Shaun Setareh (SBN 204514)
shaun@setarehlaw.com
SETAREH LAW GROUP
420 N. Camden Drive, Suite 100
Beverly Hills, California 90210
Telephone (310) 888-7771
Facsimile (310) 888-0109

Attorneys for Plaintiff ERIKA FONSECA

Electronically Filed by Superior Court of CA, County of Santa Clara, on 8/11/2026 4:53 PM Reviewed By: M. Suarez Env. #24770685 - Case #26CV500732

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SANTA CLARA

UNLIMITED JURISDICTION

ERIKA FONSECA, on behalf of herself and all other current and former non-exempt employees, and the general public,

Plaintiff,

v.

SPECIALIZED BICYCLE COMPONENTS, INC., a Delaware Stock Corporation; SPECIALIZED BICYCLE COMPONENTS HOLDING COMPANY, INC., a Delaware Stock Corporation; JOAQUIN CONTRERAS, an individual; MICHAEL BURSKY, an individual; REBECCA CARPENTER, an individual; and DOES 1 through 50, inclusive,

Defendants.

Case No. 26CV500732

CLASS AND REPRESENTATIVE ACTION

COMPLAINT

1. Failure to Provide Meal Periods (Lab. Code §§ 204, 223, 226.7, 512 and 1198);
2. Failure to Provide Rest Periods (Lab. Code §§ 204, 223, 226.7 and 1198);
3. Failure to Pay Hourly Wages (Lab. Code §§ 223, 510, 1194, 1194.2, 1197, 1997.1 and 1198);
4. Failure to Indemnify (Lab. Code § 2802);
5. Failure to Provide Accurate Written Wage Statements (Lab. Code §§ 226(a));
6. Failure to Timely Pay All Final Wages (Lab. Code §§ 201, 202 and 203);
7. Sexual Harassment in Violation of Gov. Code § 12940 et seq.;
8. Retaliation in Violation of Gov. Code § 12940(h);
9. Failure to Prevent Discrimination and Harassment in Violation of Gov. Code § 12940(k);
10. Wrongful Termination in Violation of Public Policy;
11. Intentional Infliction of Emotional Distress
12. Unfair Competition (Bus. & Prof. Code §§ 17200 *et seq.*);
13. Civil Penalties (Lab. Code § 2698, *et seq.*)

JURY TRIAL DEMANDED

Plaintiff ERIKA FONSECA ("Plaintiff"), on behalf of herself and all other current and former non-exempt employees, and the general public, complains and alleges as follows:

INTRODUCTION

1. Plaintiff brings this class and representative action against defendants SPECIALIZED BICYCLE COMPONENTS, INC., a Delaware Stock Corporation; SPECIALIZED BICYCLE COMPONENTS HOLDING COMPANY, INC., a Delaware Stock Corporation; JOAQUIN CONTRERAS, an individual; MICHAEL BURSKY, an individual; REBECCA CARPENTER, an individual; and DOES 1 through 50, inclusive, (collectively referred to as "Defendants") for alleged violations of the Labor Code. As set forth below, Plaintiff alleges that Defendants have

(1) sexually harassed Plaintiff;

(2) retaliated against Plaintiff for reporting harassment and/or discrimination;

(3) failed to prevent discrimination and/or harassment;

(4) wrongfully terminated Plaintiff in violation of public policy;

(5) failed to provide Plaintiff and all other similarly situated individuals with meal periods;

(6) failed to provide them with rest periods;

(7) failed to pay them premium wages for missed meal and/or rest periods;

(8) failed to pay them premium wages for missed meal and/or rest periods at the regular rate of pay;

(9) failed to pay them at least minimum wage for all hours worked;

(10) failed to pay them overtime wages at the correct rate;

(11) failed to pay them double time wages at the correct rate;

(12) failed to reimburse them for all necessary business expenses;

(13) failed to provide them with accurate written wage statements; and

(14) failed to pay them all of their final wages following separation of employment.

Based on these alleged violations, Plaintiff now brings this class action to recover unpaid wages, restitution, civil and statutory penalties, and related relief on behalf of herself and all others

similarly situated, all other current and former non-exempt employees, and the State of California.

JURISDICTION AND VENUE

2. This Court has subject matter jurisdiction to hear this case because the unpaid wages, actual damages, liquidated damages, restitution, and penalties sought by Plaintiff from Defendants exceeds the minimal jurisdictional limits of the Superior Court of the State of California.

3. Venue is proper in SANTA CLARA COUNTY pursuant to Code of Civil Procedure §§ 395(a) and 395.5 in that liability arose there, because at least some of the transactions that are the subject matter of this Complaint occurred therein and/or each defendant is found, maintains offices, transacts business, and/or has an agent therein.

EXHAUSTION OF ADMINISTRATIVE REMEDIES

4. Prior to the initiation of this lawsuit, Plaintiff filed a complaint against each named defendant with the California Civil Rights Department (DFEH) pursuant to California Government Code section 12900, *et seq.*, alleging the claims described in this complaint. On August 3, 2026, the DFEH issued a "right to sue" letter. A true and correct copy of the administrative complaint and the "right to sue" letter is attached as Exhibit A. All conditions precedent to the institution of this lawsuit have been fulfilled. This action is filed within one year of the date that the DFEH issued its right to sue letter.

PARTIES

5. Plaintiff is and was, and at all relevant times mentioned herein, an individual residing in the State of California.

6. Plaintiff is informed and believes, and thereupon alleges, that Defendant SPECIALIZED BICYCLE COMPONENTS, INC. is, and at all relevant times mentioned herein, a Delaware Stock Corporation doing business in the State of California.

7. Plaintiff is informed and believes, and thereupon alleges, that Defendant SPECIALIZED BICYCLE COMPONENTS HOLDING COMPANY, INC. is, and at all relevant times mentioned herein, a Delaware Stock Corporation doing business in the State of California.

8. Plaintiff is informed and believes, and thereupon alleges that Defendant JOAQUIN CONTRERAS ("CONTRERAS") is and at all relevant times mentioned herein remains, an individual residing in the State of California.

9. Plaintiff is informed and believes, and thereupon alleges that Defendant MICHAEL BURSKY ("BURSKY") is and at all relevant times mentioned herein remains, an individual residing in the State of California.

10. Plaintiff is informed and believes, and thereupon alleges that Defendant REBECCA CARPENTER ("CARPENTER") is and at all relevant times mentioned herein remains, an individual residing in the State of California.

11. Plaintiff is ignorant of the true names and capacities of the defendants sued herein as DOES 1 through 50, inclusive, and therefore sues these defendants by such fictitious names. Plaintiff will amend this Complaint to allege the true names and capacities of the DOE defendants when ascertained. Plaintiff is informed and believes, and thereupon alleges, that each of the fictitiously named defendants are responsible in some manner for the occurrences, acts and omissions alleged herein and that Plaintiff's alleged damages were proximately caused by these defendants, and each of them. Plaintiff will amend this complaint to allege both the true names and capacities of the DOE defendants when ascertained.

12. Plaintiff is informed and believes, and thereupon alleges that, at all relevant times mentioned herein, some or all of the defendants were the representatives, agents, employees, partners, directors, associates, joint venturers, joint employers, principals, or co-participants of some or all of the other defendants, and, in doing the things alleged herein, were acting within the course and scope of such relationship and with the full knowledge, consent, and ratification by such other defendants.

FACTUAL BACKGROUND

13. Plaintiff worked for Defendant SPECIALIZED BICYCLE COMPONENTS from approximately October 3, 2022, through February 23, 2026. Within Plaintiff's first week of employment, Defendant CONTRERAS, a Facilities Supervisor with approximately thirteen years of tenure with Defendant Employer, began directing unwanted sexual attention and advances toward

Plaintiff.

14. Throughout Plaintiff's employment, Defendant CONTRERAS subjected Plaintiff to persistent, unwelcome sexual harassment, including but not limited to: making sexually explicit comments regarding Plaintiff's clothing, including stating that he wanted to "bend her over" when she wore certain skirts; grabbing and rubbing Plaintiff without her consent as she walked to her car; pressing his belt buckle toward Plaintiff's face after she complimented it; asking Plaintiff whether she would ever "step out of" her marriage; and regularly lingering near Plaintiff, showing her personal photographs, and asking her invasive personal questions.

15. Defendant CONTRERAS engaged in a similar, longstanding pattern of sexual harassment toward other female employees of the Defendant SPECIALIZED BICYCLE COMPONENTS, including at least one incident in which CONTRERAS forcibly kissed a female employee without her consent in the presence of other employees. CONTRERAS's conduct toward female employees was widely known among Defendant SPECIALIZED BICYCLE COMPONENTS's staff.

16. As a direct result of Defendant CONTRERAS's ongoing harassment, Plaintiff and her coworkers developed informal measures to protect Plaintiff, including coworkers Jesse Velazquez and David Gonzales regularly positioning themselves near Plaintiff or accompanying her to deter CONTRERAS's advances.

17. On one occasion, coworker Cesar Diaz personally witnessed Defendant CONTRERAS make an inappropriate comment to Plaintiff regarding her clothing and confronted CONTRERAS directly. Mr. Diaz subsequently reported Defendant CONTRERAS's conduct to Defendant SPECIALIZED BICYCLE COMPONENTS's Human Resources department. CONTRERAS was terminated approximately one to two months thereafter.

18. Mr. Diaz informed Plaintiff that Defendant CARPENTER and Defendant BURSKY were both aware of Defendant CONTRERAS's sexually harassing conduct throughout his employment, but did not meaningfully intervene, at most providing CONTRERAS with informal verbal reminders, because Defendant SPECIALIZED BICYCLE COMPONENTS wished to retain CONTRERAS for as long as possible given his role overseeing facilities operations.

19. Plaintiff made both verbal and written complaints regarding Defendant CONTRERAS's harassment to Defendant BURSKY and/or Human Resources representative Elizabeth Huerta. In response, Defendant BURSKY would become visibly frustrated, respond dismissively, and state that he would speak with Defendant CARPENTER or with CONTRERAS directly, without any indication that meaningful corrective action was taken.

20. Plaintiff did not report Defendant CONTRERAS's conduct directly to Defendant CARPENTER, because Plaintiff was informed by other members of her team that doing so would be ineffective given CARPENTER's friendly relationship with CONTRERAS and her reliance on him for facilities-related projects, and because Plaintiff reasonably believed, based on information from her coworkers, that CARPENTER was already aware of prior reports concerning Contreras.

21. Defendant CONTRERAS was permitted to continue his employment notwithstanding repeated reports of his conduct, receiving repeated "second chances" facilitated by Defendant CARPENTER, until his eventual termination following Mr. Diaz's report.

22. In or about March 2025, Plaintiff reported to Defendant SPECIALIZED BICYCLE COMPONENTS, using its internal reporting system, that Defendant BURSKY was exhibiting aggressive behavior, appeared to be under the influence, and was creating a hostile work environment.

23. Following Plaintiff's report, Plaintiff met with Defendant CARPENTER and Human Resources representative Elizabeth Huerta. During this meeting, CARPENTER made several statements and characterizations regarding Defendant CONTRERAS. Plaintiff had to remind CARPENTER of her history and abuse she suffered from CONTRERAS, and CARPENTER ultimately apologized to Plaintiff for repeatedly invoking CONTRERAS during the discussion.

24. In or about January 2026, Plaintiff was informed by a coworker that male employees were making sexually explicit and demeaning comments in the workplace, including a statement made by one employee, captured on video and shared with Plaintiff, in which the employee stated he wanted to "slap the shit" out of a female coworker. Plaintiff reported this incident to Defendant SPECIALIZED BICYCLE COMPONENTS's Human Resources department via email.

25. Shortly thereafter and approximately one week prior to Plaintiff's termination,

Plaintiff's manager assured Plaintiff that her and her team were safe from any restructuring.

26. On or about February 23, 2026, while Plaintiff was working a half a day she had requested in advance for a pre-planned personal trip, Defendant BURSKY verbally informed Plaintiff that her position was being eliminated as part of a restructuring, and that her employment was terminated. A Human Resources representative, Aaron Garcia, was also present for this termination.

27. Plaintiff subsequently received a written separation document from Defendant that did not state any reason for her termination.

28. Upon information and belief, the duties of Plaintiff's position were not eliminated. Upon information and belief, Defendant SPECIALIZED BICYCLE COMPONENTS subsequently posted a job opening for Plaintiff's position. Plaintiff is further informed and believes that another female employee, terminated in or about January 2026, had her position similarly reposted by SPECIALIZED BICYCLE COMPONENTS shortly after her termination.

29. Plaintiff received her final wages approximately four days after her date of termination.

30. Defendant SPECIALIZED BICYCLE COMPONENTS's stated basis for Plaintiff's termination was pretextual. Plaintiff had been assured her position was secure from restructuring only one week prior to her termination, her position and duties were not removed, and, upon information and belief, her position was subsequently reposted. Plaintiff's termination followed her reports of sexual harassment and of Defendant BURSKY's hostile conduct, the latter carried out by BURSKY himself.

CLASS ALLEGATIONS

31. This action has been brought and may be maintained as a class action pursuant to Code of Civil Procedure § 382 because there is a well-defined community of interest among the persons who comprise the readily ascertainable classes defined below and because Plaintiff is unaware of any difficulties likely to be encountered in managing this case as a class action.

32. **Relevant Time Period**: The relevant time period is defined as the time period beginning four years prior to the filing of this action until judgment is entered.

Hourly Employee Class: All persons employed by Defendants whether directly or indirectly through any staffing agencies and/or any other third parties in hourly or non-exempt positions in California during the **Relevant Time Period**.

Meal Period Sub-Class: All **Hourly Employee Class** members who worked in a shift in excess of five hours during the **Relevant Time Period**.

Rest Period Sub-Class: All **Hourly Employee Class** members who worked a shift of at least three and one-half (3.5) hours during the **Relevant Time Period**.

Wage Statement Penalties Sub-Class: All **Hourly Employee Class** members employed by Defendants in California during the period beginning one year before the filing of this action and ending when final judgment is entered.

Waiting Time Penalties Sub-Class: All **Hourly Employee Class** members who separated from their employment with Defendants during the period beginning three years before the filing of this action and ending when final judgment is entered.

UCL Class: All **Hourly Employee Class** members employed by Defendants in California during the **Relevant Time Period**.

Expense Reimbursement Class: All persons employed by Defendants in California who incurred business expenses during the **Relevant Time Period**.

33. **Reservation of Rights**: Pursuant to Rule of Court 3.765(b), Plaintiff reserves the right to amend or modify the class definitions with greater specificity by further division into sub-classes and/or by limitation to particular issues.

34. **Numerosity**: The class members are so numerous that the individual joinder of each individual class member is impractical. While Plaintiff does not currently know the exact number of class members, Plaintiff is informed and believes, and thereupon alleges, that the actual number exceeds the minimum required for numerosity under California law.

35. **Commonality and Predominance:** Common questions of law and fact exist as to all class members and predominate over any questions that affect only individual class members. These common questions include, but are not limited to:

i. Whether Defendants maintained a policy or practice of failing to provide employees with their meal periods;

ii. Whether Defendants maintained a policy or practice of failing to provide employees with their rest periods;

iii. Whether Defendants failed to pay premium wages to class members when they have not been provided with required meal and/or rest periods;

iv. Whether Defendants failed to pay minimum and/or overtime wages to class members as a result of policies that fail to provide meal periods in accordance with California law;

v. Whether Defendants failed to pay minimum and/or overtime wages to class members for all time worked;

vi. Whether Defendants failed to reimburse class members for all necessary business expenses incurred during the discharge of their duties;

vii. Whether Defendants failed to provide class members with accurate written wage statements as a result of providing them with written wage statements with inaccurate entries for, among other things, amounts of gross and net wages, and total hours worked;

viii. Whether Defendants applied policies or practices that result in late and/or incomplete final wage payments;

ix. Whether Defendants are liable to class members for waiting time penalties under Labor Code section 203;

x. Whether class members are entitled to restitution of money or property that Defendants may have acquired from them through unfair competition;

36. **Typicality:** Plaintiff's claims are typical of the other class members' claims. Plaintiff is informed and believes, and thereupon alleges, that Defendants have a policy or practice of failing to comply with the Labor Code and Business and Professions Code as alleged in this Complaint.

37. **Adequacy of Class Representative:** Plaintiff is an adequate class representative in that she has no interests that are adverse to or otherwise conflict with the interests of absent class members and is dedicated to vigorously prosecuting this action on their behalf. Plaintiff will fairly and adequately represent and protect the interests of the other class members.

38. **Adequacy of Class Counsel:** Plaintiff's counsel are adequate class counsel in that they have no known conflicts of interest with Plaintiff or absent class members, are experienced in

wage and hour class action litigation, and are dedicated to vigorously prosecuting this action on behalf of Plaintiff and absent class members.

39. **Superiority:** A class action is vastly superior to other available means for fair and efficient adjudication of the class members' claims and would be beneficial to the parties and the Court. Class action treatment will allow a number of similarly situated persons to prosecute their common claims simultaneously and efficiently in a single forum without the unnecessary duplication of effort and expense that numerous individual actions would entail. In addition, the monetary amounts due to many individual class members are likely to be relatively small and would thus make it difficult, if not impossible, for individual class members to both seek and obtain relief. Moreover, a class action will serve an important public interest by permitting class members to effectively pursue the recovery of monies owed to them. Further, a class action will prevent the potential for inconsistent or contradictory judgments inherent in individual litigation.

GENERAL ALLEGATIONS COMMON TO ALL CAUSES OF ACTION

40. Plaintiff worked for Defendants as an hourly, non-exempt employee from approximately October 3, 2022, through February 23, 2026.

Shortened Meal Periods

41. During the applicable limitations period, Defendants regularly failed to provide Plaintiff and the putative class with compliant, uninterrupted meal periods. Specifically, Plaintiff, who worked as a receptionist, was required to remain responsible for the front desk and the reception area during her scheduled meal periods. The reason being that she was expected to greet visitors, check in guests, answer inquiries, and assist incoming clients, including important clients arriving for meetings with the Chief Executive Officer.

42. Plaintiff alleges that, at relevant times during the applicable limitations period, due to Defendants' above-mentioned policy or practice, Plaintiff and the putative class did not receive their full thirty (30) minute uninterrupted meal periods that they were entitled to under California law.

Off-the-Clock Work

43. Plaintiff and the putative class were not paid all wages earned as Defendants

directed, permitted, or otherwise encouraged Plaintiff and the putative class to perform off-the-clock work.

44. Plaintiff and the putative class would often be required to assist if there were any special events or event weeks that required them to assist after they clocked out. As a result, Plaintiff and the putative class would have to perform duties off the clock such as assisting and responding to requests that needed to be done immediately. Usually, this would account for approximately five minutes a week for the Plaintiff and the putative class.

45. As a result of performing off-the-clock work that was directed, permitted, or otherwise encouraged by Defendants, Plaintiff and the putative class should have been paid for this time. Instead, Defendants only paid Plaintiff and the putative class based on the time they were clocked in for their shifts and did not pay Plaintiff and the putative class for any of the time spent working off-the-clock.

46. Defendants knew or should have known that Plaintiff and the putative class were performing work before and after their scheduled work shifts and failed to pay Plaintiff and the putative class for these hours.

47. Defendants were aware of this practice and directed, permitted, or otherwise encouraged Plaintiff and the putative class to perform off-the-clock work.

48. As a result of Defendants' policies and practices, Plaintiff and the putative class were not paid for all hours worked.

Missed Meal Periods

49. Plaintiff and the putative class were not provided with meal periods of at least thirty (30) minutes for each five (5) hour work period due to (1) Defendants' policy of not scheduling each meal period as part of each work shift; (2) chronically understaffing each work shift with not enough workers; (3) imposing so much work on each employee such that it made it unlikely that an employee would be able to take their breaks if they wanted to finish their work on time; and (4) no formal written meal and rest period policy that encouraged employees to take their meal and rest periods.

50. As a result of Defendants' policy, Plaintiff and the putative class were regularly not

provided with uninterrupted meal periods of at least thirty (30) minutes for each five (5) hours worked due to complying with Defendants' productivity requirements that required Plaintiff and the putative class to work through their meal periods in order to complete their assignments on time.

Missed Rest Periods

51. Plaintiff and the putative class were not provided with rest periods of at least ten (10) minutes for each four (4) hour work period, or major fraction thereof, due to (1) Defendants' policy of not scheduling each rest period as part of each work shift; (2) chronically understaffing each work shift with not enough workers; (3) imposing so much work on each employee such that it made it unlikely that an employee would be able to take their breaks if they wanted to finish their work on time; and (4) no formal written meal and rest period policy that encouraged employees to take their meal and rest periods.

52. As a result of Defendants' policy, Plaintiff and the putative class were regularly not provided with uninterrupted rest periods of at least ten (10) minutes for each four (4) hours worked due to complying with Defendants' productivity requirements that required Plaintiff and the putative class to work through their rest periods in order to complete their assignments on time.

Expense Reimbursement

53. Plaintiff and the putative class members were required to utilize their own personal cellphones to perform their job duties. Specifically, Plaintiff was required to use her personal cellphone to communicate directly with vendors, clients, and coworkers. Additionally, Plaintiff was required to use her personal vehicle to drive to events from the office.

54. Plaintiff and the putative class members were not reimbursed for business expenses incurred in maintaining their personal cellphone or vehicle.

55. Defendants failed to reimburse Plaintiff and the putative class for such necessary business expenses incurred by them.

Wage Statements

56. Plaintiff and the putative class were not provided with accurate wage statements as mandated by law pursuant to Labor Code § 226.

57. Defendants failed to comply with Labor Code 0167 226(a)(1) as "gross wages earned" were not accurately reflected in that all hours worked, including overtime and "off-the-clock" work were not included.

58. Defendants failed to comply with Labor Code section 226(a)(2) as "total hours worked by the employee" were not accurately reflected in that all hours worked, including overtime and "off-the-clock" work were not included.

59. Defendants failed to comply with Labor Code section 226(a)(4) as "all deductions" were not accurately reflected in that deductions, even "aggregated and shown as one item," were not included.

60. Defendants failed to comply with Labor Code section 226(a)(5) as "net wages earned" were not accurately reflected in that all hours worked, including overtime and "off-the-clock" work were not included.

61. Defendants failed to comply with Labor Code section 226(a)(9) as "all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee" were not accurately reflected in that all hours worked, including overtime and "off-the-clock" work were not included.

FIRST CAUSE OF ACTION

FAILURE TO PROVIDE MEAL PERIODS

(Lab. Code §§ 204, 223, 226.7, 512 and 1198)

(Plaintiff and Meal Period Sub-Class)

(Against SPECIALIZED BICYCLE COMPONENTS, INC. and SPECIALIZED BICYCLE COMPONENTS HOLDING COMPANY, INC.)

62. Plaintiff incorporates by reference the preceding paragraphs as if fully alleged herein.

63. At all relevant times, Plaintiff and the **Meal Period Sub-Class** members have been non-exempt employees of Defendants entitled to the full meal period protections of both the Labor Code and the applicable Industrial Welfare Commission Wage Order ("Wage Order").

64. Labor Code § 512 and § 11 of the applicable Wage Order impose an affirmative

obligation on employers to provide non-exempt employees with uninterrupted, duty-free meal periods of at least thirty minutes for each work period of five hours, and to provide them with two uninterrupted, duty-free meal periods of at least thirty minutes for each work period of ten hours.

65. Labor Code § 226.7 and § 11 of the applicable Wage Order both prohibit employers from requiring employees to work during required meal periods and require employers to pay non-exempt employees an hour of premium wages on each workday that the employee is not provided with the required meal period.

66. Compensation for missed meal periods constitutes wages within the meaning of Labor Code § 200.

67. Labor Code § 1198 makes it unlawful to employ a person under conditions that violate the applicable Wage Order.

68. Section 11 of the applicable Wage Order states:

> "No employer shall employ any person for a work period of more than five (5) hours without a meal period of not less than 30 minutes, except that when a work period of not more than six (6) hours will complete the day's work the meal period may be waived by mutual consent of the employer and employee. Unless the employee is relieved of all duty during a 30 minute meal period, the meal period shall be considered an 'on duty' meal period and counted as time worked. An 'on duty' meal period shall be permitted only when the nature of the work prevents an employee from being relieved of all duty and when by written agreement between the parties an on-the-job paid meal period is agreed to. The written agreement shall state that the employee may, in writing, revoke the agreement at any time."

69. At all relevant times, Plaintiff was not subject to a valid on-duty meal period agreement. Plaintiff is informed and believes that, at all relevant times, **Meal Period Sub-Class** members were not subject to valid on-duty meal period agreements with Defendants.

70. Plaintiff alleges that, at all relevant times during the applicable limitations period, Defendants maintained a policy or practice of not providing Plaintiff and members of the **Meal Period Sub-Class** with uninterrupted, duty-free meal periods for at least thirty (30) minutes for each five (5) hour work period, as required by Labor Code § 512 and the applicable Wage Order.

71. Plaintiff alleges that, at all relevant times during the applicable limitations period, Defendants maintained a policy or practice of failing to pay premium wages to **Meal Period Sub-Class** members when they worked five (5) hours without clocking out for any meal period.

72. Moreover, Defendants' written policies do not provide that employees must take their first meal period before the end of the fifth hour of work, that employees are entitled to a second meal period if they work a shift of over ten hours, or that the second meal period must commence before the end of the tenth hour of work, unless waived.

73. At all relevant times, Defendants failed to pay Plaintiff and the **Meal Period Sub-Class** members additional premium wages, and/or were not paid premium wages at the employees' regular rates of pay when required meal periods were not provided.

74. Pursuant to Labor Code §§ 204, 218.6 and 226.7, Plaintiff, on behalf of herself and the **Meal Period Sub-Class** members, seek to recover unpaid premium wages, interest thereon, and costs of suit.

75. Pursuant to Labor Code § 1194, Code of Civil Procedure § 1021.5, the substantial benefit doctrine, and/or the common fund doctrine, Plaintiff, on behalf of herself and the **Meal Period Sub-Class** members, seeks to recover reasonable attorneys' fees.

SECOND CAUSE OF ACTION

FAILURE TO PROVIDE REST PERIODS

(Lab. Code §§ 204, 223, 226.7 and 1198)

(Plaintiff and Rest Period Sub-Class)

(Against SPECIALIZED BICYCLE COMPONENTS, INC. and SPECIALIZED BICYCLE COMPONENTS HOLDING COMPANY, INC.)

76. Plaintiff incorporates the preceding paragraphs as if fully alleged herein.

77. At all relevant times, Plaintiff and the **Rest Period Sub-Class** members have been non-exempt employees of Defendants entitled to the full rest period protections of both the Labor Code and the applicable Wage Order.

78. Section 12 of the applicable Wage Order imposes an affirmative obligation on employers to permit and authorize employees to take required rest periods at a rate of no less than ten minutes of net rest time for each four-hour work period, or major fraction thereof, that must be in the middle of each work period insofar as practicable.

79. Labor Code § 226.7 and § 12 of the applicable Wage Order both prohibit employers

from requiring employees to work during required rest periods and require employers to pay non-exempt employees an hour of premium wages at the employees' regular rates of pay, on each workday that the employee is not provided with the required rest period(s).

80. Compensation for missed rest periods constitutes wages within the meaning of Labor Code § 200.

81. Labor Code § 1198 makes it unlawful to employ a person under conditions that violate the Wage Order.

82. Plaintiff alleges that, at all relevant times during the applicable limitations period, Defendants maintained a policy or practice of not providing members of the **Rest Period Sub-Class** with net rest period of at least ten minutes for each four-hour work period, or major fraction thereof, as required by the applicable Wage Order.

83. At all relevant times, Defendants failed to pay Plaintiff and the **Rest Period Sub-Class** members additional premium wages when required rest periods were not provided.

84. Specifically, Defendants written policies do not provide that employees may take a rest period for each four hours worked, or major fraction thereof, nor that rest periods should be taken in the middle of each work period insofar as practicable.

85. Pursuant to Labor Code §§ 204, 218.6 and 226.7, Plaintiff, on behalf of herself and **Rest Period Sub-Class** members, seeks to recover unpaid premium wages, interest thereon, and costs of suit.

86. Pursuant to Labor Code § 1194, Code of Civil Procedure § 1021.5, the substantial benefit doctrine, and/or the common fund doctrine, Plaintiff, on behalf of herself and **Rest Period Sub-Class** members, seeks to recover reasonable attorneys' fees.

THIRD CAUSE OF ACTION

FAILURE TO PAY HOURLY AND OVERTIME WAGES

(Lab. Code §§ 223, 510, 1194, 1197 and 1198)

(Plaintiff and Hourly Employee Class)

(Against SPECIALIZED BICYCLE COMPONENTS, INC. and SPECIALIZED BICYCLE COMPONENTS HOLDING COMPANY, INC.)

87. Plaintiff incorporates the preceding paragraphs as if fully alleged herein.

88. At all relevant times, Plaintiff and **Hourly Employee Class** members are or have been non-exempt employees of Defendants entitled to the full protections of the Labor Code and the applicable Wage Order.

89. Section 2 of the applicable Wage Order defines "hours worked" as "the time during which an employee is subject to the control of the employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so."

90. Section 4 of the applicable Wage Order requires an employer to pay non-exempt employees at least the minimum wage set forth therein for all hours worked, which consists of all hours that an employer has actual or constructive knowledge that employees are working.

91. Labor Code § 1194 invalidates any agreement between an employer and an employee to work for less than the minimum or overtime wage required under the applicable Wage Order.

92. Labor Code § 1194.2 entitles non-exempt employees to recover liquidated damages in amounts equal to the amounts of unpaid minimum wages and interest thereon in addition to the underlying unpaid minimum wages and interest thereon.

93. Labor Code § 1197 makes it unlawful for an employer to pay an employee less than the minimum wage required under the applicable Wage Order for all hours worked during a payroll period.

94. Labor Code § 1197.1 provides that it is unlawful for any employer or any other person acting either individually or as an officer, agent, or employee of another person to pay an employee, or cause an employee to be paid, less than the applicable minimum wage.

95. Labor Code § 1198 makes it unlawful for employers to employ employees under conditions that violate the applicable Wage Order.

96. Labor Code § 204 requires employers to pay non-exempt employees their earned wages for the normal work period at least twice during each calendar month on days the employer designates in advance and to pay non-exempt employees their earned wages for labor performed in excess of the normal work period by no later than the next regular payday.

97. Labor Code § 223 makes it unlawful for employers to pay their employees lower wages than required by contract or statute while purporting to pay them legal wages.

98. Labor Code § 510 and § 3 of the applicable Wage Order require employers to pay non-exempt employees overtime wages of no less than one and one-half times the employees' respective regular rates of pay for all hours worked in excess of eight hours in one workday, all hours worked in excess of forty hours in one workweek, and for the first eight hours worked on the seventh consecutive day of one workweek.

99. Labor Code § 510 and § 3 of the applicable Wage Order also require employers to pay non-exempt employees overtime wages of no less than two times the employees' respective regular rates of pay for all hours worked in excess of twelve hours in one workday and for all hours worked in excess of eight hours on a seventh consecutive workday during the workweek.

100. Plaintiff is informed and believes that, at all relevant times, Defendants have applied centrally devised policies and practices to her and **Hourly Employee Class** members with respect to working conditions and compensation arrangements.

101. At all relevant times, Defendants failed to pay hourly wages to Plaintiff and **Hourly Employee Class** members for all time worked, including but not limited to, overtime hours at statutory and/or agreed rates.

102. During the relevant time period, Defendants failed to pay Plaintiff and **Hourly Employee Class** members all earned wages every pay period at the correct rates, including overtime rates, because Defendants directed, permitted, or otherwise encouraged Plaintiff and **Hourly Employee Class** members to perform off-the-clock work.

103. As a result of Defendants' unlawful conduct, Plaintiff and **Hourly Employee Class** members have suffered damages in an amount subject to proof, to the extent they were not paid the full amount of wages earned during each pay period during the applicable limitations period, including overtime wages.

104. Pursuant to Labor Code §§ 204, 218.6, 223, 510, 1194 and 1194.2, Plaintiff, on behalf of herself and **Hourly Employee Class** members, seeks to recover unpaid straight time and overtime wages, interest thereon, and costs of suit.

105. Pursuant to Labor Code § 1194, Code of Civil Procedure § 1021.5, the substantial benefit doctrine, and/or the common fund doctrine, Plaintiff, on behalf of herself and **Hourly Employee Class** members, seeks to recover reasonable attorneys' fees.

FOURTH CAUSE OF ACTION

FAILURE TO INDEMNIFY

(Lab. Code § 2802)

(Plaintiff and Expense Reimbursement Class)

(Against SPECIALIZED BICYCLE COMPONENTS, INC. and SPECIALIZED BICYCLE COMPONENTS HOLDING COMPANY, INC.)

106. Plaintiff incorporates the preceding paragraphs as if fully alleged herein.

107. Labor Code section 2802(a) states:

> An employer shall indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer, even though unlawful, unless the employee, at the time of obeying the directions, believed them to be unlawful.

108. At all relevant times during the applicable limitations period, Plaintiff and the **Expense Reimbursement Class** members incurred necessary business-related expenses and costs, including but not limited to, personal cellphone usage, vehicle maintenance, and gas/mileage.

109. Plaintiff is informed and believes and thereupon alleges that the reimbursement paid by Defendants was insufficient to indemnify Plaintiff for all necessary expenses incurred in the discharge of their duties.

110. Plaintiff is informed and believes and thereupon alleges that the reimbursement paid by Defendants was insufficient to indemnify **Expense Reimbursement Class** members for all necessary business expenses incurred in the discharge of their duties.

111. At all relevant times during the applicable limitations period, Defendants required Plaintiff and the **Expense Reimbursement Class** members to pay for expenses and/or losses caused by Defendants' want of ordinary care. Defendants failed to indemnify Plaintiff and **Expense Reimbursement Class** members for all such expenditures.

112. At all relevant times during the applicable limitations period, Defendants required

Plaintiff and **Expense Reimbursement Class** members to purchase and maintain uniforms and apparel unique to Defendants at Plaintiff's and **Expense Reimbursement Class** members' expense. Defendants failed to indemnify Plaintiff and **Expense Reimbursement Class** members for all such expenditures.

113. Plaintiff is informed and believes that, during the applicable limitations period, Defendants maintained a policy or practice of not reimbursing Plaintiff and **Expense Reimbursement Class** members for all necessary business expenses.

114. Accordingly, Plaintiff and **Expense Reimbursement Class** members are entitled to restitution for all unpaid amounts due and owing within four years of the date of the filing of the original Complaint and until the date of entry of judgment.

115. Plaintiff, on behalf of herself , and **Expense Reimbursement Class** members, seeks interest thereon and costs pursuant to Labor Code § 218.6 and reasonable attorneys' fees pursuant to Code of Civil Procedure § 1021.5.

FIFTH CAUSE OF ACTION

FAILURE TO PROVIDE ACCURATE WRITTEN WAGE STATEMENTS

(Lab. Code § 226)

(Plaintiff and Wage Statement Penalties Sub-Class)

(Against SPECIALIZED BICYCLE COMPONENTS, INC. and SPECIALIZED BICYCLE COMPONENTS HOLDING COMPANY, INC.)

116. Plaintiff incorporates the preceding paragraphs as if fully alleged herein.

117. Labor Code § 226(a) states:

> An employer, semimonthly or at the time of each payment of wages, shall furnish to his or her employee, either as a detachable part of the check, draft, or voucher paying the employee's wages, or separately if wages are paid by personal check or cash, an accurate itemized statement in writing showing (1) gross wages earned, (2) total hours worked by the employee, except as provided in subdivision (j), (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) 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, (8) the name and address of the legal entity that is the employer and, if the employer is a farm labor contractor, as defined in subdivision (b) of Section 1682, the name and address of the

> legal entity that secured the services of the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee and, beginning July 1, 2013, if the employer is a temporary services employer as defined in Section 201.3, the rate of pay and the total hours worked for each temporary services assignment. The deductions made from payment of wages shall be recorded in ink or other indelible form, properly dated, showing the month, day, and year, and a copy of the statement and the record of the deductions shall be kept on file by the employer for at least three years at the place of employment or at a central location within the State of California. For purposes of this subdivision, 'copy' includes a duplicate of the itemized statement provided to an employee or a computer-generated record that accurately shows all of the information required by this subdivision.

118. The Division of Labor Standards Enforcement ("DLSE") has sought to harmonize the "detachable part of the check" provision and the "accurate itemized statement in writing" provision of Labor Code section 226(a) by allowing for electronic wage statements so long as each employee retains the right to elect to receive a written paper stub or record and that those who are provided with electronic wage statements retain the ability to easily access the information and convert the electronic statements into hard copies at no expense to the employee. (DLSE Opinion Letter July 6, 2006.)

119. Plaintiff is informed and believes that, at all relevant times during the applicable limitations period, Defendants have failed to provide **Wage Statement Penalties Sub-Class** members with written wage statements as described above.

120. Plaintiff is informed and believes that Defendants' failure to provide her and **Wage Statement Penalties Sub-Class** members with accurate written wage statements were intentional in that Defendants had the ability to provide them with accurate wage statements but had intentionally provided them with written wage statements that Defendants knew do not comply with Labor Code § 226(a).

121. Plaintiff and **Wage Statement Penalties Sub-Class** members have suffered injuries, in that Defendants have violated Plaintiff's and **Wage Statement Penalties Sub-Class** members' legal rights to receive accurate wage statements and have misled them about their actual rates of pay and wages earned. In addition, inaccurate information on their wage statements have prevented immediate challenges to Defendants' unlawful pay practices, has required discovery and mathematical computations to determine the amount of wages owed, has caused difficulty and

expense in attempting to reconstruct time and pay records, and/or has led to the submission of inaccurate information about wages and deductions to federal and state government agencies.

122. Pursuant to Labor Code § 226(e), Plaintiff, on behalf of herself and **Wage Statement Penalties Sub-Class** members, seeks the greater of actual damages or fifty dollars ($50.00) for the initial pay period in which a violation of Labor Code section 226(a) occurred and one hundred dollars ($100.00) for each subsequent pay period in which a violation of Labor Code § 226(a) occurred, not to exceed an aggregate penalty of four thousand dollars ($4,000.00) per class member.

123. Pursuant to Code of Civil Procedure § 1021.5, the substantial benefit doctrine and/or the common fund doctrine, Plaintiff, on behalf of herself and **Wage Statement Penalties Sub-Class** members, seek awards of reasonable attorneys' fees and costs.

SIXTH CAUSE OF ACTION

FAILURE TO TIMELY PAY ALL FINAL WAGES

(Lab. Code §§ 201–203)

(Plaintiff and Waiting Time Penalties Sub-Class)

(Against SPECIALIZED BICYCLE COMPONENTS, INC. and SPECIALIZED BICYCLE COMPONENTS HOLDING COMPANY, INC.)

124. Plaintiff incorporates the preceding paragraphs as if fully alleged herein.

125. At all relevant times, Plaintiff and **Waiting Time Penalties Sub-Class** members have been entitled, upon the end of their employment with Defendants, to timely payment of all wages earned and unpaid before termination or resignation.

126. At all relevant times, pursuant to Labor Code § 201, employees who have been discharged have been entitled to payment of all final wages immediately upon termination.

127. At all relevant times, pursuant to Labor Code § 202, employees who have resigned after giving at least seventy-two (72) hours' notice of resignation have been entitled to payment of all final wages at the time of resignation.

128. At all relevant times, pursuant to Labor Code § 202, employees who have resigned after giving less than seventy-two (72) hours' notice of resignation have been entitled to payment of all final wages within seventy-two (72) hours' of giving notice of resignation.

129. During the applicable limitations period, Defendants failed to pay Plaintiff all of her final wages in accordance with the Labor Code by failing to timely pay her all of her final wages.

130. Plaintiff is informed and believes that, at all relevant times during the applicable limitations period, Defendants have failed to timely pay **Waiting Time Penalties Sub-Class** members all of their final wages in accordance with the Labor Code.

131. Plaintiff is informed and believes that, at all relevant times during the applicable limitations period, Defendants have maintained a policy or practice of paying **Waiting Time Penalties Sub-Class** members their final wages without regard to the requirements of Labor Code §§ 201 or 202 by failing to timely pay them all final wages.

132. Plaintiff is informed and believes and thereupon alleges that Defendants' failure to timely pay all final wages to her and **Waiting Time Penalties Sub-Class** members have been willful in that Defendants have the ability to pay final wages in accordance with Labor Code §§ 201 and/or 202 but have intentionally adopted policies or practices that are incompatible with those requirements.

133. Pursuant to Labor Code §§ 203 and 218.6, Plaintiff, on behalf of herself and **Waiting Time Penalties Sub-Class** members, seeks waiting time penalties from the respective dates that their final wages had first become due until paid, up to a maximum of thirty days, and interest thereon.

134. Pursuant to Labor Code § 226, Code of Civil Procedure § 1021.5, the substantial benefit doctrine and/or the common fund doctrine, Plaintiff, on behalf of herself and **Waiting Time Penalties Sub-Class** members, seek awards of reasonable attorneys' fees and costs.

SEVENTH CAUSE OF ACTION

SEXUAL HARASSMENT IN VIOLATION OF GOV. CODE § 12940 *ET SEQ*

(Against SPECIALIZED BICYCLE COMPONENTS, INC. and SPECIALIZED BICYCLE COMPONENTS HOLDING COMPANY, INC.)

135. Plaintiffs reallege and incorporate all preceding paragraphs, as though set forth in full herein.

136. The actions of Defendants, as described in this Complaint, constitute unlawful sexual

harassment against Plaintiff.

137. The harassment by Defendants created a hostile, intimidating, and oppressive work environment for Plaintiff, whereby the conditions of their employment were adversely affected. Moreover, the harassment impeded Plaintiffs' process and the enjoyment of their employment for Defendants.

138. Defendants' harassment and discrimination described in this Complaint violates the Fair Employment and Housing Act as promulgated in Government Code section 12940 *et seq*. and other state and federal statutes that prohibit harassment and discrimination in employment, including the California Constitution and Civil Rights Act, as amended.

139. As a direct and proximate result of Defendants' harassment and discrimination, Plaintiff has suffered and will continue to suffer damages in an amount within the jurisdiction of this Court, the exact amount to be proven at trial. Such damages include loss of salary and other valuable employment benefits, prejudgment interest and interest on the sum of damages at the legal rate, and other consequential damages, including damages for shame, humiliation, mental anguish, and emotional distress caused by the conduct of Defendants and each of them.

140. In addition, pursuant to Government Code section 12965(b), Plaintiff is entitled to her attorneys' fees in prosecuting this lawsuit.

141. Because the wrongful acts against Plaintiff were carried out, authorized, or ratified by Defendants' directors, officer and/or managing agents, acting with malice, oppression or fraud, or were deliberate, willful, and in conscious disregard of the probability of causing injury to Plaintiff, as reflected by the actions as described earlier in this Complaint, Plaintiff seeks punitive damages against Defendants, and each of them, in order to deter them from such and similar conduct in the future.

EIGHTH CAUSE OF ACTION

RETALIATION IN VIOLATION OF GOV. CODE §12940(h)

(Against SPECIALIZED BICYCLE COMPONENTS, INC. and SPECIALIZED BICYCLE COMPONENTS HOLDING COMPANY, INC.)

142. Plaintiff re-alleges and incorporates all preceding paragraphs as though fully set forth

herein.

143. At all times herein mentioned, FEHA, Government Code section 12940(h), was in full force and effect and binding on Defendants. These statutes require Defendants to refrain from retaliating against Plaintiff.

144. Defendants' adverse actions against Plaintiff as described in this Complaint constitute unlawful retaliation against Plaintiff for reporting unlawful harassment and discrimination to Defendants.

145. As a direct and proximate cause of Defendants' violation of California Government Code section 12940(h), Plaintiff has suffered and will continue to suffer damages in an amount within the jurisdiction of this court, the exact amount to be proven at trial.

146. As a further direct and legal result of the acts and conduct of Defendants, Plaintiff has been caused to, and did, suffer and continues to suffer severe emotional and mental distress and anguish, humiliation, embarrassment, anger, shock, pain, discomfort, and anxiety. The exact nature and extent of these injuries is presently unknown to Plaintiff, who will pray leave of court to assert the same when they are ascertained.

147. The aforementioned acts of Defendants were willful, wanton, malicious, intentional, oppressive, and despicable, and were done in willful and conscious disregard of the rights of Plaintiff and were done by managerial agents and employees of Defendants, or with the express knowledge, consent, and ratification of managerial employees of Defendants, and thereby justify the awarding of punitive and exemplary damages in an amount to be determined at the time of trial.

NINTH CAUSE OF ACTION

FAILURE TO PREVENT DISCRIMINATION AND HARASSMENT

IN VIOLATION OF GOV. CODE § 12940(k)

(Against SPECIALIZED BICYCLE COMPONENTS, INC. and SPECIALIZED BICYCLE COMPONENTS HOLDING COMPANY, INC.)

148. Plaintiff realleges and incorporates all preceding paragraphs, as though set forth in full herein.

149. At all times mentioned herein, California Government Code section 12940 *et seq.*

was in full force and effect and binding on Defendants. These sections require Defendants to take reasonable steps to prevent discrimination from occurring.

150. As alleged herein, Plaintiff suffered unlawful discrimination and harassment at the hands of Defendants.

151. Defendants, and each of them, failed to take all reasonable steps to prevent such harassment and discrimination in violation of Government Code section 12940(k).

152. Defendants failed to take appropriate and/or reasonable steps to train and/or monitor its employees, supervisors and/or managers regarding sexual discrimination and harassment by failing to enforce a policy against unlawful discrimination and harassment, and by failing to take prompt and appropriate disciplinary action against the perpetrators of discrimination.

153. As a direct and proximate result of Defendants' failure to take all reasonable steps to prevent harassment and discrimination, Plaintiff has suffered and will continue to suffer damages in an amount within the jurisdiction of this Court, the exact amount to be proven at trial. Such damages include loss of salary and other valuable employment benefits, prejudgment interest and interest on the sum of damages at the legal rate, and other consequential damages, including damages for shame, humiliation, mental anguish, and emotional distress caused by the conduct of Defendants and each of them.

154. In addition, pursuant to Government Code section 12965(b), Plaintiff is entitled to her attorneys' fees in prosecuting this lawsuit.

155. Because the wrongful acts against Plaintiff were carried out, authorized, or ratified by Defendants' directors, officers and/or managing agents, acting with malice, oppression or fraud, or were deliberate, willful, and in conscious disregard of the probability of causing injury to Plaintiff, as reflected by the actions as described earlier in this Complaint, Plaintiff seeks punitive damages against Defendants, and each of them, in order to deter them from such and similar conduct in the future.

TENTH CAUSE OF ACTION

WRONGFUL TERMINATION IN VIOLATION OF PUBLIC POLICY

(Against SPECIALIZED BICYCLE COMPONENTS, INC. and SPECIALIZED BICYCLE

COMPONENTS HOLDING COMPANY, INC.)

156. Plaintiff realleges and incorporates all preceding paragraphs, as though set forth in full herein.

157. Plaintiff's termination was wrongful in that it violated the fundamental public policies of California that prohibit sexual discrimination, harassment, and retaliation on the basis of protected complaints, as discussed above.

158. Defendants discharged Plaintiff in violation of the aforementioned public policies, under:

a. California Government Code § 12940, *et seq.*;

b. California Government Code § 12940(h);

c. California Government Code § 12940(k); and

d. California Labor Code § 98.6.

159. As a direct and proximate cause of his wrongful discharge, Plaintiff has suffered and will continue to suffer damages in an amount within the jurisdiction of this court, the exact amount to be proven at trial.

160. As a proximate result of the wrongful acts of Defendants, Plaintiff has suffered and continues to suffer actual, consequential, and incidental financial losses, including without limitation, loss of salary and benefits, emotional distress, humiliation, mental anguish, anger, and embarrassment, all in an amount subject to proof at the time of trial.

161. The aforementioned acts of Defendants were willful, wanton, malicious, intentional, oppressive, and despicable, and were done in willful and conscious disregard of the rights of Plaintiff and were done by managerial agents and employees of Defendants, or with the express knowledge, consent, and ratification of managerial employees of Defendants, and thereby justify the awarding of punitive and exemplary damages in an amount to be determined at the time of trial.

ELEVENTH CAUSE OF ACTION

INTENTIONAL INFLICTION OF EMOTIONAL DISTRESS

(Against All Defendants)

162. Plaintiff realleges and incorporates all preceding paragraphs, as though set forth in

full herein.

163. Defendants discriminatory, harassing, and retaliatory actions against Plaintiffs constituted severe and outrageous misconduct and caused Plaintiffs extreme emotional distress.

164. Defendants had the intention of causing and/or recklessly disregarded the probability of causing emotional distress to Plaintiffs and did, in fact, cause emotional distress to Plaintiffs. Defendants' misconduct caused Plaintiff severe emotional distress, including, but not limited to, depression and anxiety.

165. As a proximate result of Defendants extreme and outrageous conduct, Plaintiff has suffered and will continue to suffer severe emotional distress. Plaintiff has sustained and continues to sustain substantial losses of earnings and other employment benefits as a result of being emotionally distressed.

166. As a proximate result of Defendants extreme and outrageous conduct, Plaintiff has suffered and continues to suffer humiliation, emotional distress, and mental and physical pain and anguish, all to his damages in a sum according to proof.

167. The aforementioned acts of Defendants were willful, wanton, malicious, intentional, oppressive, and despicable, and were done in willful and conscious disregard of the rights of Plaintiff and were done by managerial agents and employees of Defendants, or with the express knowledge, consent, and ratification of managerial employees of Defendants, and thereby justify the awarding of punitive and exemplary damages in an amount to be determined at the time of trial.

TWELFTH CAUSE OF ACTION

UNFAIR COMPETITION

(Bus. & Prof. Code §§ 17200 *et seq*.)

(Plaintiff and UCL Class)

(Against SPECIALIZED BICYCLE COMPONENTS, INC. and SPECIALIZED BICYCLE COMPONENTS HOLDING COMPANY, INC.)

168. Plaintiff incorporates the preceding paragraphs as if fully alleged herein.

169. Business and Professions Code § 17200 defines "unfair competition" to include any unlawful business practice.

170. Business and Professions Code §§ 17203–17204 allow a person who has lost money or property as a result of unfair competition to bring a class action in accordance with Code of Civil Procedure § 382 to recover money or property that may have been acquired from similarly situated persons by means of unfair competition.

171. California law requires employers to pay hourly, non-exempt employees for all hours they are permitted or suffered to work, including hours that the employer knows or reasonably should know that employees have worked.

172. Plaintiff, on behalf of herself and the **UCL Class** members, re-alleges and incorporates the FIRST, SECOND, THIRD, FOURTH, FIFTH, and SIXTH causes of action herein.

173. Plaintiff lost money and/or property as a result of the aforementioned unfair competition.

174. Defendants have or may have acquired money by means of unfair competition.

175. Plaintiff is informed and believes and thereupon alleges that, by committing the Labor Code violations described in this Complaint, Defendants violated Labor Code §§ 215, 216, 225, 226.6, 354, 408, 553, 1175, 1199 and 2802. Defendants thus committed misdemeanors by violating the Labor Code as alleged herein.

176. Defendants have committed criminal conduct through their policies and practices of, *inter alia*, failing to comport with their affirmative obligations as an employer to provide non-exempt employees with uninterrupted, duty-free meal periods of at least thirty minutes for each work period of five or more hours, by failing to pay non-exempt employees for all hours worked, and by failing to reimburse them for all expenses.

177. At all relevant times, Plaintiff and **UCL Class** members have been non-exempt employees and entitled to the full protections of both the Labor Code and the applicable Wage Order.

178. Defendants' unlawful conduct as alleged in this Complaint amounts to and constitutes unfair competition within the meaning of Business and Professions Code section 17200 *et sequitur*. Business and Professions Code §§ 17200 *et sequitur* protect against unfair competition and allow a person who has suffered an injury-in-fact and has lost money or property as a result of

an unfair, unlawful, or fraudulent business practice to seek restitution on behalf of herself and on behalf of similarly situated persons in a class-action proceeding.

179. As a result of Defendants' violations of the Labor Code during the applicable limitations period, Plaintiff has suffered an injury-in-fact and has lost money or property in the form of earned wages. Specifically, Plaintiff has lost money or property as a result of Defendants' conduct.

180. Plaintiff is informed and believes that other similarly situated persons have been subject to the same unlawful policies or practices of Defendants.

181. Due to the unfair and unlawful business practices in violation of the Labor Code, Defendants have gained a competitive advantage over other comparable companies doing business in the State of California that comply with their legal obligations.

182. California's Unfair Competition Law ("UCL") permits civil recovery and injunctive relief for "any unlawful, unfair or fraudulent business act or practice," including a practice or act that violates, or is considered unlawful under, any other state or federal law.

183. Accordingly, pursuant to Business & Professions Code §§ 17200 and 17203, Plaintiff requests the issuance of temporary, preliminary, and permanent injunctive relief enjoining Defendants, and each of them, and their agents and employees, from further violations of the Labor Code and applicable Industrial Welfare Commission Wage Orders, and upon a final hearing, an order permanently enjoining Defendants, and each of them, and their respective agents and employees, from further violations of the Labor Code and applicable Industrial Welfare Commission Wage Orders.

184. Pursuant to Business and Professions Code § 17203, Plaintiff, on behalf of herself and **UCL Class** members, seeks declaratory relief and restitution of all monies rightfully belonging to them that Defendants did not pay them or otherwise retained by means of its unlawful and unfair business practices.

185. Pursuant to Code of Civil Procedure § 1021.5, the substantial benefit doctrine and/or the common fund doctrine, Plaintiff and **UCL Class** members are entitled to recover reasonable attorneys' fees in connection with their unfair competition claims.

THIRTEENTH CAUSE OF ACTION

CIVIL PENALTIES

(Lab. Code §§ 2698 *et seq*.)

(Against SPECIALIZED BICYCLE COMPONENTS, INC. and SPECIALIZED BICYCLE COMPONENTS HOLDING COMPANY, INC.)

186. Plaintiff incorporates the preceding paragraphs as if fully alleged herein.

187. During the applicable limitations period, Defendants have violated Labor Code §§ 201, 202, 203, 204, 223, 226(a), 226.7, 510, 512, 1194, 1197, 1198, and 2802.

188. Labor Code §§ 2699(a) and (g) authorize an aggrieved employee, on behalf of herself and other current and former employees, to bring a representative civil action to recover civil penalties pursuant to the procedures set forth in Labor Code § 2699.3 that may, but need not, be brought or maintained as a class action pursuant to Code of Civil Procedure section 382.

189. Plaintiff, a former employee against whom Defendants committed one or more of the alleged Labor Code violations during the applicable limitations period, is an aggrieved employee within the meaning of Labor Code § 2699(c).

190. Plaintiff has complied with the procedures for bringing suit specified in Labor Code § 2699.3. Notice was provided to the California Labor & Workforce Development Agency ("LWDA") and 65 days have elapsed without the LWDA providing Plaintiff with any notice of an intent to investigate.

191. Pursuant to Labor Code sections 2699(a) and (f), Plaintiff seeks the following civil penalties for Defendants' violations of Labor Code §§ 201, 202, 203, 204, 223, 226(a), 226.7, 510, 512, 1194, 1197, 1198 and 2802:

i. For violations of Labor Code §§ 201, 202, 203, 212, 226.7, 227.3, 1194, 1198 and 2802, one hundred dollars ($100) for each employee per pay period for each initial violation and two hundred dollars ($200) for each employee per pay period for each subsequent violation (penalties set by Labor Code § 2699(f)(2));

ii. For violations of Labor Code § 203, a penalty in an amount not exceeding

thirty (30) days' pay as waiting time (penalties set by Labor Code § 256);

iii. For violations of Labor Code § 204, one hundred dollars ($100) for each employee for each initial violation that was neither willful nor intentional, two hundred dollars ($200) for each employee, plus 25% of the amount unlawfully withheld from each employee, for each initial violation that was either willful or intentional, and two hundred dollars ($200) for each employee, plus twenty-five percent (25%) of the amount unlawfully withheld from each employee, for each subsequent violation, regardless of whether the subsequent violation was either willful or intentional (penalties set by Labor Code § 210);

iv. For violations of Labor Code § 223, one hundred dollars ($100) for each employee for each initial violation that was neither willful nor intentional, two hundred dollars ($200) for each employee, plus twenty-five percent (25%) of the amount unlawfully withheld from each employee, for each initial violation that was either willful or intentional, and two hundred dollars ($200) for each employee, plus twenty-five percent (25%) of the amount unlawfully withheld from each employee, for each subsequent violation, regardless of whether the subsequent violation was either willful or intentional (penalties set by Labor Code § 225.5);

v. For violations of Labor Code § 226(a), if this action is deemed to be an initial citation, two hundred and fifty dollars ($250) for each employee for each violation. Alternatively, if an initial citation or its equivalent occurred before the filing of this action, one thousand dollars ($1,000) for each employee for each violation (penalties set by Labor Code § 226.3);

vi. For violation of Labor Code §§ 510 and 512, fifty dollars ($50) for each employee for each initial pay period for which the employee was underpaid, and one hundred dollars ($100) for each employee for each subsequent pay period for which the employee was underpaid (penalties set by Labor Code §

558);

vii. For violations of Labor Code § 1197, one hundred dollars ($100) for each aggrieved employee for each initial violation of Labor Code § 1197 that was intentional and two hundred and fifty dollars ($250) for each aggrieved employee per pay period for each subsequent violation of Labor Code § 1197, regardless of whether the initial violation was intentional (penalties set by Labor Code § 1197.1);

viii. Pursuant to Labor Code § 2699(g), Plaintiff seeks an award of reasonable attorneys' fees and costs in connection with Plaintiff's claims for civil penalties.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff, on behalf of herself, all other current and former non-exempt employees, and the general public, prays for relief and judgment against Defendants as follows:

(1) An order that the action be certified as a class action;

(2) An order that Plaintiff be appointed class representative;

(3) An order that counsel for Plaintiff be appointed class counsel;

(4) Unpaid wages;

(5) Actual damages;

(6) Liquidated damages;

(7) Restitution;

(8) Declaratory relief;

(9) Pre-judgment interest;

(10) Statutory penalties;

(11) Civil penalties;

(12) Costs of suit;

(13) Reasonable attorneys' fees; and

(14) Such other relief as the Court deems just and proper.

DEMAND FOR JURY TRIAL

Plaintiff, on behalf of herself, all other current and former non-exempt employees, and the general public, hereby demands a jury trial on all issues so triable.

Dated: August 6, 2026

SETAREH LAW GROUP

/s/ Shaun Setareh
SHAUN SETAREH
Attorneys for Plaintiff
ERIKA FONSECA