to fully reimburse them for their costs incurred.

Second, during the relevant time period, CROWNCO required Mr. Acosta and other aggrieved employees to purchase tools, supplies, and safety equipment necessary for the performance of their duties, but failed to reimburse them for their out-of-pocket costs. For example, Mr. Acosta spent about \$35 on steel-toed boots and \$600 on various hand tools because CROWNCO failed to provide him with the necessary tools, supplies, and/or safety equipment which were required to perform his duties. Although CROWNCO required Mr. Acosta and other aggrieved employees to purchase and use their own tools, supplies, and/or safety equipment in the performance of their duties, it did not reimburse them for these expenses.

Third, during the relevant time period, CROWNCO, on a company-wide basis, required that other aggrieved employees use their own personal vehicles for work purposes, but failed to reimburse them for all costs of travel, including mileage. Although CROWNCO required other aggrieved employees to utilize their personal vehicles to carry out their work-related responsibilities, CROWNCO failed to reimburse them for their mileage or travel expenses.

CROWNCO could have provided Mr. Acosta and other aggrieved employees with the actual tools for use on the job, such as company mobile devices, company vehicles, and/or necessary tools, supplies and safety equipment. Or, CROWNCO could have reimbursed employees for their mobile device usage, travel expenses, mileage, and/or tools, supplies and safety equipment. At all relevant times, Mr. Acosta did not earn at least two (2) times the minimum wage.

Thus, CROWNCO had, and continues to have, a company-wide policy and/or practice of not reimbursing employees for expenses necessarily incurred in violation of California Labor Code section 2802. Mr. Acosta and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 2699(a), (f)-(g).

Violation of California Labor Code § 2810.5(a)(1)(A)-(C) – Failure to Provide Notice of Material Terms of Employment

California's Wage Theft Prevention Act was enacted to ensure that employers provide employees with basic information material to their employment relationship at the time of hiring, and to ensure that employees are given written and timely notice of any changes to basic information material to their employment. Codified at California Labor Code section 2810.5, the Wage Theft Prevention Act provides that at the time of hiring, an employer must provide written notice to employees of the rate(s) of pay and basis thereof, whether paid by the hour, shift, day, week, salary, piece, commission, or otherwise, including any rates for overtime, the regular payday designated by the employer, and any allowances claims as part of the minimum wage, including meal or lodging allowances. Effective January 1, 2015, an employer's written notice pursuant to section 2810.5 must also include a statement that the employee may accrue and use sick leave; has a right to request and use accrued paid sick leave; may not be terminated or retaliated against for using or requesting the use of accrued paid sick leave; and has the right to file a complaint against an employer who retaliates.

At all relevant times, on information and belief, CROWNCO failed, on a company-wide basis, to provide written notice to Mr. Acosta and other aggrieved employees that lists the requisite information set forth in Labor Code section 2810.5(a)(1)(A)-(C). CROWNCO's failure to provide Mr. Acosta and other aggrieved employees with written notice of basic information regarding their employment with CROWNCO is in violation of Labor Code section 2810.5.

Mr. Acosta and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 2699(a), (f)-(g).

California Labor Code § 558(a)

California Labor Code section 558(a) provides "[a]ny employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provision regulating hours and days of work in any order of the Industrial Welfare Commission shall be subject to a civil penalty as follows: (1) For any initial violation, fifty dollars (\$50) for each underpaid employee for each pay period for which the employee was underpaid . . . (2) For each subsequent violation, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee was underpaid . . ." Labor Code section 558(c) provides that "[t]he civil penalties provided for in this section are in addition to any other civil or criminal penalty provided by law." CROWNCO, at all relevant times, was an employer or person acting on behalf of an employer(s)

who violated Mr. Acosta's and other aggrieved employees' rights by violating various sections of the California Labor Code.

Accordingly, Mr. Acosta seeks the remedies set forth in Labor Code section 558 for himself, the State of California, and all other aggrieved employees. Specifically, pursuant to PAGA, and in particular California Labor Code sections 2699(a), 2699.3(a) and 2699.3(c), 2699.5, and 558, Mr. Acosta, acting in the public interest as a private attorney general, seeks assessment and collection of civil penalties for himself, all other aggrieved employees, and the State of California against CROWNCO for violations of California Labor Code sections 201, 202, 204, 206.5, 226(a), 226.7, 246, 248.6, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2802, and 2810.5.

Therefore, on behalf of all aggrieved employees, Mr. Acosta seeks all applicable civil penalties related to these violations of the California Labor Code pursuant to PAGA.

Thank you for your attention to this matter. If you have any questions, please contact me at the phone number or address below:

Anthony Castillo
Capstone Law APC
1875 Century Park East, Suite 1000
Los Angeles, CA 90067
(310) 556-4811

Best Regards,


Anthony Castillo

Copy: CROWNCO INC. (via U.S. Certified Mail)



7022 2410 0000 2405 9792

CROWNCO INC.
26697 PIERCE CIRCLE
MURRIETA, CA 92562

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MURRIETA, CA 92562

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A. Signature

X

B. Received by (Printed Name)

☐ Agent☐ Addresses

D. Is delivery address different from item 1? ☐ Yes
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No.

Service Type
Adult Signature

Adult Geriatric Psychiatry Delivery

Controlled Market

Certified Mail Restricted Delivery

Collect on Delivery

Collect on Delivery Restricted Delivery

100

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Priority Mail Express®

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Registered Mail Restricted
Delivery

☐ Significant Conflicts

☐ **Signature Confirmation**

Executive Director

J. Biol. Chem. 261:11111-11115, 1986

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Circle the letter A if you prefer box, will use as suggested
 Please put five more if needed

Crowns

	Potentially Harmful
☐ Patient financial protection	_____
☐ Confidentiality and Protected Health Information	_____

100

CROWNCO INC.

26697 PIERCE CIRCLE

MURRIETA, CA 92562

三、(一) 1. 1980年

Capstone Law, APC
1875 Century Park, East, 1000
Los Angeles, CA. 90067

CERTIFIED MAIL



7022 2410 0000 2405 9785

CROWNCO INC.
36625 KEVIN RD STE 149
WILDOMAR, CA 92595

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- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece.

COMPLETE THIS SECTION ON DELIVERY

- A. Signature ☐ Agent ☒ Addressee
- B. Received by (Printed Name) ☐ Date of Delivery

D. Is delivery address different from item 1? ☐ Yes ☒ No
If YES, enter delivery address below:

CROWNCO INC.
36625 KEVIN RD STE 149
WILDOMAR, CA 92595



2. Addressee label (PSN 7022-2410-0000-2405-9785)

7022 2410 0000 2405 9785

- Service Type
- Adult Signature ☐ Priority Mail Express®
- About Signature Restricted Delivery ☐ Registered Mail™
- ☒ Certified Mail® ☐ Registered Mail Restricted Delivery
- ☐ Certified Mail Restricted Delivery ☐ Signature Confirmation™
- ☐ Collect on Delivery ☐ Signature Confirmation Restricted Delivery
- ☐ Collect on Delivery Restricted Delivery

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CROWNCO INC.
36625 KEVIN RD STE 149
WILDOMAR, CA 92595

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
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CROWNCO INC.
36625 KEVIN RD STE 149
WILDOMAR, CA 92595



2. Addressee's name and service code

7022 2410 0000 2405 9785

COMPLETE THIS SECTION ON DELIVERY

A. Signature

x *[Signature]*

- ☐ Agent
☐ Addressee

B. Received by (Printed Name)

Whitney Soering

C. Date of Delivery

9/11

D. Is delivery address different from item 1? ☐ Yes
 If YES, enter delivery address below: ☐ No

Service Type

Adult Signature

Adult Signature Restricted Delivery

☐ Certified Mail®

☒ Certified Mail Restricted Delivery

☐ Collect on Delivery

☐ Collect on Delivery Restricted Delivery

☐ Insured Mail

☐ Priority Mail Express®

☐ Registered Mail™

☐ Registered Mail Restricted Delivery

☐ Signature Confirmation™

☐ Signature Confirmation Restricted Delivery

Restricted Delivery



1875 Century Park East, Suite 1000
Los Angeles, California 90067
310.556.4811 Main | 310.943.0396 Fax

ANTHONY CASTILLO
310.712.8169 Direct
Anthony.Castillo@capstonelawyers.com

September 8, 2023

VIA ONLINE SUBMISSION

Division of Occupational Safety and Health
ATTN: PAGA Administrator
(<https://dir.tfaforms.net/310>)

Subject: *Esteban Acosta v. Crownco Inc.*
LWDA Case No. LWDA-CM-980277-23 – AMENDED NOTICE

Dear PAGA Administrator:

This office represents Esteban Acosta in connection with his claims under the California Labor Code. Mr. Acosta was an employee of CROWNCO INC. (“CROWNCO”). We previously provided notice of Mr. Acosta’s claims to the California Labor and Workforce Development Agency (“LWDA”) on September 7, 2023, and submitted the applicable filing fee pursuant to Labor Code section 2699.3(a)(1)(B). This amended notice supplements Mr. Acosta’s prior LWDA notice and adds an additional claim.

The employer may be contacted directly at the addresses below:

CROWNCO INC.
26697 PIERCE CIRCLE
MURRIETA, CA 92562

CROWNCO INC.
36625 KEVIN RD STE 149
WILDOMAR, CA 92595

Mr. Acosta intends to seek civil penalties, attorney’s fees, costs, and other available relief for violations of the California Labor Code, which are recoverable under sections 2698, *et seq.*, the Labor Code Private Attorneys General Act of 2004 (“PAGA”). Mr. Acosta seeks relief on behalf of himself, the State of California, and other persons who are or were employed by CROWNCO as a non-exempt, hourly paid employee in California and who received at least one wage statement (“aggrieved employees”). This letter is sent in compliance with the notice and reporting requirements of California Labor Code section 2699.3.

CROWNCO employed Mr. Acosta as an hourly paid, non-exempt Prep & Detail employee from approximately July 2022 to September 2022. During his employment, Mr. Acosta typically worked eight (8) hours or more per day and five (5) days per week. At the time his employment ended, Mr. Acosta was compensated approximately \$23.00 per hour. His primary job duties included, without limitation, inspecting homes for defects, performing maintenance, and repairing defects.

CROWNCO committed one or more of the following Labor Code violations against Mr. Acosta, the facts and theories of which follow, making him an “aggrieved employee” pursuant to California Labor Code section 2699(c):¹

Violation of California Labor Code §§ 6401 and 6403 – Failure to Provide Safety Devices and Safeguards

California Labor Code section 6401 provides that employers must furnish and use safety devices and safeguards, and adopt and use practices, means, methods, operations, and processes which are reasonably adequate to render the employment and place of employment safe and healthy. California Labor Code Section 6401 further provides that an employer must do everything reasonably necessary to protect the life, safety and health of its employees. California Labor Code section 6403(a) requires that employers provide and use safety devices and safeguards reasonably adequate to render the employment and place of employment safe.

During the relevant period, CROWNCO failed to provide Mr. Acosta and other aggrieved employees with personal protective equipment, such as steel-toed boots, to keep them safe in the workplace. Despite the fact that CROWNCO required Mr. Acosta and other aggrieved employees to wear certain personal protective equipment, including steel-toed boots, while engaged in their work-related duties, CROWNCO failed to provide such reasonably necessary equipment to Mr. Acosta and other aggrieved employees to keep them safe.

CROWNCO’s failure to provide Mr. Acosta and other aggrieved employees with safety devices and safeguards for the workplace violates Labor Code sections 6401 and 6403. Mr. Acosta and other aggrieved employees are entitled to recover civil penalties, attorney’s fees, costs, and interest thereon, pursuant to Labor Code sections 2699(a), (f)-(g).

Accordingly, pursuant to PAGA, and in particular California Labor Code sections 2699(a), 2699.3(a)-(c), and 2699.5, Mr. Acosta, acting in the public interest as a private attorney general, seeks assessment and collection of civil penalties for himself, all other aggrieved employees, and the State of California against CROWNCO for violations of California Labor Code sections 6401 and 6403.

Therefore, on behalf of all aggrieved employees, Mr. Acosta seeks all applicable civil penalties related to these violations of the California Labor Code pursuant to PAGA.

¹ These facts, theories, and claims are based on Mr. Acosta’s experience and counsel’s review of those records currently available relating to Mr. Acosta’s employment. Discovery conducted in litigation of wage and hour claims such as these often reveals additional claims that the aggrieved employee was not initially aware of (because the aggrieved employee was not aware of the law’s requirements, the employer misinformed its employee of the law’s requirements, or because the employer effectively hid the violations). Thus, Mr. Acosta reserves the right to supplement this letter with additional facts, theories, and claims if he becomes aware of them subsequent to the submission of this letter.

Thank you for your attention to this matter. If you have any questions, please contact me at the phone number or address below:

Anthony Castillo
Capstone Law APC
1875 Century Park East, Suite 1000
Los Angeles, CA 90067
(310) 556-4811

Best Regards,



Anthony Castillo

Copy: CROWNCO INC. (via U.S. Certified Mail)

Capstone Law, APC
1875 Century Park, East, 1000
Los Angeles, CA. 90067

7022 2410 0000 2405 9808



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CROWNCO INC.
26697 PIERCE CIRCLE
MURRIETA, CA 92562

SENDER: COMPLETE THIS SECTION

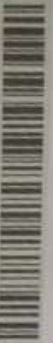
- Complete items 1, 2, and 3.
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A. Signature	☐ Agent ☐ Addressee
B. Received by (Printed Name)	C. Date of Delivery

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26697 PIERCE CIRCLE
MURRIETA, CA 92562



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7022 2410 0000 2405 9808

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Signature Required Delivery	☐ Registered Mail™
☒ Certified Mail®	☐ Registered Mail Restricted Delivery
☐ Collect on Delivery	☐ Signature Confirmation™
☐ Collect on Delivery Restricted Delivery	☐ Signature Restricted Delivery

Restricted Delivery

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Signature of Addressee	Signature of Agent
Signature of Registered Mail Addressee	Signature of Registered Mail Agent
Signature of Registered Mail Restricted Delivery Addressee	Signature of Registered Mail Restricted Delivery Agent

CROWNCO INC.
26697 PIERCE CIRCLE
MURRIETA, CA 92562

Capstone Law, APC
1875 Century Park, East, 1000
Los Angeles, CA 90067



7022 2410 0000 2405 9815

CROWNCO INC.
36625 KEVIN RD STE 149
WILDOMAR, CA 92595

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A. Signature

☒ X

☐ Agent
☐ Addressee

B. Received by (Printed Name)

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CROWNCO INC.
36625 KEVIN RD STE 149
WILDOMAR, CA 92595



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CROWNCO INC.
36625 KEVIN RD STE 149
WILDOMAR, CA 92595



7022 2410 0000 2405 9815

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A. Signature

X

- ☐ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? If YES, enter delivery address below:

- ☐ Yes
☐ No

Service Type

- ☐ Adult Signature
☐ Adult Signature Restricted Delivery

☒ Certified Mail®

- ☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery

☐ Insured Mail
☐ Mail Restricted Delivery (500)

- ☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

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1 **PROOF OF SERVICE**

2 I am employed in the State of California, County of Los Angeles. I am over the age of 18
3 and not a party to the within suit; my business address is 1875 Century Park East, Suite 1000 Los
4 Angeles, California 90067.

5 On **November 13, 2023**, I served the document described as **FIRST AMENDED**
6 **CLASS ACTION COMPLAINT & ENFORCEMENT ACTION UNDER THE PRIVATE**
7 **ATTORNEYS GENERAL ACT, CALIFORNIA LABOR CODE §§ 2698, ET SEQ.** on
8 the interested parties in this action by sending [] the original [or] [✓] a true copy thereof [✓]
9 to interested parties as follows [or] [] as stated on the attached service list:

7 Charles E. Morrison
36625 Kevin Rd. Suite 149
8 Wildomar, CA 92595

Agents for Defendants
CROWNCO INC.

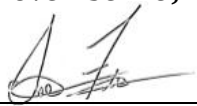
9 [✓] **BY MAIL (ENCLOSED IN A SEALED ENVELOPE):** I deposited the envelope(s)
10 for mailing in the ordinary course of business at Los Angeles, California. I am “readily
11 familiar” with this firm’s practice of collection and processing correspondence for
12 mailing. Under that practice, sealed envelopes are deposited with the U.S. Postal
Service that same day in the ordinary course of business with postage thereon fully
prepaid at Los Angeles, California.

13 [] **BY E-MAIL:** I hereby certify that this document was served from Los Angeles,
14 California, by e-mail delivery on the parties listed herein at their most recent known e-
mail address or e-mail of record in this action.

15 [] **BY ELECTRONIC SERVICE:** I caused the document(s) to be transmitted
16 electronically via Case Anywhere eService to the individuals listed above, as they exist
on that database. This will constitute service of the document(s).

17 I declare under penalty of perjury under the laws of the State of California that
18 the foregoing is true and correct. Executed on **November 13, 2023**, at Los Angeles, California.

19 Sophia Flores
20 Type/Print Name


20 Signature