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County of San Bernardino
Rancho Cucamonga District
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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN BERNARDINO

JONATHAN RIVAS, CHRISTIAN SALAZAR, ERLING AURELIO REYES RIVERA, and JESUS CASTILLO, individually, and on behalf of other members of the general public similarly situated,

Plaintiff,

vs.

RESTORATION HARDWARE, INC., a Delaware corporation; RH WHICH WILL DO BUSINESS IN CALIFORNIA AS RESTORATION HARDWARE HOLDINGS, INC., a Delaware corporation;; and DOES 1 through 10, inclusive,

Defendants.

Case No.: CIVRS2603483

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(a), 1174(d), and 1198 (Non-Compliant Wage Statements and Failure to Maintain Payroll Records);
(4) Violation of California Labor Code §§ 201 and 202 (Wages Not Timely Paid Upon Termination);
(5) Violation of California Labor Code § 204 (Failure to Timely Pay Wages During Employment);
(6) Violation of California Labor Code § 2802 (Unreimbursed Business Expenses);

(7) Civil Penalties for Violations of California Labor Code, Pursuant to PAGA, §§ 2698, et seq.;
(8) Violation of California Business & Professions Code §§ 17200, *et seq.* (Unlawful Business Practices); and
(9) Violation of California Business & Professions Code §§ 17200, *et seq.* (Unfair Business Practices)

Jury Trial Demanded

Plaintiffs Jonathan Rivas, Chrisitan Salazar, Erling Aurelio Reyes Rivera, and Jesus Castillo, individually and on behalf of all other members of the public similarly situated, and as an aggrieved employee and on behalf of all aggrieved employees allege as follows:

JURISDICTION AND VENUE

1. This class action is brought pursuant to California Code of Civil Procedure section 382 and California Labor Code sections 2698, *et seq*. ("PAGA") to recover civil penalties and any other available relief on behalf of Plaintiffs, the State of California, and other current and former employees who worked for Defendants as delivery drivers and driver helpers and who were misclassified as independent contractors in California and against whom one or more violations of any provision in Division 2 Part 2 Chapter 1 of the Labor Code or any provision regulating hours and days of work in the applicable Industrial Welfare Commission ("IWC") Wage Order were committed, as set forth in this complaint. The monetary damages, penalties, and restitution sought by Plaintiffs exceed the minimal jurisdiction limits of the Superior Court and will be established according to proof at trial. This Court has jurisdiction over this action pursuant to the California Constitution, Article VI, section 10. The statutes under which this action is brought do not specify any other basis for jurisdiction. Each Plaintiffs' share of damages, penalties, and other relief sought in this action does not exceed $75,000.

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

relief is being sought against Defendants whose violations of California wage and hour laws form a significant basis for Plaintiffs' claims; and (d) no other class action has been filed within the past three (3) years on behalf of the same proposed class against Defendants asserting the same or similar factual allegations.

3. Venue is proper in this Court because Defendants employ persons in this county, and employed Plaintiffs in this county, and thus a substantial portion of the transactions and occurrences related to this action occurred in this county.

THE PARTIES

4. Plaintiff Jonathan Rivas ("Plaintiff Rivas") is a resident of La Puente, in Los Angeles County, California. Defendants employed Plaintiff Rivas from approximately March 2020 to October 2025. Plaintiff Rivas worked as a Delivery Driver for Defendants out of their warehouse location in Ontario, California (located at 5170 S. Archibald Avenue, Ontario, California 91762). During his employment, Plaintiff Rivas typically worked 14-17 hours or more per day, and five (5) days per week or more. At the time Plaintiff Rivas's employment with Defendants ended, he was compensated a daily flat rate of approximately $200 per day. Plaintiff Rivas's primary job duties included, without limitation, operating a 24-foot box truck, loading inventory, driving to delivery locations, completing deliveries, and assembling furniture.

5. Plaintiff Christian Salazar ("Plaintiff Salazar") is a resident of Harbor City, in Los Angeles County, California. Defendants employed Plaintiff Salazar from approximately 2022 to February 2026. Plaintiff Salazar worked as a Delivery Driver for Defendants out of their warehouse location in Ontario, California (located at 5170 S. Archibald Avenue, Ontario, California 91762). During his employment, Plaintiff Salazar typically worked 14-17 hours or more per day, and five (5) days per week or more. At the time Plaintiff Salazar's employment with Defendants ended, he was compensated a daily flat rate of approximately $210 per day. Plaintiff Salazar's primary job duties included, without limitation, operating a 24-foot box truck, loading inventory, driving to delivery locations, completing deliveries, and assembling furniture.

6. Plaintiff Erling Aurelio Reyes Rivera ("Plaintiff Reyes Rivera") is a resident of Pomona, in Los Angeles County, California. Defendants employed Plaintiff Reyes Rivera from approximately October 2024 to February 2026. Plaintiff Reyes Rivera worked as a Delivery Driver Helper for Defendants out of their warehouse location in Ontario, California (located at 5170 S. Archibald Avenue, Ontario, California 91762) and out of their warehouse location in Newport, California. During his employment, Plaintiff Reyes Rivera typically worked 14-17 hours or more per day, and five (5) days per week or more. At the time Plaintiff Reyes Rivera's employment with Defendants ended, he was compensated a daily flat rate of approximately $150-$180 per day. Plaintiff Reyes Rivera's primary job duties included, without limitation, loading inventory, traveling to delivery locations, assisting with completing deliveries, assembling furniture, and cleaning up remaining trash from Defendants' customer's homes or from Defendants' warehouses.

7. Plaintiff Jesus Castillo ("Plaintiff Castillo") is a resident of Pomona, in Los Angeles County, California. Defendants employed Plaintiff Castillo from approximately March 2023 through March 2025, and again from June 2025 through December 2025. Plaintiff Castillo worked as a Delivery Driver Helper for Defendants out of their warehouse location in Ontario, California (located at 5170 S. Archibald Avenue, Ontario, California 91762). At the time Plaintiff Castillo's employment with Defendants ended, he was compensated a daily flat rate of approximately $180 per day. Plaintiff Castillo's primary job duties included, without limitation, loading inventory, traveling to delivery locations, communicating with dispatch to accommodate changes in delivery schedules, assisting with completing deliveries, assembling furniture, cleaning up remaining trash from Defendants' customer's homes or from Defendants' warehouse, and unloading empty boxes or returned merchandise at the Defendants' warehouse.

8. RESTORATION HARDWARE, INC. was and is, upon information and belief, a Delaware corporation, and at all times hereinafter mentioned, an employer whose employees are engaged throughout this county and the State of California.

9. RH WHICH WILL DO BUSINESS IN CALIFORNIA AS RESTORATION

HARDWARE HOLDINGS, INC. was and is, upon information and belief, a Delaware corporation, and at all times hereinafter mentioned, an employer whose employees are engaged throughout this county and the State of California.

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

11. Plaintiffs are informed and believe, and thereon allege, that DOES 1 through 10 were the partners, agents, owners, or managers of RESTORATION HARDWARE, INC. and RH WHICH WILL DO BUSINESS IN CALIFORNIA AS RESTORATION HARDWARE HOLDINGS, INC. at all relevant times.

12. Plaintiffs are informed and believe, and thereon allege, that each and all of the acts and omissions alleged herein was performed by, or is attributable to, RESTORATION HARDWARE, INC.; RH WHICH WILL DO BUSINESS IN CALIFORNIA AS RESTORATION HARDWARE HOLDINGS, INC.; and/or DOES 1 through 10 (collectively, "Defendants"), 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.

13. 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.

14. Plaintiffs are informed and believe, and thereon allege, that each of said Defendants is in some manner intentionally, negligently, or otherwise responsible for the acts, omissions, occurrences, and transactions alleged herein.

15. Under California law, Defendants are jointly and severally liable as employers

for the violations alleged herein because they have each exercised sufficient control over the wages, hours, working conditions, and employment status of Plaintiffs and class members. Each Defendant had the power to hire and fire Plaintiffs and class members, supervised and controlled their work schedule and/or conditions of employment, determined their rate of pay, and maintained their employment records. Defendants suffered or permitted Plaintiffs and class members to work and/or "engaged" Plaintiffs and class members so as to create a common-law employment relationship. As joint employers of Plaintiffs and class members, Defendants are jointly and severally liable for the civil penalties and all other relief available to Plaintiffs and class members under the law.

16. Plaintiff is informed and believes, and thereon alleges, that at all relevant times, Defendants, and each of them, have acted as joint employers with respect to Plaintiffs and class members because Defendants have:

(a) jointly exercised meaningful control over the work performed by Plaintiffs and class members;

(b) jointly exercised meaningful control over Plaintiffs' and class members' wages, hours, and working conditions, including the quantity, quality standards, speed, scheduling, and operative details of the tasks performed by Plaintiffs and class members;

(c) jointly required that Plaintiffs and class members perform work which is an integral part of Defendants' businesses; and

(d) jointly exercised control over Plaintiffs and class members as a matter of economic reality in that Plaintiffs and class members were dependent on Defendants, who shared the power to set the wages of Plaintiffs and class members and determined their working conditions, and who jointly reaped the benefits from the underpayment of their wages and noncompliance with other statutory provisions governing their employment.

17. Plaintiffs are informed and believe, and thereon allege, that at all relevant times

there has existed a unity of interest and ownership between Defendants such that any individuality and separateness between the entities has ceased.

18. Furthermore, Defendants are jointly and severally liable as employers for the violations alleged herein because Defendants have acted as a single integrated enterprise. Courts consider four factors in determining whether two or more entities may be treated as a single employer for the purposes of determining liability for labor code violations: (1) centralized control of labor relations; (2) interrelation of operations; (3) common management; and (4) common ownership or financial control. No factor is controlling and all need not be present.

19. Plaintiffs are informed and believe, and thereon allege, that at all relevant times, Defendants have acted as a single integrated enterprise because:

(e) Defendant RESTORATION HARDWARE, INC. made final decisions regarding employment matters related to Plaintiffs and class members in the same manner and through the same entity, regardless of which entity was acting as Plaintiffs' and class members' immediate employer;

(f) Defendants utilized the same accounting records, office space, facilities, employees and/or other facets of operation; and/or

(g) Defendants were subject to common ownership and financial control.

20. RESTORATION HARDWARE, INC.; RH WHICH WILL DO BUSINESS IN CALIFORNIA AS RESTORATION HARDWARE HOLDINGS, INC.; and DOES 1 through 10 are therefore alter egos of each other.

21. Adherence to the fiction of the separate existence of Defendants would permit an abuse of the corporate privilege, and would promote injustice by protecting Defendants from liability for the wrongful acts committed by them.

22. Plaintiffs further allege, upon information and belief, that Defendants RESTORATION HARDWARE, INC.; and RH WHICH WILL DO BUSINESS IN CALIFORNIA AS RESTORATION HARDWARE HOLDINGS, INC.are alter egos of each other for the following reasons:

(a) On the California Secretary of State's website (https://bizfileonline.sos.ca.gov/), RESTORATION HARDWARE, INC. and RH WHICH WILL DO BUSINESS IN CALIFORNIA AS RESTORATION HARDWARE HOLDINGS, INC. have the same principal address and mailing address, "15 KOCH ROAD SUITE K CORTE MADERA, CA 94925";

(b) According to their most recent "Statement of Information" forms filed with the California Secretary of State, RESTORATION HARDWARE, INC. and RH WHICH WILL DO BUSINESS IN CALIFORNIA AS RESTORATION HARDWARE HOLDINGS, INC. share the same officers, including, but not limited to, Gary Friedman, who serves as Chief Executive Officer of RESTORATION HARDWARE, INC. and RH WHICH WILL DO BUSINESS IN CALIFORNIA AS RESTORATION HARDWARE HOLDINGS, INC.; and Jack Preston, who serves as Chief Financial Officers and Secretary of RESTORATION HARDWARE, INC. and RH WHICH WILL DO BUSINESS IN CALIFORNIA AS RESTORATION HARDWARE HOLDINGS, INC.;

(c) On the California Secretary of State's website, RESTORATION HARDWARE, INC. and RH WHICH WILL DO BUSINESS IN CALIFORNIA AS RESTORATION HARDWARE HOLDINGS, INC., share the same agent for service of process, "CSC – Lawyers Incorporating Service"; and

(d) On information and belief, RESTORATION HARDWARE, INC.; and RH WHICH WILL DO BUSINESS IN CALIFORNIA AS RESTORATION HARDWARE HOLDINGS, INC.; utilize the same standardized employment forms and issue the same employment policies.

GENERAL ALLEGATIONS

23. Defendants RESTORATION HARDWARE, INC. and RH WHICH WILL DO BUSINESS IN CALIFORNIA AS RESTORATION HARDWARE HOLDINGS, INC. (collectively, "RH") are a leading retailer and luxury lifestyle brand operating primarily in the home furnishings market, operating at least two (2) fulfillment and home delivery center locations in California. Upon information and belief, Defendants contract with third-party staffing, logistics, and/or delivery companies, including, but not limited to, Premier Last Mile, LLC ("Premier"), Aria Group Inc. ("Aria"), and such other entities as may be identified through discovery (collectively, the "Staffing/Logistics Entities"), to supply delivery drivers and driver helpers, including Plaintiffs and Class Members, who are nominally or technically employed by, carried on the payroll of, or otherwise identified as employees of the Staffing/Logistics Entities. Notwithstanding this nominal arrangement, and as alleged in further detail below, RH, and not the Staffing/Logistics Entities, directs, controls, and supervises the manner, means, and conditions under which Plaintiffs and Class Members perform their work. Accordingly, RH is Plaintiffs' and Class Members' actual and/or joint employer, independent of and regardless of any employment relationship between Plaintiffs, Class Members, and any Staffing/Logistics Entity. Any reference in this Complaint to Plaintiffs' or Class Members' "employer" or "employment" refers to their employment relationship with RH, whether or not a Staffing/Logistics Entity nominally served as their employer of record.

24. Upon information and belief, Defendants maintain a single, centralized Human Resources ("HR") department at their company headquarters in Corte Madera, California, or, Wesley Chapel Road, Florida, which is responsible for communicating and implementing Defendants' company-wide policies to employees misclassified as independent contractors throughout California, including those nominally employed by or carried on the payroll of Staffing/Logistics Entities such as Aria. RH exercises significant control over these workers notwithstanding their nominal employment by third-party entities. Among other things, RH requires workers to undergo background checks before performing deliveries for RH, requires

workers to attend mandatory daily morning meetings at RH facilities during which operational protocols, customer service expectations, and performance are discussed, and requires workers to comply with RH's uniform and grooming requirements, including wearing RH-branded clothing and using RH-branded delivery trucks. RH also dictates delivery schedules, routes, and customer interactions and requires workers to follow RH's detailed Standard Operating Procedures governing the inspection, loading, and delivery of merchandise. Upon information and belief, RH is also aware that certain workers performing delivery services for RH have been classified as independent contractors by the Staffing/Logistics Entities. These facts further demonstrate RH's control over the manner, means, and conditions under which Plaintiffs and Class Members perform their work and support the conclusion that RH is their actual and/or joint employer.

25. Defendants contract with delivery drivers and driver helpers, such as Plaintiffs and class members, to provide delivery and installation services to Defendants' customers.

26. Although Plaintiffs and class members were uniformly classified by Defendants as "independent contractors," Defendants exercised extensive control over the manner, means, and conditions under which Plaintiffs and class members performed their work, and have engaged in a scheme to create the façade that they do not employ delivery drivers or driver helpers to evade California's wage-and-hour protections for employees.

27. Defendants exercised control over Plaintiffs' and class members' schedules, workload, and performance. For example, Defendants' supervisors texted Plaintiffs and class members their start-times for reporting to the warehouse(s) to load merchandise, as well as the specific delivery route that Plaintiffs and class members were to follow for completing deliveries. Thus, Plaintiffs and class members were required to report to Defendants' warehouse(s) at the time designated by Defendants' supervisors. Plaintiffs and class members did not have the ability to choose their own work start-times, set their delivery schedule, or select the geographic area of their routes. Moreover, Plaintiffs had no meaningful ability to negotiate or alter their assigned routes, which frequently required them to drive long distances across Southern California.

28. Plaintiffs and class members were disciplined for declining work, including receiving warnings that failure to comply would result in reduced or discontinued work.

29. Additionally, Defendants required Plaintiff Rivas, Plaintiff Salazar, and class members to download, use, and comply with a proprietary Restoration Hardware delivery-monitoring mobile application ("RH mobile application"). This RH mobile application included Plaintiffs' and class members' routes, delivery windows, customer information, and the complete list of items to be delivered. The RH mobile application also includes GPS tracking, which allowed Defendants to monitor Plaintiffs' and class members' movements and progress throughout the day. Plaintiffs could be reprimanded for failing to perform deliveries strictly within Defendants' designated delivery windows. Defendants also required Plaintiffs and class members to take photographs of the completed delivery, obtain the customer's signature, and click "Finish" in the application, before they were permitted to drive to the next location.

30. As another example, Defendants exercised control over Plaintiffs' and class members' work by requiring they attend mandatory daily meetings led by RH supervisors, during which RH management provided instructions regarding the day's delivery procedures, reviewed customer feedback from prior deliveries, and publicly criticized Plaintiffs and class members for performance issues.

31. Defendants imposed strict dress code requirements, mandating that Plaintiffs and class members wear all-black clothing, including black undershirts, underwear, socks, shorts, shoes, and hats, along with RH-branded shirts and RH-branded jackets. If Plaintiffs' or class members' uniform failed to meet Defendants' standards, they could be sent home for the day, further demonstrating Defendants' control over the manner and means of Plaintiffs' and class members' work.

32. Defendants also required Plaintiffs and class members to undergo daily compliance checks, which included uniform inspections and the taking of compliance photographs by RH supervisors. These photographs were transmitted to RH's compliance team, further evidencing RH's ongoing monitoring and supervision of Plaintiffs' and class

members' work.

33. Moreover, Defendants controlled the manner and means by which Plaintiffs and class members performed certain deliveries and installations through on-site "RH Designers," who were present at delivery locations for RH's VIP customers. RH Designers instructed Plaintiffs and class members on placement and setup within customers' homes.

34. As a further example, Defendants, directly and/or through the Staffing/Logistics Entities acting at Defendants' direction, required Plaintiffs and Class Members to attend mandatory in person meetings at RH's facilities, including daily morning meetings, to discuss operational protocols, customer service expectations, performance metrics, and customer feedback. These meetings were conducted and led by RH's own managers and supervisors, rather than by any Staffing/Logistics Entity, further demonstrating that RH, and not any Staffing/Logistics Entity, exercised actual control over Plaintiffs' and Class Members' work.

35. Thus, Plaintiffs and class members were not free from the control and direction of Defendants in connection with the performance of their work.

36. Plaintiffs and class members performed work that was not outside the usual course of Defendants' business. Defendants' core business is the designing, marketing, selling, and delivery of high-end home furnishings. According to RH's most recent SEC Form 10-K[1], "[o]ur business depends upon the successful operation of our fulfillment centers, furniture home delivery centers and other aspects of our supply chain and customer delivery network, as well as upon our order management and fulfillment center services." RH's Form 10-K further states, "[w]e have also focused on elevating the customer experience, which includes improving our distribution and delivery of products and architecting a new fully integrated back-end operating platform, inclusive of the supply chain network, the home delivery experience as well as a new metric-driven quality system and company-wide decision data." The work Plaintiffs and class members performed consisted of delivering and installing

[1] 10-K Annual Report 04/02/2025, "SEC Filings | RH" https:// https://ir.rh.com/financials-filings/sec-filings/content/0001558370-25-004329/rh-20250201x10k.htm (last accessed Mar. 19, 2026).

RH merchandise to their customers, which is an integral, indispensable, and usual part of Defendants' business operations.

37. Furthermore, because Plaintiffs and class members rely (often exclusively) on the income they earn from Defendants to support themselves and their families, the economic reality is that Plaintiffs and class members are Defendants' employees. Plaintiffs and class members were not engaged in an independently established trade, occupation, or business of the same nature as the work performed for Defendants. Plaintiff Salazar and Plaintiff Reyes Rivera did not, for example, take any of the usual steps to establish and promote their businesses. Nor did Plaintiff Rivas and Plaintiff Reyes Rivera—through incorporation, licensure, advertisements, or routine offerings to provide services to the public or to a number of potential customers independently choose the burdens and benefits of self-employment by engaging in an independently established trade, occupation, or business. To the extent Plaintiff Rivas independently established a business of the same nature as the work performed for Defendants, Plaintiffs and class members, including Plaintiff Rivas, were restricted from simultaneously carrying any other non-RH merchandise in their delivery vehicles when performing deliveries to RH customers.

38. Thus, Defendants exercised substantial control over Plaintiffs' and class members' wages, hours, and working conditions. Defendants' uniform misclassification of Plaintiffs and other delivery drivers and driver helpers as independent contractors is intentional, unjustified, and unlawful. Defendants' misclassification scheme includes, upon information and belief, routing Plaintiffs' and class members' nominal employment through third-party Staffing/ Logistics Entities, including Aria and such other entities as may be identified through discovery, while Defendants retained actual control over all material terms and conditions of Plaintiffs' and class members' employment. Each such Staffing/ Logistics Entity is, upon information and belief, an agent of, and/or acting at the direction of, Defendants, such that Defendants remain independently and/or jointly liable for the violations alleged herein regardless of the involvement of any Staffing Entity.

39. As a result of this misclassification, Defendants have violated numerous wage-and-hour provisions, including, but not limited to, failing to pay overtime wages for all overtime hours worked, failing to pay at least minimum wages for all hours worked, and failing to provide reimbursement for necessary business-related expenses, among others.

40. Pursuant to California Labor Code section 3357, Plaintiffs and class members are entitled to a presumption that they are in fact employees of Defendants. Moreover, the existence of any document purporting to create an independent contractor relationship is not determinative.

41. Defendants continue to employ delivery drivers and driver helpers at various locations throughout California and continue to misclassify these employees as independent contractors. Defendants continue to employ delivery drivers and driver helpers at various locations throughout California, whether directly or nominally through Staffing and/or Logistics Entities such as Aria and Premier, and continue to misclassify these workers as independent contractors.

42. Plaintiffs are informed and believe, and thereon allege, that at all times herein mentioned, Defendants were advised by skilled lawyers and other professionals, employees and advisors knowledgeable about California labor and wage law, employment and personnel practices, and about the requirements of California law.

43. Plaintiffs are informed and believe, and thereon allege, that Defendants knowingly and willfully misclassified Plaintiffs and class members as independent contractors and on that basis committed the violations against them as set forth herein.

44. Plaintiffs are informed and believe, and thereon allege, that Plaintiffs and class members were not paid for all hours worked because all hours worked were not recorded.

45. Plaintiffs are informed and believe, and thereon allege, that Defendants knew or should have known that Plaintiffs and class members were entitled to receive certain wages for overtime compensation and that they were not receiving certain wages for overtime compensation.

46. Plaintiffs are informed and believe, and thereon allege, that Defendants knew or

should have known that Plaintiffs and class members were entitled to receive at least minimum wages for compensation and that they were not receiving at least minimum wages for work that was required to be done off-the-clock. In violation of the California Labor Code, Plaintiffs and class members were not paid at least minimum wages for work done off-the-clock.

47. Plaintiffs are informed and believe, and thereon allege, that Defendants knew or should have known that Plaintiffs and class members were entitled to receive complete and accurate wage statements in accordance with California law. In violation of the California Labor Code, Plaintiffs and class members were not provided complete and accurate wage statements.

48. Plaintiffs are informed and believe, and thereon allege, that Defendants knew or should have known that they had a duty to maintain accurate and complete payroll records in accordance with the California Labor Code and applicable IWC Wage Order, but willfully, knowingly, and intentionally failed to do so.

49. Plaintiffs are informed and believe, and thereon allege, that Defendants knew or should have known that Plaintiffs and class members were entitled to timely payment of all wages earned upon termination of employment. In violation of the California Labor Code, Plaintiffs and class members did not receive payment of all wages due, including, but not limited to, overtime wages, minimum wages, and/or sick leave pay, within permissible time periods.

50. Plaintiffs are informed and believe, and thereon allege, that Defendants knew or should have known that Plaintiffs and class members were entitled to timely payment of wages during their employment. In violation of the California Labor Code, Plaintiffs and class members did not receive payment of all wages, including, but not limited to, overtime wages, minimum wages, and/or sick leave pay, within permissible time periods.

51. Plaintiffs are informed and believe, and thereon allege, that Defendants knew or should have known that Plaintiffs and class members were entitled to the portion of wages previously paid and subsequently unlawfully deducted by Defendants.

52. Plaintiffs are informed and believe, and thereon allege, that Defendants knew or should have known that Plaintiffs and class members were entitled to receive sick leave benefits and itemized wage statements or separate written statements showing the amount of paid sick leave available, or paid time off provided in lieu of sick leave. In violation of the California Labor Code, Defendants failed to provide Plaintiffs and class members with sick leave benefits and written itemized wage statements or separate written statements showing this information.

53. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or should have known that they were not permitted to compel or coerce Plaintiffs and class members to patronize their business in the purchase of anything of value, but did in fact require Plaintiffs and class members to purchase various items, including uniform items, from Defendants.

54. Plaintiffs are informed and believe, and thereon allege, that Defendants knew or should have known that Plaintiffs and class members were entitled to one day's rest in seven. In violation of the California Labor Code, Defendants required Plaintiffs and class members to work more than six consecutive days without a day of rest, where the total hours worked exceeded 30 hours in any week or six hours in any one day thereof.

55. Plaintiffs are informed and believe, and thereon allege, that Defendants knew or should have known that Plaintiffs and class members were entitled to receive full reimbursement for all business-related expenses and costs they incurred during the course and scope of their employment and that they did not receive full reimbursement of applicable business-related expenses and costs incurred.

56. Plaintiffs are informed and believe, and thereon allege, that at all times herein mentioned, Defendants knew or should have known that Defendants had a duty to provide Plaintiffs 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.

57. Plaintiffs are informed and believe, and thereon allege, that at all times herein mentioned, Defendants knew or should have known that they had a duty to compensate

Plaintiffs 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 Plaintiffs and class members that they were properly denied wages, all in order to increase Defendants' profits.

PAGA REPRESENTATIVE ALLEGATIONS

58. 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.

59. PAGA defines an "aggrieved employee" in Labor Code section 2699(c)(1) as "any person who was employed by the alleged violator and personally suffered each of the violations alleged."

60. For purposes of the LWDA notice and administrative exhaustion allegations set forth below, "Plaintiffs" refers solely to Plaintiffs Jonathan Rivas, Christian Salazar, and Erling Aurelio Reyes Rivera.

61. Plaintiffs and other current and former employees of Defendants are "aggrieved employees" as defined by Labor Code section 2699(c)(1) in that they are all Defendants' current or former employees and each of the alleged violations were committed against them.

62. Pursuant to California Labor Code sections 2699.3 and 2699.5, aggrieved employees, including Plaintiffs, may pursue a civil action arising under PAGA after the following requirements have been met:

(a) The aggrieved employee or representative shall give written notice by online filing with the LWDA and by certified mail to the employer of the specific provisions of the California Labor Code alleged to have been violated, including the facts and theories to support the alleged violation.

Defendants RESTORATION HARDWARE, INC. controlled day-to-day employment decisions affecting the aggrieved employee and other similarly situated employees who performed delivery services for Restoration Hardware, including employees nominally employed by third party staffing, logistics, and delivery companies.

(b) The aggrieved employee or representative shall give written notice by online filing with the LWDA and by certified mail to the employer of the specific provisions of the California Labor Code alleged to have been violated, including the facts and theories to support the alleged violation.

(c) An aggrieved employee's notice filed with the LWDA pursuant to 2699.3(a) and any employer response to that notice shall be accompanied by a filing fee of seventy-five dollars ($75).

(d) The LWDA shall notify the employer and the aggrieved employee or representative by certified mail that it does not intend to investigate the alleged violation ("LWDA Notice") within sixty (60) calendar days of the postmark date of the aggrieved employee's notice. Upon receipt of the LWDA Notice, or if no LWDA Notice is provided within sixty-five (65) calendar days of the postmark date of the aggrieved employee's notice, the aggrieved employee may commence a civil action pursuant to California Labor Code section 2699 to recover civil penalties.

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

(a) The aggrieved employee or representative shall give written notice by online filing with the LWDA and by certified mail to the employer of the specific provisions of the California Labor Code alleged to have

been violated (other than those listed in Section 2699.5), including the facts and theories to support the alleged violation.

(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.

64. On or about May 7, 2026, Plaintiffs 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. Plaintiffs' written notice was accompanied with the applicable filing fee of seventy-five dollars ($75). The LWDA PAGA Administrator confirmed receipt of Plaintiffs' written notice and assigned Plaintiffs PAGA Case Number LWDA-CM-1160426-26. A true and correct copy of Plaintiffs' written notice to the LWDA and Defendants dated May 7, 2026, is attached hereto as "Exhibit 1".

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

66. Thus, Plaintiffs have satisfied the administrative prerequisites under California Labor Code sections 2699.3(a) and 2699.3(c) to recover civil penalties against Defendants for

violations of California Labor Code sections 201, 202, 204, 226(a), 226.8(a), 246, 510, 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2775(b), 2802, and 2810.5.

67. 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 "[t]he civil penalties provided for in this section are in addition to any other civil or criminal penalty provided by law."

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

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

70. Pursuant to PAGA, and in particular, California Labor Code sections 1194.5, 2699(a), 2699(k), 2699.3(a), 2699.3(c), 2699.5, and section 558, Plaintiffs, acting in the public interest as a private attorney general, seeks assessment and collection of civil penalties and injunctive relief for themselves, all other aggrieved employees, and the State of California against Defendants for violations of California Labor Code sections 201, 202, 204, 226(a), 226.8(a), 246, 510, 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2775(b), 2802, and 2810.5.

CLASS ACTION ALLEGATIONS

71. Plaintiffs bring this action on their own behalf, as well as on behalf of each and all other persons similarly situated, and thus seek class certification under California Code of Civil Procedure section 382.

72. All claims alleged herein arise under California law for which Plaintiffs seek relief authorized by California law.

73. Plaintiffs' proposed class consists of and is defined as follows:

> All persons who performed delivery services of RH merchandise as delivery drivers or delivery helpers and who were misclassified as independent contractors in California, at any time from June 13, 2024, until the date of trial ("Class").

74. Plaintiffs' proposed subclass consists of and is defined as follows:

> All persons who performed delivery services of RH merchandise as delivery drivers or delivery helpers and who were misclassified as independent contractors in California within one (1) year prior to the filing of the initial complaint until the date of trial ("Subclass").

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

76. Plaintiffs reserve the right to redefine the Class and Subclass and to add additional subclasses as appropriate based on further investigation, discovery, and specific theories of liability.

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

(a) Whether Defendants knowingly and willfully misclassified Plaintiffs and class members as independent contractors rather than employees;

(b) Whether Defendants required Plaintiffs and class members to work over eight (8) hours per day, over twelve (12) hours per day, or over forty (40) hours per week and failed to pay all legally required overtime compensation to Plaintiffs and class members;

(c) Whether Defendants failed to pay Plaintiffs and class members at least minimum wages for all hours worked;

(d) Whether Defendants provided Plaintiffs and class members with complete and accurate wage statements as required by California Labor Code section 226(a);

(e) Whether Defendants maintained accurate payroll records as required by

California Labor Code section 1174(d);

(f) Whether Defendants failed to pay earned overtime wages, minimum wages, and/or sick leave pay due to Plaintiffs and class members upon their discharge;

(g) Whether Defendants failed timely to pay overtime wages, minimum wages, and/or sick leave pay due to Plaintiffs and class members during their employment;

(h) Whether Defendants unlawfully deducted a portion of wages previously paid to Plaintiffs and class members, in violation of California Labor Code sections 221 and 224;

(i) Whether Defendants provided Plaintiffs and class members with sick leave benefits and written notice of paid sick leave, or paid time off, as required by California Labor Code section 246;

(j) Whether Defendants compelled and/or coerced Plaintiff and class members to patronize their business;

(k) Whether Defendants failed to provide Plaintiffs and class members one day's rest in seven;

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

(m) Whether Defendants failed to provide written notice of information material to Plaintiffs' and class members' employment with Defendants;

(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.

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

(b) Typicality: Plaintiffs are qualified to, and will, fairly and adequately protect the interests of each class member with whom they have a well-defined community of interest, and Plaintiffs' claims (or defenses, if any) are typical of all class members as demonstrated herein.

(c) Adequacy: Plaintiffs are qualified to, and will, fairly and adequately protect the interests of each class member with whom they have a well-defined community of interest and typicality of claims, as demonstrated herein. Plaintiffs acknowledge that they have an obligation to make known to the Court any relationship, conflicts or differences with any class member. Plaintiffs' attorneys, the proposed class counsel, are versed in the rules governing class action discovery, certification, and settlement. Plaintiffs have incurred, and throughout the duration of this action, will continue to incur costs and attorneys' fees that have been, are, and will be necessarily expended for the prosecution of this action for the substantial benefit of each class member.

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

(e) Public Policy Considerations: Employers in the State of California violate employment and labor laws every day. Current employees are often afraid to assert their rights out of fear of direct or indirect retaliation. Former employees are fearful of bringing actions because they believe their former employers might damage their future endeavors through negative references and/or other means. Class actions provide the class members who are not named in the complaint with a type of anonymity that allows for the vindication of their rights while simultaneously protecting their privacy.

FIRST CAUSE OF ACTION

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

(Against all Defendants)

79. Plaintiffs incorporate by reference and re-allege as if fully stated herein each and every allegation set forth above.

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

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

82. Specifically, the applicable IWC Wage Order provides that Defendants are and were required to pay Plaintiffs and class members 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) for all hours worked in excess of eight (8) hours in a day or more than forty (40) hours in a workweek.

83. The applicable IWC Wage Order further provides that Defendants are and were required to pay Plaintiffs 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.

84. 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.

85. During the relevant time period, Defendants willfully failed to pay all overtime wages owed to Plaintiffs and class members. During the relevant time period, Plaintiffs 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.

86. As set forth above, Defendants' misclassification of Plaintiffs and class members as independent contractors and "exempt" status from overtime and other related wage-and-hour protections, is, and was, willful, intentional, unjustified, and unlawful. Plaintiffs and class members typically worked forty (40) to sixty (60) hours per week and more than ten (10) hours per day, of which Defendants were fully aware. However, because Defendants misclassified Plaintiffs and class members as "exempt" from overtime, Defendants did not record their hours worked and did not pay any overtime wages for hours worked in excess of eight (8) hours in one day, twelve (12) hours in a day, or forty (40) hours in one week.

87. Plaintiffs regularly worked in excess of eight (8) hours in one day, twelve (12) hours in a day, and forty (40) hours in one week, and were never paid overtime wages. For example, as delivery drivers and/or delivery helpers, Plaintiffs spent time attending daily

meetings, undergoing compliance checks, loading inventory onto trucks, driving to several delivery locations, completing deliveries for Defendants' customers, communicating with Defendants' customers regarding the status of deliveries, and assembling furniture for Defendants' customers, cleaning up remaining trash from Defendants' customer's homes or from Defendants' warehouses, and regularly driving from Defendants' warehouse in Ontario to distant locations such as Santa Diego, Ventura, and Bakersfield, often totaling up to 17 hours per day. However, Defendants paid Plaintiffs and class members daily flat rate day rates, which did not vary based on the number of hours worked. As a result of Defendants' willful misclassification of Plaintiffs and class members, Plaintiffs and class members were denied overtime pay.

88. Additionally, Plaintiffs and class members were required to review text message communications from Defendants' management after their shifts or on their days off. For example, at the end of each day, Plaintiffs would receive a text message from Defendants' managers with their work schedules, the assigned delivery routes for the following work day, and other work-related announcements, and Plaintiffs were required to spend time off-the-clock reviewing the text messages. As a further example, as stated, Defendants also required Plaintiffs and class members to attend monthly mandatory in-person meetings held by Defendants' supervisors at their warehouse(s) to discuss performance metrics and feedback from RH customers, which usually lasted for three (3) hours per instance.

89. Defendants knew or should have known that as a result of these company-wide practices and/or policies, including their misclassification of independent contractors such as Plaintiffs and class members as "exempt," Plaintiffs and class members were performing their assigned duties off-the-clock and were suffered or permitted to perform work for which they were not paid. Because Plaintiffs and class members worked shifts of eight (8) hours or more a day, or forty (40) hours a week or more, some of this off-the-clock work qualified for overtime premium pay. Therefore, Plaintiffs and class members were not paid overtime wages for all of the overtime hours they actually worked.

90. Defendants' failure to pay Plaintiffs 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, Plaintiffs and class members are therefore 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)

91. Plaintiffs incorporate by reference and re-allege as if fully stated herein each and every allegation set forth above.

92. 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 minimum wage to be paid to employees, and the payment of a wage less than the minimum so fixed is unlawful. Compensable work time is defined in IWC Wage Order No. 9-2001 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, § 11090(2)(H) (defining "Hours Worked").

93. As set forth above, due to Defendants' policies and/or practices of willful misclassification of delivery drivers and driver helpers, Defendants failed to track this time that Plaintiffs and class members spent working off-the-clock, and Plaintiffs and class members received no compensation for this time. As stated, Plaintiffs and class members spent time attending daily meetings, undergoing compliance checks, loading inventory, driving to several distant delivery locations, completing deliveries, communicating with Defendants' customers, assembling furniture for Defendants' customers, cleaning up remaining trash from Defendants' customer's homes or from Defendants' warehouses, reviewing text message communications from Defendants' management after their shifts or on their days off, and attending mandatory in-person meetings on Defendants' premises. However, as stated, Defendants paid Plaintiffs and class members daily flat rates, which did

not vary based on the number of hours worked. Plaintiffs and class members were misclassified as independent contractors and thus not paid any hourly wage. Thus, Plaintiffs and class members were not paid even minimum wage for all of the hours they worked as a result of being paid on a fixed-rate basis, and the wages paid to them were not sufficient to compensate them for all hours they worked at a minimum wage rate on a cumulative basis, in violation of California Labor Code sections 1182.12, 1194, 1197, and 1197.1.

94. Defendants did not pay minimum wages for all hours worked by Plaintiffs and class members. To the extent that these off-the-clock hours did not qualify for overtime premium payment, Defendants 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.

95. Defendants' failure to pay Plaintiffs and class members minimum wages violates California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198. Pursuant to California Labor Code section 1194.2, Plaintiffs and class members are therefore entitled to recover from Defendants liquidated damages in an amount equal to the wages unlawfully unpaid and interest thereon.

THIRD CAUSE OF ACTION

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

(Against all Defendants)

96. Plaintiffs incorporate by reference and re-allege as if fully stated herein each and every allegation set forth above.

97. At all relevant times herein set forth, California Labor Code section 226(a) provides that every employer shall furnish each of his or her employees an accurate and complete itemized wage statement in writing, including, but not limited to, the name and address of the legal entity that is the employer, the inclusive dates of the pay period, total hours worked, and all applicable rates of pay.

98. At all relevant times, Defendants have knowingly and intentionally failed to

provide Plaintiffs and Subclass members with any wage statements. Defendants did not provide Plaintiffs and Subclass members with itemized wage statements as a result of misclassifying them as independent contractors and denying their status as employees. Because Defendants did not issue any wage statements to Plaintiffs and Subclass members, Defendants have violated, and continue to violate Labor Code section 226(a) in its entirety.

99. Specifically, Defendants have knowingly and intentionally failed to provide wage statements to Plaintiffs and Subclass members that list: gross wages earned in violation of section 226(a)(1); total hours worked by employees in violation of section 226(a)(2); the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis in violation of section 226(a)(3); all deductions in violation of section 226(a)(4); net wages earned in violation of section 226(a)(5); the inclusive dates of the period for which employees were paid in violation of section 226(a)(6); 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 in violation of section 226(a)(7); the name and address of the legal entity that is the employer in violation of section 226(a)(8); and all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate in violation of section 226(a)(9). In addition, Defendants failed to provide Plaintiffs and Subclass members the option to elect to receive hard copies of their wage statements at any time and/or failed to provide them with the ability to easily access the information and convert the electronic wage statements into hard copies at no expense to them.

100. 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),

Defendants willfully failed to maintain accurate payroll records for Plaintiffs and Subclass members showing the daily hours they worked and the wages paid thereto as a result of failing to record any hours that they worked and as a result of misclassifying them as independent contractors.

101. 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. During the relevant time period, Defendants engaged in company-wide practices and/or policies of failing to record any hours worked as a result of misclassifying Plaintiffs and Subclass members as independent contractors, and thereby failed to keep accurate records of work period start and end times for Plaintiffs and Subclass members, in violation of section 1198.

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

FOURTH CAUSE OF ACTION

Violation of California Labor Code §§ 201 and 202—Wages Not Timely Paid Upon Termination

(Against all Defendants)

103. Plaintiffs incorporate by reference and re-allege as if fully stated herein each and every allegation set forth above.

104. This cause of action is dependent upon, and wholly derivative of, the overtime wages, minimum wages, and/or sick leave pay that were not timely paid to Plaintiffs and those class members no longer employed by Defendants upon their termination.

105. At all times relevant herein set forth, 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.

106. Defendants willfully failed to pay Plaintiffs and class members who are no longer employed by Defendants the earned and unpaid wages set forth above, including but not limited to, overtime wages, minimum wages, and/or sick leave pay, either at the time of discharge, or within seventy-two (72) hours of their leaving Defendants' employ.

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

FIFTH CAUSE OF ACTION

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

(Against all Defendants)

108. Plaintiffs incorporate by reference and re-allege as if fully stated herein each and every allegation set forth above.

109. This cause of action is dependent upon, and wholly derivative of, the overtime wages, minimum wages, and/or sick leave pay that were not timely paid to Plaintiffs and class members during their employment.

110. At all times relevant herein set forth, Labor Code section 204 provides that all wages earned by any person in any employment between the first (1st) and the fifteenth (15th)

days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the sixteenth (16th) and the twenty-sixth (26th) day of the month during which the labor was performed. Labor Code section 204 further provides that all wages earned by any person in any employment between the sixteenth (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 first (1st) and the tenth (10th) day of the following month.

111. At all times relevant herein, Labor Code section 204 provides 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, at all times relevant herein, 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.

112. During the relevant time period, Defendants willfully failed to pay Plaintiffs and class members all wages due including, but not limited to, overtime wages, minimum wages, and/or sick leave pay, within the time periods specified by California Labor Code section 204.

113. Defendants' failure to pay Plaintiffs and class members all wages due violates Labor Code section 204. Plaintiffs and class members are therefore entitled to recover from Defendants the statutory penalty wages pursuant to California Labor Code section 210.

SIXTH CAUSE OF ACTION

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

(Against all Defendants)

114. Plaintiffs incorporate and re-allege as if fully stated herein each and every allegation set forth above.

115. At all times herein set forth, California Labor Code section 2802 provides that an employer must reimburse employees 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. 9-2001, provides that: "[w]hen tools or equipment are required by the employer or 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 provided herein may be required to provide and maintain hand tools and equipment customarily required by the trade or craft." IWC Wage Order No. 9-2001 also provides that: "[w]hen uniforms are required by the employer to be worn by the employee as a condition of employment, such uniforms shall be provided and maintained by the employer."

116. First, during the relevant time period, Defendants, on a company-wide basis, required that Plaintiffs and class members use their own 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 expenses. For example, as set forth above, Defendants required Plaintiff Rivas and Plaintiff Salazar to download various mobile applications, such as the RH mobile application for displaying routes, delivery windows, and customer information, as well as allowing Defendants to actively monitor Plaintiffs' and class members' movements and progress throughout the day. As another example, Plaintiff Rivas and Plaintiff Salazar were required to use their personal cellular phones for communicating with Defendants' managers, regarding work-related matters. As a further example, Plaintiffs were required to review text message communications from Defendants' managers regarding their work schedules, assigned delivery routes, and other work-related announcements. Although Defendants required Plaintiffs and class members to utilize their personal mobile devices and/or mobile data to carry out their work-related responsibilities, Defendants failed to reimburse them for this cost.

117. Second, during the relevant time period, Defendants had a company-wide policy of requiring Plaintiff Rivas, Plaintiff Salazar, and class members to utilize their own personal delivery vehicles to carry out company business, but failed to reimburse them for all

costs of travel, including mileage, fuel, truck maintenance, and insurance premiums. Specifically, Defendants required Plaintiff Rivas, Plaintiff Salazar, and class members to travel to jobsites across Southern California to complete their assigned deliveries, but did not reimburse them for their travel expenses. For example, Defendants regularly required Plaintiff Rivas and Plaintiff Salazar to drive their personal delivery vehicles from Defendants' warehouse in Ontario to distant locations such as San Diego, Ventura, and Bakersfield. Although Defendants required Plaintiff Rivas, Plaintiff Salazar, and class members to utilize their own delivery vehicles to carry out their work-related responsibilities, Defendants did not reimburse them for their travel expenses.

118. Third, during the relevant time period, Defendants required Plaintiffs and class members to purchase supplies and equipment necessary for the performance of their duties, but failed to reimburse them for their out-of-pocket costs. For example, Plaintiff Rivas and Plaintiff Salazar were required to purchase their own 4-wheel dollies, moving blankets, and magic erasers for work purposes. Plaintiff Reyes Rivera was required to purchase knives, nails, and wrenches, because Defendants failed to provide them with the necessary supplies and equipment which were required for them to complete their assigned duties.

119. Fourth, during the relevant time period, Defendants required Plaintiffs and class members to wear uniform items, including RH-branded shirts and RH-branded jackets. However, Defendants did not provide Plaintiffs and class members with any uniforms to wear for their shifts throughout the week. Because Defendants failed to provide Plaintiffs with any uniform items in relation to their shifts and for the tasks they were required to perform, Plaintiffs and class members were forced to pay out-of-pocket for their uniform items. For example, Plaintiffs each spent approximately $75-$100 on their RH-branded jackets.

120. Moreover, because Defendants failed to provide Plaintiffs and class members with any uniform items, Plaintiffs and class members had to wash their uniforms more frequently than they would otherwise do laundry, and incur expenses in doing so. As a result, Plaintiffs had to wash his uniform items more frequently than other clothing and/or separately from their regular clothing, thus incurring additional laundry expenses for the upkeep of their

uniforms. Thus, Defendants failed to provide and maintain uniforms they required Plaintiffs and class members to wear during their shifts and forced them to incur the costs of purchasing and maintaining employee uniforms had to wash their uniforms more frequently than they would otherwise do laundry, and incurred expenses in doing so. Thus, Defendants failed to maintain uniforms they required Plaintiffs and class members to wear during their shifts and forced them to incur the cost of maintaining employee uniforms.

121. Defendants could have provided Plaintiffs and class members with the actual equipment for use on the job, such as company mobile devices, company vehicles, supplies and equipment as well as uniform items or access to laundering services. Or, Defendants could have reimbursed employees for the costs of their mobile device usage, mileage and travel expenses, supply and equipment expenses, and laundering expenses or provided a uniform maintenance allowance. Instead, Defendants passed these operating costs onto Plaintiffs and class members. At all relevant times, Plaintiffs did not earn at least two (2) times the minimum wage.

122. Defendants' company-wide policy and/or practice of passing not reimbursing employees for expenses necessarily incurred and on their operating costs to Plaintiffs and class members violates California Labor Code section 2802. Defendants have intentionally and willfully failed to reimburse Plaintiffs and class members for necessary business-related expenses and costs.

123. Pursuant to California Labor Code section 2802, Plaintiffs and class members are entitled to recover from Defendants their business-related expenses incurred during the course and scope of their employment, plus interest, costs, and attorneys' fees.

SEVENTH CAUSE OF ACTION

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

(Against all Defendants)

124. Plaintiffs incorporate by reference and re-allege as if fully stated herein each and every allegation set forth above. For purposes of this Seventh Cause of Action only, "Plaintiffs" refers solely to Plaintiffs Jonathan Rivas, Christian Salazar, and Erling Aurelio

Reyes Rivera.

125. California Labor Code sections 2698, *et seq.* permit Plaintiffs 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, 1174(d), and 1198. Labor Code section 2699.3(c) permits aggrieved employees, including Plaintiffs, to recover civil penalties for violations of those Labor Code sections not found in section 2699.5, including sections 226(a), 226.8(a), 246, 510, 516, 1182.12, 1194, 1197, 1197.1, 2775(b), 2802, and 2810.5.

126. 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 226.8 for Defendants' willful misclassification of Plaintiffs and other aggrieved employees as "independent contractors" rather than employees, as set forth below;

(b) Violation of Labor Code sections 510, 511, and 1198, and the applicable IWC Wage Order for Defendants' failure to compensate Plaintiffs and other aggrieved employees with all required overtime pay, as alleged herein;

(c) Violation of Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198, and the applicable IWC Wage Order for Defendants' failure to compensate Plaintiffs and other aggrieved employees with at least minimum wages for all hours worked, as alleged herein;

(d) 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 Plaintiffs and other aggrieved employees, as alleged herein;

(e) Violation of Labor Code sections 1174(d) and 1198, and the applicable IWC Wage Order for failure to maintain payroll records, as alleged

herein;

(f) Violation of Labor Code sections 201 and 202 for failure to pay all earned wages upon termination, as alleged herein;

(g) Violation of Labor Code section 204 for failure to pay all earned wages during employment, as alleged herein;

(h) Violation of Labor Code section 246 for failure to provide paid sick leave benefits and failure to provide written notice of paid sick leave available, or paid time off, as set forth below;

(i) Violation of Labor Code section 2802 for failure to reimburse Plaintiffs and other aggrieved employees for all business expenses necessarily incurred, as alleged herein; and

(j) Violation of Labor Code section 2810.5(a)(1)(A)-(C) for failure to provide written notice of information material to Plaintiffs' and other aggrieved employees' employment with Defendants, as set forth below.

127. At all relevant times herein, Labor Code section 2775(b) provides the test for determining whether an individual performing work for another is an independent contractor or an employee, a standard commonly referred to as the "ABC Test." It states, as follows:

> [A] person providing labor or services for remuneration shall be considered an employee rather than an independent contractor unless the hiring entity demonstrates that all of the following conditions are satisfied.
> **(A)** The person is free from the control and direction of the hiring entity in connection with the performance of the work, both under the contract for the performance of the work and in fact.
> **(B)** The person performs work that is outside the usual course of the hiring entity's business.
> **(C)** The person is customarily engaged in an independently established trade, occupation, or business of the same nature as that involved in the work.

128. Under the ABC Test, the alleged employer, rather than the worker, has the burden of establishing that the worker is an independent contractor and not intended to be included within the relevant wage order's coverage. "The focus is not on the label attached to

a worker's position, but on how that individual's job may reasonably be viewed." *Gonzales v. San Gabriel Transit, Inc.*, 40 Cal.App.5th 1131, 1154–1155 (2019). Further, the alleged employer must establish that the worker meets all three factors of the ABC Test or falls within an exception to the ABC Test. Id. at 1154 ("The ABC test is conjunctive, and the hiring entity's failure to establish any of the following three factors precludes a finding that the worker is an independent contractor . . . ."). Otherwise, Labor Code section 2775's default presumption applies and the worker must be treated as an employee. See *Dynamex Operations W. v. Superior Court*, 4 Cal.5th 903, 955 (2018) ("The ABC test presumptively considers all workers to be employees, and permits workers to be classified as independent contractors only if the hiring business demonstrates that the worker in question satisfies each of three conditions . . . .").

129. Here, at all relevant times herein, Defendants treated Plaintiffs and other aggrieved employees as independent contractors despite the fact that Defendants failed to meet any of the prongs of the ABC Test, much less all three. First, Defendants retained the right to control the manner and method of how Plaintiffs and other aggrieved employees performed their job duties, and Defendants retained all necessary control over Plaintiffs and other aggrieved employees during their employment. Among other things, as stated, Plaintiffs and other aggrieved employees were required to follow detailed requirements imposed by Defendants governing the performance of their job. Furthermore, Defendants set their compensation.

130. Second, the job duties performed by Plaintiffs and other aggrieved employees fell within Defendants' usual course of business. Specifically, as stated, the roles performed by Plaintiffs and other aggrieved employees are clearly comparable to those of Defendants' employees whose services are provided within the usual course of Defendants' business of delivering goods. Thus, the work of Plaintiffs and other aggrieved employees was not merely incidental to Defendants' business, but rather, was an integral and ordinary part of that business.

131. Finally, Plaintiffs and other aggrieved employees were not engaged in an

independently established trade, occupation, or business of the same nature as the work performed for Defendants. Plaintiffs and other aggrieved employees did not, for example, take any of the usual steps to establish and promote their businesses. Nor did Plaintiffs and other aggrieved employees —through incorporation, licensure, advertisements, or routine offerings to provide services to the public or to a number of potential customers— independently choose the burdens and benefits of self-employment by engaging in an independently established trade, occupation, or business. Most importantly, this last prong of the ABC Test requires that Defendants show Plaintiffs and other aggrieved employees "actually . . . engaged in an independent business, not merely that [they] could be." Gonzales v. San Gabriel Transit, Inc., 40 Cal.App.5th 1131, 1155 (2019) (emphasis in original). For example, Plaintiffs and other aggrieved employees did not actually engage in independently established businesses. "A company that labels as independent contractors a class of workers who are not engaged in an independently established business in order to enable the company to obtain the economic advantages that flow from avoiding the financial obligations that a wage order imposes on employers unquestionably violates the fundamental purposes of the wage order." Dynamex Operations W. v. Superior Court, 4 Cal.5th 903, 962 (2018). Here, Defendants violated California law by attempting to do so.

132. At all times relevant herein set forth, California Labor Code section 226.8 makes it illegal to willfully misclassify an employee as an independent contractor, providing:

> [i]t is unlawful for any person or employer to engage in any of the following activities: (1) Willful misclassification of an individual as an independent contractor. (2) Charging an individual who has been willfully misclassified as an independent contractor a fee, or making any deductions from compensation, for any purpose, including for goods, materials, space rental, services, government licenses, repairs, equipment maintenance, or fines arising from the individual's employment where any of the acts described in this paragraph would have violated the law if the individual had not been misclassified.

133. California Labor Code section 226.8(b) further provides that "[i]f the Labor and Workforce Development Agency or a court issues a determination that a person or employer

has engaged in any of the enumerated violations of subdivision (a), the person or employer shall be subject to a civil penalty of not less than five thousand dollars ($5,000) and not more than fifteen thousand dollars ($15,000) for each violation, in addition to any other penalties or fines permitted by law."

134. Moreover, California Labor Code section 226.8(c) provides "[i]f the Labor and Workforce Development Agency or a court issues a determination that a person or employer has engaged in any of the enumerated violations of subdivision (a) and the person or employer has engaged in or is engaging in a pattern or practice of these violations, the person or employer shall be subject to a civil penalty of not less than ten thousand dollars ($10,000) and not more than twenty-five thousand dollars ($25,000) for each violation, in addition to any other penalties or fines permitted by law."

135. Here, Defendants' treatment of Plaintiffs and other aggrieved employees cannot meet any part of the ABC Test and Defendants were aware of this. This treatment was Defendants' pattern and practice of willfully misclassifying Defendants' employees as independent contractors. Thus, Defendants intentionally and willfully misclassified Plaintiffs and other aggrieved employees as independent contractors, in violation of Labor Code section 226.8(a). Plaintiffs and other aggrieved employees are therefore entitled to recover civil penalties pursuant to Labor Code sections 226.8, 2786, and/or 2699(a), (f), and (k).

136. 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. Pursuant to California Labor Code section 246(b)(4), employers must provide no less than 40 hours or five (5) days of paid sick leave (or equivalent paid leave or paid time off) in each year of the employee's employment. California Labor Code section 246(i) provides that an employer must provide an employee with written notice that sets forth the amount of paid sick leave available, or paid time off that an employer provides in lieu of sick leave, for use on either the employee's itemized wage statement or in a separate written statement provided on the designated pay date with the employee's wages.

137. During the relevant time period, on information and belief, Defendants systematically failed to provide Plaintiffs and other aggrieved employees paid sick leave of no less than 40 hours or five (5) days. Specifically, Plaintiffs worked in excess of 30 days for Defendants in California and was therefore eligible to receive paid sick leave. However, on information and belief, Defendants failed to provide Plaintiffs and other aggrieved employees with any sick leave benefits, in violation of Labor Code section 246(b)(1)-(4).

138. Additionally, during the relevant time period, Defendants failed, on a company-wide basis, to provide Plaintiffs and other aggrieved employees with written notice on wage statements and/or other separate written statements that listed the amount of paid sick leave (or equivalent paid leave or paid time off) available to them. Defendants' systematic failure to provide written notice of sick leave benefits to Plaintiffs and other aggrieved employees is in violation of Labor Code section 246(i).

139. Plaintiffs and other aggrieved employees are therefore entitled to recover civil penalties pursuant to Labor Code sections 248.5 and/or 2699(a), (f), and (k).

140. At all relevant times herein, 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 containing basic and material payroll information, including, among other things, 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 lodging allowances. Labor Code § 2810.5(a)(1)(A)-(C).

141. At all relevant times, on information and belief, Defendants failed, on a company-wide basis, to provide written notice to Plaintiffs and other aggrieved employees that lists the requisite information set forth in Labor Code section 2810.5(a)(1)(A)-(C).

Defendants' failure to provide Plaintiffs and other aggrieved employees with written notice of basic information regarding their employment with Defendants is in violation of California Labor Code section 2810.5. Plaintiffs and other aggrieved employees are therefore entitled to recover civil penalties pursuant to Labor Code sections 2699(a), (f), and (k).

EIGHTH CAUSE OF ACTION

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

(Against all Defendants)

142. Plaintiffs incorporate by reference and re-allege as if fully stated herein each and every allegation set forth above.

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

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

145. 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*.

146. 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) Willfully misclassifying Plaintiffs and class members as independent contractors rather than employees, in violation of California Labor Code section 226.8, as alleged herein and as set forth below;

(b) Requiring non-exempt, hourly paid employees, including Plaintiffs 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;

(c) Failing to pay at least minimum wage to Plaintiffs 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;

(d) Failing to provide Plaintiffs 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;

(e) Failing timely to pay all earned wages to Plaintiffs and class members in violation of California Labor Code section 204, as alleged herein;

(f) Collecting or receiving wages already paid from Plaintiffs and class members in violation of California Labor Code sections 221 and 224, as set forth below;

(g) Failing to provide Plaintiffs and class members sick leave benefits and written notice of paid sick leave available, or paid time off, in violation of California Labor Code section 246, as set forth below;

(h) Compelling and/or coercing Plaintiffs and class members to patronize Defendants' business in violation of California Labor Code section 450, as set forth below;

(i) Failing to provide one day's rest in seven to Plaintiffs and class members in violation of California Labor Code sections 551 and 552, as set forth below;

(j) Failing to reimburse Plaintiffs and class members for all business expenses necessarily incurred in violation of California Labor Code section 2802, as alleged herein; and

(k) Failing to provide written notice of information material to Plaintiffs' and class members' employment with Defendants in violation of California Labor Code section 2810.5(a)(1)(A)-(C), as set forth below.

147. At all relevant times herein, Labor Code section 2775(b) provides the test for determining whether an individual performing work for another is an independent contractor or an employee, a standard commonly referred to as the "ABC Test." It states, as follows:

> [A] person providing labor or services for remuneration shall be considered an employee rather than an independent contractor unless the hiring entity demonstrates that all of the following conditions are satisfied.
> **(A)** The person is free from the control and direction of the hiring entity in connection with the performance of the work, both under the contract for the performance of the work and in fact.
> **(B)** The person performs work that is outside the usual course of the hiring entity's business.
> **(C)** The person is customarily engaged in an independently established trade, occupation, or business of the same nature as that involved in the work.

148. Under the ABC Test, the alleged employer, rather than the worker, has the burden of establishing that the worker is an independent contractor and not intended to be included within the relevant wage order's coverage. "The focus is not on the label attached to a worker's position, but on how that individual's job may reasonably be viewed." *Gonzales v. San Gabriel Transit, Inc.*, 40 Cal. App. 5th 1131, 1154–1155 (2019). Further, the alleged employer must establish that the worker meets ***all three*** factors of the ABC Test or falls within an exception to the ABC Test. *Id.* at 1154 ("The ABC test is conjunctive, and the hiring entity's failure to establish any of the following three factors precludes a finding that the worker is an independent contractor . . . ."). Otherwise, Labor Code section 2775's default presumption applies and the worker must be treated as an employee. *See Dynamex Operations W. v. Superior Court*, 4 Cal. 5th 903, 955 (2018) ("The ABC test presumptively considers all workers to be employees, and permits workers to be classified as independent contractors only if the hiring business demonstrates that the worker in question satisfies each of three conditions . . . .").

149. Here, at all relevant times herein, Defendants treated Plaintiffs and class

members as independent contractors despite the fact that Defendants failed to meet any of the prongs of the ABC Test, much less all three. First, Defendants retained the right to control the manner and method of how Plaintiffs and class members performed their job duties, and Defendants retained all necessary control over Plaintiffs and class members during their employment.

150. For example, as stated, Defendants exercised control over Plaintiffs' and class members schedules, workload, and performance. As set forth above, Plaintiffs and class members did not have the ability to choose their own work start-times, set their delivery schedule, or select the geographic area of their routes. As also set forth above, Defendants required Plaintiffs and class members to download, use, and comply with the RH delivery-monitoring mobile application which allowed Defendants to monitor Plaintiffs' and class members' movements and progress throughout the day. As also stated, Plaintiffs could be reprimanded for failing to perform deliveries strictly within Defendants' designated delivery windows and Defendants required Plaintiffs and class members to follow strict processes and guidelines for completing deliveries.

151. As a further example, as stated, Defendants exercised control over Plaintiffs' and class members' work by requiring they attend mandatory daily meetings led by RH supervisors, during which RH management provided instructions regarding the day's delivery procedures, reviewed customer feedback from prior deliveries, and publicly criticized Plaintiffs and class members for performance issues. Additionally, as previously discussed, Defendants imposed strict dress code requirements, and if Plaintiffs' or class members' uniform failed to meet Defendants' standards, they could be sent home for the day. As also set forth, Defendants required Plaintiffs and class members to undergo daily compliance checks, which included uniform inspections and the taking of compliance photographs by RH supervisors. These photographs were transmitted to RH's compliance team, further evidencing RH's ongoing monitoring and supervision of Plaintiffs' and class members' work.

152. Further, as stated, Defendants controlled the manner and means by which Plaintiffs and class members performed certain deliveries and installations through on-site

"RH Designers," who were present at delivery locations for RH's VIP customers. RH Designers instructed Plaintiffs and class members on placement and setup within customers' homes.

153. As a further example, PLM also required Plaintiffs and class members to attend monthly mandatory in-person meetings at RH's warehouse to discuss performance metrics and RH customer feedback. These meetings were conducted and led by Defendants' managers and supervisors.

154. Thus, Plaintiffs and class members were not free from the control and direction of Defendants in connection with the performance of their work.

155. Second, the job duties performed by Plaintiffs and class members fell within Defendants' usual course of business. Specifically, the roles performed by Plaintiffs and class members are clearly comparable to those of Defendants' employees whose services are provided within the usual course of Defendants' business of designing, marketing, selling, and delivery of high-end home furnishings. As stated above, according to RH's most recent SEC Form 10-K, "[o]ur business depends upon the successful operation of our fulfillment centers, furniture home delivery centers and other aspects of our supply chain and customer delivery network, as well as upon our order management and fulfillment center services." RH's Form 10-K further states, "[w]e have also focused on elevating the customer experience, which includes improving our distribution and delivery of products and architecting a new fully integrated back-end operating platform, inclusive of the supply chain network, the home delivery experience as well as a new metric-driven quality system and company-wide decision data." Thus, the work Plaintiffs and class members perform was not merely incidental to Defendants' business, but rather, was an integral and ordinary part of that business.

156. Finally, Plaintiffs and class members were not engaged in an independently established trade, occupation, or business of the same nature as the work performed for Defendants. Plaintiff Salazar, Plaintiff Reyes Rivera, and class members did not, for example, take any of the usual steps to establish and promote their businesses. Nor did Plaintiff Salazar nor Plaintiff Reyes Rivera—through incorporation, licensure, advertisements, or routine

offerings to provide services to the public or to a number of potential customers—independently choose the burdens and benefits of self-employment by engaging in an independently established trade, occupation, or business. As stated above, to the extent Plaintiff Rivas independently established a business of the same nature as the work performed for Defendants, Plaintiffs and class members, including Plaintiff Rivas, were restricted from simultaneously carrying any other non-RH merchandise in their delivery vehicles when performing deliveries to RH customers.

157. Most importantly, this last prong of the ABC Test requires that Defendants show Plaintiffs and class members "*actually . . . engaged* in an independent business, *not merely that [they] could be.*" *Gonzales v. San Gabriel Transit, Inc.*, 40 Cal. App. 5th 1131, 1155 (2019) (emphasis in original). "A company that labels as independent contractors a class of workers who are not engaged in an independently established business in order to enable the company to obtain the economic advantages that flow from avoiding the financial obligations that a wage order imposes on employers unquestionably violates the fundamental purposes of the wage order." *Dynamex Operations W. v. Superior Court*, 4 Cal. 5th 903, 962 (2018). Here, Defendants violated California law by attempting to do so.

158. At all times relevant herein set forth, California Labor Code section 226.8 makes it illegal to willfully misclassify an employee as an independent contractor, providing:

> [i]t is unlawful for any person or employer to engage in any of the following activities: (1) Willful misclassification of an individual as an independent contractor. (2) Charging an individual who has been willfully misclassified as an independent contractor a fee, or making any deductions from compensation, for any purpose, including for goods, materials, space rental, services, government licenses, repairs, equipment maintenance, or fines arising from the individual's employment where any of the acts described in this paragraph would have violated the law if the individual had not been misclassified.

159. California Labor Code section 226.8(b) further provides that "[i]f the Labor and Workforce Development Agency or a court issues a determination that a person or employer has engaged in any of the enumerated violations of subdivision (a), the person or employer shall be subject to a civil penalty of not less than five thousand dollars ($5,000) and not more

than fifteen thousand dollars ($15,000) for each violation, in addition to any other penalties or fines permitted by law."

160. Moreover, California Labor Code section 226.8(c) provides "[i]f the Labor and Workforce Development Agency or a court issues a determination that a person or employer has engaged in any of the enumerated violations of subdivision (a) and the person or employer has engaged in or is engaging in a pattern or practice of these violations, the person or employer shall be subject to a civil penalty of not less than ten thousand dollars ($10,000) and not more than twenty-five thousand dollars ($25,000) for each violation, in addition to any other penalties or fines permitted by law."

161. Here, Defendants' treatment of Plaintiffs and class members cannot meet any part of the ABC Test and Defendants were aware of this. This treatment was Defendants' pattern and practice of willfully misclassifying Defendants' employees as independent contractors. Thus, Defendants intentionally and willfully misclassified Plaintiffs and class members as independent contractors, in violation of Labor Code section 226.8(a).

162. At all times relevant herein, California Labor Code section 221 provides that it shall be unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee. California Labor Code section 224 also provides in pertinent part that it is lawful to withhold a portion of the employee's wages if "a deduction is expressly authorized in writing by the employee."

163. During the relevant time period, Defendants unlawfully deducted a portion of wages previously paid to Plaintiffs and class members in violation of California Labor Code section 221. On information and belief, Defendants maintained a company-wide policy of charging delivery drivers and driver helpers for alleged property damage, including but not limited to damage to walls, railings, steps, and floors, as well as for late deliveries, defective merchandise, and any loss or damage to Defendants' goods. These charges were imposed when Defendants' clients submitted claims, and were passed on to Plaintiffs and class members regardless of fault and resulted in a discount of their wages.

164. Defendants' practice, which resulted in a discount of wages to employees, is

tantamount to taking deductions from Plaintiffs' and class members' paychecks without their written authorization and therefore constitutes an unlawful deduction of wages, in violation of California Labor Code sections 221 and 224.

165. At all relevant times herein, California Labor Code section 450 provides that an employer may not "compel or coerce any employee, or applicant for employment, to patronize his or her employer, or any other person, in the purchase of anything of value." An employer violates section 450 by forcing an employee to patronize the employer's business in the purchase of a company-provided good.

166. As stated, Defendants had a company-wide policy of not providing any uniform items to Plaintiffs and class members in relation to the shifts they were scheduled to work and for the tasks they were required to perform, and Plaintiff and class members were forced to pay out-of-pocket for their uniform items. For example, Plaintiffs each spent approximately $75-$100 out-of-pocket to purchase an RH-branded jackets from Defendants. Thus, Defendants failed to provide necessary uniform items to employees, forcing employees to purchase additional uniform items.

167. Defendants' conduct of compelling and/or coercing Plaintiffs and class members to purchase goods from them violates California Labor Code section 450.

168. 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. Pursuant to California Labor Code section 246(b)(4), employers must provide no less than 40 hours or five (5) days of paid sick leave (or equivalent paid leave or paid time off) in each year of the employee's employment. California Labor Code section 246(i) provides that an employer must provide an employee with written notice that sets forth the amount of paid sick leave available, or paid time off that an employer provides in lieu of sick leave, for use on either the employee's itemized wage statement or in a separate written statement provided on the designated pay date with the employee's wages.

169. During the relevant time period, on information and belief, Defendants

systematically failed to provide Plaintiffs and class members paid sick leave of no less than 40 hours or five (5) days. Specifically, Plaintiffs worked in excess of 30 days for Defendants in California and were therefore eligible to receive paid sick leave. However, on information and belief, Defendants failed to provide Plaintiffs and class members with any sick leave benefits, in violation of Labor Code section 246(b)(1)-(4).

170. Additionally, during the relevant time period, Defendants failed, on a company-wide basis, to provide Plaintiffs and class members with written notice on wage statements and/or other separate written statements that listed the amount of paid sick leave (or equivalent paid leave or paid time off) available to them. Defendants' systematic failure to provide written notice of sick leave benefits to Plaintiffs and class members is in violation of Labor Code section 246(i).

171. At all relevant times herein, California Labor Code section 551 provides that every person employed in any occupation of labor is entitled to one day's rest in seven. Additionally, California Labor Code section 552 prohibits employers from requiring employees to work more than six consecutive days without a day of rest.

172. At all relevant times herein set forth, California Labor Code section 556 exempts an employer from the day-of-rest requirement when the total hours worked by an employee do not exceed 30 hours in any week or six hours in any one day thereof.

173. During the relevant time period, on information and belief, Defendants scheduled Plaintiffs and class members to work six (6) or more hours per day and seven (7) consecutive days in a workweek. Because Plaintiffs and class members worked over 30 hours per week and over six (6) hours per day in any one day in a workweek, they were not exempt from the day-of-rest requirement. To the extent that Plaintiffs and class members may have signed purported waivers of their right to a day's rest in seven, such waivers are invalid. Thus, Defendants willfully caused Plaintiffs and class members to work more than six days in seven, in violation of Labor Code sections 551 and 552.

174. At all relevant times herein, 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 containing basic and material payroll information, including, among other things, 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 lodging allowances. Labor Code § 2810.5(a)(1)(A)-(C).

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

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

177. Pursuant to California Business & Professions Code sections 17200, *et seq.*, Plaintiffs and class members are entitled to restitution of the wages withheld and retained by Defendants during a period that commences four years prior to the filing of the initial complaint; a permanent injunction requiring Defendants to pay all outstanding wages due to Plaintiffs and class members; and an award of attorneys' fees pursuant to California Code of Civil Procedure section 1021.5 and other applicable laws; and an award of costs.

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NINTH CAUSE OF ACTION

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

(Against all Defendants)

178. Plaintiffs incorporate by reference and re-allege as if fully stated herein each and every allegation set forth above.

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

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

181. Defendants' activities, namely Defendants' company-wide policies and practices of failing to properly compensate Plaintiffs and class members for all hours worked, including unpaid off-the-clock work, deprived Plaintiffs and class members of earned wages and the compensation guaranteed under California law. Such practices constitute an unfair business practice in violation of California Business & Professions Code sections 17200, et seq.

182. A violation of California Business & Professions Code sections 17200, *et seq.* may be predicated on any unfair business practice. In the instant case, Defendants' policies and practices of failing to properly compensate employees for all time worked violate the fundamental public policy of ensuring payment of all earned wages.

183. Pursuant to California Business & Professions Code sections 17200, *et seq.*, Plaintiffs and class members are entitled to restitution for the class-wide unpaid wages unlawfully withheld by Defendants during a period that commences four years prior to the filing of the initial complaint; a permanent injunction requiring Defendants to cease such

unfair practices and to comply with California wage and hour laws; an award of attorneys' fees pursuant to California Code of Civil Procedure section 1021.5 and other applicable laws; and an award of costs.

REQUEST FOR JURY TRIAL

Plaintiffs request a trial by jury.

PRAYER FOR RELIEF

Plaintiffs, on behalf of all others similarly situated, pray for relief and judgment against Defendants, jointly and severally, as follows:

1. For damages, unpaid wages, penalties, injunctive relief, and attorneys' fees in excess of thirty-five thousand dollars ($35,000), exclusive of interest and costs. Plaintiffs reserve the right to amend their prayer for relief to seek a different amount.

Class Certification

2. That this case be certified as a class action;

3. That Plaintiffs be appointed as the representatives of the Class and Subclass;

4. That counsel for Plaintiffs be appointed as class counsel.

As to the First Cause of Action

5. That the Court declare, adjudge, and decree that Defendants violated California Labor Code sections 510 and 1198, and the applicable IWC Wage Order by willfully failing to pay all overtime wages due to Plaintiffs and class members;

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

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

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

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

As to the Second Cause of Action

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

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

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

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

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

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

As to the Third Cause of Action

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

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

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

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

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

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

As to the Fourth Cause of Action

22. 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 sick leave pay owed at the time of termination of the employment of Plaintiffs and other terminated class members;

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

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

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

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

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

As to the Fifth Cause of Action

28. That the Court declare, adjudge and decree that Defendants violated California Labor Code section 204 by willfully failing to timely pay Plaintiffs and class members overtime wages, minimum wages, and/or sick leave pay during their employment;

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

30. For statutory penalties, plus 25 percent of the amount of wages unlawfully withheld, according to proof pursuant to California Labor Code section 210;

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

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

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

As to the Sixth Cause of Action

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

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

36. For pre-judgment interest on any unpaid business-related expenses from the date such amounts were due pursuant to California Labor Code section 2802(b), or as otherwise provided by law;

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

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

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

As to the Seventh Cause of Action

For purposes of the prayer for relief under this Seventh Cause of Action, "Plaintiffs" refers solely to Plaintiffs Jonathan Rivas, Christian Salazar, and Erling Aurelio Reyes Rivera.

40. That the Court declare, adjudge and decree that Defendants violated the following California Labor Code provisions as to Plaintiffs and other aggrieved employees: 226.8 (by intentionally and knowingly misclassifying Plaintiffs and other aggrieved employees as independent contractors); 510, 516, and 1198 (by failing to pay all overtime compensation); 1182.12, 1182.14, 1194, 1197, 1197.1, and 1198 (by failing to pay at least minimum wages for all hours worked); 226(a), 1174(d), and 1198 (by failing to provide accurate wage statements and maintain accurate payroll records); 201 and 202 (by failing to timely pay all earned wages upon termination); 204 (by failing to timely pay all earned wages during employment); 246 (by failing to provide sick leave benefits and written notice of paid sick leave); 2802 (by failing to reimburse business expenses); and 2810.5 (by failing to

provide written notice of material terms of employment);

41. For civil penalties pursuant to the California Labor Code sections 210, 226.3, 226.8, 248.5, 256, 558, 1174.5, 2786, and/or 2699(a), (f), and (k), for violations of California Labor Code sections 201, 202, 204, 226(a), 226.8(a), 246, 510, 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2775(b), 2802, and 2810.5;

42. For injunctive relief pursuant to California Labor Code sections 1194.5 and/or 2699(k) to bring Defendants into compliance with the requirements of California Labor Code sections 201, 202, 204, 226(a), 226.8(a), 246, 510, 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2775(b), 2802, and 2810.5;

43. For attorneys' fees and costs pursuant to California Labor Code sections 1194.5 and/or 2699(k)(1), and any and all other relevant statutes, for Defendants' violations of California Labor Code sections 201, 202, 204, 226(a), 226.8(a), 246, 510, 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2775(b), 2802, and 2810.5;

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

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

As to the Eighth Cause of Action

46. That the Court declare, adjudge and decree that Defendants' conduct of misclassifying Plaintiffs and class members as independent contractors rather than employees, failing to provide Plaintiffs and class members all overtime wages due to them, failing to provide Plaintiffs and class members all minimum wages due to them, failing to provide Plaintiffs and class members accurate and complete wage statements, failing to maintain accurate payroll records for Plaintiffs and class members, failing to timely pay Plaintiffs and class members all earned wages during employment, unlawfully deducting a portion of wages previously paid, compelling and/or coercing Plaintiffs and class members to patronize Defendants' business, failing to provide sick leave benefits and written notice of paid sick leave, failing to provide one day's rest in seven, failing to reimburse Plaintiffs and class members for business-related expenses, and failing to provide written notice of material terms

of employment, constitutes an unlawful business practice in violation of California Business and Professions Code sections 17200, *et seq.*;

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

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

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

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

As to the Ninth Cause of Action

51. That the Court declare, adjudge and decree that Defendants' conduct failing to properly compensate Plaintiffs and class members for all hours worked, including unpaid off the clock work, constitutes an unfair business practice in violation of California Business and Professions Code sections 17200, *et seq.*;

52. For restitution of the unpaid wages unfairly withheld from Plaintiffs and class members and prejudgment interest from the day such amounts were due and payable;

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

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

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

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

Dated: September 17, 2026

Respectfully submitted,

Capstone Law APC

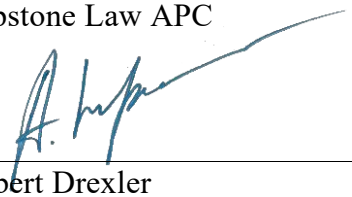
By: 

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EXHIBIT “1”

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May 7, 2026

VIA ONLINE SUBMISSION

California Labor & Workforce Development Agency
ATTN: PAGA Administrator
(https://dir.govfa.net/411)

Subject: *Jonathan Rivas v. Restoration Hardware, Inc., et al.*

Dear PAGA Administrator:

This office represents Jonathan Rivas in connection with his claims under the California Labor Code. Mr. Rivas was an employee of RESTORATION HARDWARE, INC.; RH WHICH WILL DO BUSINESS IN CALIFORNIA AS RESTORATION HARDWARE HOLDINGS, INC.; and/or PREMIER LAST MILE, LLC. For the purpose of this letter, Mr. Rivas collectively refers to these entities as "RH" or "PLM."

The employers may be contacted directly at the addresses below:

RESTORATION HARDWARE, INC.
15 KOCH ROAD SUITE K
CORTE MADERA, CA 94925

RH WHICH WILL DO BUSINESS IN CALIFORNIA AS RESTORATION HARDWARE HOLDINGS, INC.
15 KOCH ROAD SUITE K
CORTE MADERA, CA 94925

PREMIER LAST MILE, LLC
27638 SUGAR LOAF DRIVE
WESLEY CHAPEL, FL 33544

Mr. Rivas intends to seek civil penalties, attorneys' 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. Rivas seeks relief on behalf of himself, the State of California, and other persons who work or worked for RH as delivery drivers or delivery helpers and who were misclassified as independent contractors in California ("aggrieved employees"). This letter is sent in compliance with the notice and reporting requirements of California Labor Code section 2699.3.

RH employed Mr. Rivas from approximately March 2020 to October 2025. Mr. Rivas worked as a Delivery Driver for RH out of its warehouse location in Ontario, California (located at 5170 S. Archibald Avenue, Ontario, California 91762). During his employment, Mr. Rivas typically worked 14-17 hours or more per day, and five (5) days per week. By the end of his employment, Mr. Rivas was compensated approximately $200 per day. His job duties included, without limitation, operating a 24-foot box truck, loading inventory, driving to delivery locations, completing deliveries, and assembling furniture.

RH committed each of the following Labor Code violations against Mr. Rivas, the facts and theories of which follow, making him an "aggrieved employee" pursuant to California Labor Code section 2699(c)(1):[1]

RH's Company-Wide and Uniform Treatment and Practice of Misclassifying Delivery Drivers as Independent Contractors

RESTORATION HARDWARE, INC. and RH WHICH WILL DO BUSINESS IN CALIFORNIA AS RESTORATION HARDWARE HOLDINGS, INC. are Delaware corporations and are a leading retailer and luxury lifestyle brand operating primarily in the home furnishings market, operating at least two (2) fulfillment and home delivery center locations in California. PREMIER LAST MILE, LLC is a Florida limited liability company that provides luxury home delivery and logistics services for furniture and appliance brands. Together, they operate a single integrated retail and delivery enterprise. Upon information and belief, RH maintains a single, centralized Human Resources (HR) department at its company headquarters in Corte Madera, California, or Wesley Chapel, Florida, which is responsible for communicating and implementing RH's company-wide policies to employees misclassified as independent contractors throughout California. RH continues to employ delivery drivers and driver helpers at various locations throughout California and continues to misclassify these employees as independent contractors.

RH contracts with delivery drivers and driver helpers, such as Mr. Rivas and other aggrieved employees, to provide delivery and installation services to RH's customers. Although Mr. Rivas and other aggrieved employees were uniformly classified by RH as "independent contractors," RH exercised extensive control over the manner, means, and conditions under which Mr. Rivas and other aggrieved employees performed their work, and have engaged in a scheme to create the façade that they do not employ delivery drivers or driver helpers to evade California's wage-and-hour protections for employees.

RH exercised control over Mr. Rivas's and other aggrieved employees' schedules, workload, and performance. For example, RH's supervisors texted Mr. Rivas and other aggrieved employees their start-times for reporting to the warehouse(s) to load merchandise, as well as the specific delivery route that Mr. Rivas and other aggrieved employees were to follow for completing deliveries. Thus, Mr. Rivas and other aggrieved employees were required to report to RH's warehouse(s) at the time designated by RH's supervisors. Mr. Rivas and other aggrieved employees did not have the ability to choose their own work start-times, set their delivery schedule, or select the geographic area of their routes. Moreover, Mr. Rivas had no meaningful ability to negotiate or alter his assigned routes, which frequently required him to drive long distances across Southern California. Mr. Rivas and other aggrieved employees were disciplined for declining work, including receiving warnings that failure to comply would result in reduced or discontinued work.

Additionally, RH required Mr. Rivas and other aggrieved employees to download, use, and comply with a proprietary Restoration Hardware delivery-monitoring mobile application ("RH mobile application"). This RH mobile application indicated Mr. Rivas's and other aggrieved employees' routes, delivery windows, customer information, and the complete list of items to be delivered. The RH mobile

[1] These facts, theories, and claims are based on Mr. Rivas's experience and counsel's review of those records currently available relating to Mr. Rivas'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. Rivas 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.

application also included GPS tracking, which allowed RH to monitor Mr. Rivas's and other aggrieved employees' movements and progress throughout the day. Mr. Rivas could be reprimanded for failing to perform deliveries strictly within RH's designated delivery windows. RH also required Mr. Rivas and other aggrieved employees to take photographs of the completed delivery, obtain the customer's signature, and click "Finish" in the application, before they were permitted to drive to the next location.

As another example, RH exercised control over Mr. Rivas's and other aggrieved employees' work by requiring that they attend mandatory daily meetings led by RH supervisors, during which RH management provided instructions regarding the day's delivery procedures, reviewed customer feedback from prior deliveries, and publicly criticized Mr. Rivas and other aggrieved employees for performance issues. RH imposed strict dress code requirements, mandating that Mr. Rivas and other aggrieved employees wear all-black clothing, including black undershirts, underwear, socks, shorts, shoes, and hats, along with RH-branded shirts and RH-branded jackets. If Mr. Rivas's and other aggrieved employees' uniform failed to meet RH's standards, they could be sent home for the day, further demonstrating RH's control over the manner and means of Mr. Rivas's and other aggrieved employees' work.

RH also required Mr. Rivas and other aggrieved employees to undergo daily compliance checks, which included uniform inspections and the taking of compliance photographs by RH supervisors. These photographs were transmitted to RH's compliance team, further evidencing RH's ongoing monitoring and supervision of Mr. Rivas's and other aggrieved employees' work. Moreover, RH controlled the manner and means by which Mr. Rivas and other aggrieved employees performed certain deliveries and installations through on-site "RH Designers," who were present at delivery locations for RH's VIP customers. RH Designers instructed Mr. Rivas and other aggrieved employees on placement and setup within customers' homes. As a further example, PLM also required Mr. Rivas and other aggrieved employees to attend monthly mandatory in-person meetings at RH's warehouse(s) to discuss performance metrics and RH customer feedback. These meetings were conducted and led by RH's managers and supervisors.

Thus, Mr. Rivas and other aggrieved employees were not free from the control and direction of RH in connection with the performance of their work. Moreover, Mr. Rivas and other aggrieved employees performed work that was not outside the usual course of RH's business. RH's core business is the designing, marketing, selling, and delivery of high-end home furnishings. According to RH's most recent SEC Form 10-K[2], "[o]ur business depends upon the successful operation of our fulfillment centers, furniture home delivery centers and other aspects of our supply chain and customer delivery network, as well as upon our order management and fulfillment center services." RH's Form 10-K further states, "[w]e have also focused on elevating the customer experience, which includes improving our distribution and delivery of products and architecting a new fully integrated back-end operating platform, inclusive of the supply chain network, the home delivery experience as well as a new metric-driven quality system and company-wide decision data." The work Mr. Rivas and other aggrieved employees performed consisted of delivering and installing RH merchandise to its customers, which is an integral, indispensable, and usual part of RH's business operations.

Furthermore, because Mr. Rivas and other aggrieved employees rely (often exclusively) on the income they earn from RH to support themselves and their families, the economic reality is that Mr. Rivas and other aggrieved employees are RH's employees. Mr. Rivas and other aggrieved employees were not engaged in an independently established trade, occupation, or business of the same nature as the work performed for RH. To the extent Mr. Rivas and other aggrieved employees independently established a business of the same nature as the work performed for RH, Mr. Rivas and other aggrieved employees

[2] 10-K Annual Report 05/04/2026, "SEC Filings :: RH (RH)" https:// https://ir.rh.com/financials-filings/sec-filings/ (last accessed May 5, 2026).

were restricted from simultaneously carrying any other non-RH merchandise in their delivery vehicles when performing deliveries to RH customers.

Thus, RH exercised substantial control over Mr. Rivas's and other aggrieved employees' wages, hours, and working conditions. RH's uniform misclassification of Mr. Rivas and other delivery drivers and driver helpers as independent contractors is intentional, unjustified, and unlawful. Pursuant to California Labor Code section 3357, Mr. Rivas and other aggrieved employees are entitled to a presumption that they are in fact employees of RH. Moreover, the existence of any document purporting to create an independent contractor relationship is not determinative.

As a result of this misclassification, RH has violated numerous wage-and-hour provisions, including, but not limited to, failing to pay overtime wages for all overtime hours worked, failing to pay at least minimum wages for all hours worked, failing to provide meal and rest periods, and failing to provide reimbursement for necessary business-related expenses, among others.

Violation of California Labor Code §§ 226.8(a) and 2775(b) – Willful Misclassification

At all relevant times herein, Labor Code section 2775(b) provides the test for determining whether an individual performing work for another is an independent contractor or an employee, a standard commonly referred to as the "ABC Test." It states, as follows:

> [A] person providing labor or services for remuneration shall be considered an employee rather than an independent contractor unless the hiring entity demonstrates that all of the following conditions are satisfied.
> **(A)** The person is free from the control and direction of the hiring entity in connection with the performance of the work, both under the contract for the performance of the work and in fact.
> **(B)** The person performs work that is outside the usual course of the hiring entity's business.
> **(C)** The person is customarily engaged in an independently established trade, occupation, or business of the same nature as that involved in the work.

Under the ABC Test, the alleged employer, rather than the worker, has the burden of establishing that the worker is an independent contractor and not intended to be included within the relevant wage order's coverage. "The focus is not on the label attached to a worker's position, but on how that individual's job may reasonably be viewed." *Gonzales v. San Gabriel Transit, Inc.*, 40 Cal.App.5th 1131, 1154–1155 (2019). Further, the alleged employer must establish that the worker meets ***all three*** factors of the ABC Test or falls within an exception to the ABC Test. *Id.* at 1154 ("The ABC test is conjunctive, and the hiring entity's failure to establish any of the following three factors precludes a finding that the worker is an independent contractor . . . ."). Otherwise, Labor Code section 2775's default presumption applies and the worker must be treated as an employee. *See Dynamex Operations W. v. Superior Court*, 4 Cal.5th 903, 955 (2018) ("The ABC test presumptively considers all workers to be employees, and permits workers to be classified as independent contractors only if the hiring business demonstrates that the worker in question satisfies each of three conditions . . . .").

Here, at all relevant times herein, RH treated Mr. Rivas and other aggrieved employees as independent contractors despite the fact that RH failed to meet any of the prongs of the ABC Test, much less all three. First, RH retained the right to control the manner and method of how Mr. Rivas and other aggrieved employees performed their job duties, and RH retained all necessary control over Mr. Rivas and other aggrieved employees during their employment.

For example, as discussed above, RH exercised control over Mr. Rivas's and other aggrieved employees' schedules, workload, and performance. Mr. Rivas and other aggrieved employees did not have the ability to choose their own work start-times, set their delivery schedule, or select the geographic area of their routes. RH also required Mr. Rivas and other aggrieved employees to download, use, and comply with the RH delivery-monitoring mobile application which allowed RH to monitor Mr. Rivas's and other aggrieved employees' movements and progress throughout the day. Moreover, as stated, Mr. Rivas could be reprimanded for failing to perform deliveries strictly within RH's designated delivery windows and RH required Mr. Rivas and other aggrieved employees to follow strict processes and guidelines for completing deliveries.

As another example, RH exercised control over Mr. Rivas's and other aggrieved employees' work by requiring they attend mandatory daily meetings led by RH supervisors, during which RH management provided instructions regarding the day's delivery procedures, reviewed customer feedback from prior deliveries, and publicly criticized Mr. Rivas and other aggrieved employees for performance issues. Additionally, as previously discussed, RH imposed strict dress code requirements, and if Mr. Rivas's and other aggrieved employees' uniform failed to meet RH's standards, they could be sent home for the day. RH also required Mr. Rivas and other aggrieved employees to undergo daily compliance checks, which included uniform inspections and the taking of compliance photographs by RH supervisors. These photographs were transmitted to RH's compliance team, further evidencing RH's ongoing monitoring and supervision of Mr. Rivas's and other aggrieved employees' work.

Further, as stated, RH controlled the manner and means by which Mr. Rivas and other aggrieved employees performed certain deliveries and installations through on-site "RH Designers," who were present at delivery locations for RH's VIP customers. RH Designers instructed Mr. Rivas and other aggrieved employees on placement and setup within customers' homes. PLM also required Mr. Rivas and other aggrieved employees to attend monthly mandatory in-person meetings at RH's warehouse to discuss performance metrics and RH customer feedback. These meetings were conducted and led by RH's managers and supervisors. Thus, Mr. Rivas and other aggrieved employees were not free from the control and direction of RH in connection with the performance of their work.

Second, the job duties performed by Mr. Rivas and other aggrieved employees fell within RH's usual course of business. Specifically, the roles performed by Mr. Rivas and other aggrieved employees are clearly comparable to those of RH's employees whose services are provided within the usual course of RH's business of designing, marketing, selling, and delivery of high-end home furnishings. As stated above, according to RH's most recent SEC Form 10-K, "[o]ur business depends upon the successful operation of our fulfillment centers, furniture home delivery centers and other aspects of our supply chain and customer delivery network, as well as upon our order management and fulfillment center services." RH's Form 10-K further states, "[w]e have also focused on elevating the customer experience, which includes improving our distribution and delivery of products and architecting a new fully integrated back-end operating platform, inclusive of the supply chain network, the home delivery experience as well as a new metric-driven quality system and company-wide decision data." Thus, the work Mr. Rivas and other aggrieved employees perform was not merely incidental to RH's business, but rather, was an integral and ordinary part of that business.

Finally, Mr. Rivas and other aggrieved employees were not engaged in an independently established trade, occupation, or business of the same nature as the work performed for RH. As stated above, to the extent Mr. Rivas independently established a business of the same nature as the work performed for RH, Mr. Rivas and other aggrieved employees, including Mr. Rivas, were restricted from simultaneously carrying any other non-RH merchandise in their delivery vehicles when performing deliveries to RH customers.

Most importantly, this last prong of the ABC Test requires that RH show Mr. Rivas and other aggrieved employees "*actually . . . engaged* in an independent business, *not merely that [they] could be.*" *Gonzales* at 1155 (emphasis in original). "A company that labels as independent contractors a class of workers who are not engaged in an independently established business in order to enable the company to obtain the economic advantages that flow from avoiding the financial obligations that a wage order imposes on employers unquestionably violates the fundamental purposes of the wage order." *Dynamex* at 962. Here, RH violated California law by attempting to do so.

At all times relevant herein set forth, California Labor Code section 226.8 makes it illegal to willfully misclassify an employee as an independent contractor, providing:

> [i]t is unlawful for any person or employer to engage in any of the following activities: (1) Willful misclassification of an individual as an independent contractor. (2) Charging an individual who has been willfully misclassified as an independent contractor a fee, or making any deductions from compensation, for any purpose, including for goods, materials, space rental, services, government licenses, repairs, equipment maintenance, or fines arising from the individual's employment where any of the acts described in this paragraph would have violated the law if the individual had not been misclassified.

California Labor Code section 226.8(b) further provides that "[i]f the Labor and Workforce Development Agency or a court issues a determination that a person or employer has engaged in any of the enumerated violations of subdivision (a), the person or employer shall be subject to a civil penalty of not less than five thousand dollars ($5,000) and not more than fifteen thousand dollars ($15,000) for each violation, in addition to any other penalties or fines permitted by law."

Moreover, California Labor Code section 226.8(c) provides "[i]f the Labor and Workforce Development Agency or a court issues a determination that a person or employer has engaged in any of the enumerated violations of subdivision (a) and the person or employer has engaged in or is engaging in a pattern or practice of these violations, the person or employer shall be subject to a civil penalty of not less than ten thousand dollars ($10,000) and not more than twenty-five thousand dollars ($25,000) for each violation, in addition to any other penalties or fines permitted by law."

Here, RH's treatment of Mr. Rivas and other aggrieved employees cannot meet any part of the ABC Test and RH was aware of this. This treatment was RH's pattern and practice of willfully misclassifying RH's employees as independent contractors. Thus, RH intentionally and willfully misclassified Mr. Rivas and other aggrieved employees as independent contractors, in violation of Labor Code section 226.8(a). Mr. Rivas and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring RH into compliance with Labor Code sections 226.8(a) and 2775(b), pursuant to Labor Code sections 226.8, 2786, and/or 2699(a), (f), and (k).

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.

RH willfully failed to pay all overtime wages owed to Mr. Rivas and other aggrieved employees. During the relevant time period, Mr. Rivas 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.

As set forth above, RH's misclassification of Mr. Rivas and other aggrieved employees as independent contractors and "exempt" status from overtime and other related wage-and-hour protections, including meal and rest periods, is, and was, willful, intentional, unjustified, and unlawful. Mr. Rivas and other aggrieved employees typically worked forty (40) to sixty (60) hours per week and more than ten (10) hours per day, of which RH was fully aware. However, because RH misclassified Mr. Rivas and other aggrieved employees as "exempt" from overtime, RH did not record their hours worked and did not pay any overtime wages for hours worked in excess of eight (8) hours in one day, twelve (12) hours in a day, or forty (40) hours in one week.

Mr. Rivas and other aggrieved employees regularly worked in excess of eight (8) hours in one day, twelve (12) hours in a day, and forty (40) hours in one week, and were never paid overtime wages. For example, as delivery drivers and/or delivery helpers, Mr. Rivas and other aggrieved employees spent time attending daily meetings, undergoing compliance checks, loading inventory onto trucks; driving to several delivery locations; completing deliveries for RH's customers; communicating with RH's customers regarding the status of deliveries; assembling furniture for RH's customers; cleaning up remaining trash from RH's customers' homes or from RH's warehouses; and regularly driving from RH's warehouse in Ontario to distant locations such as San Diego, Ventura, and Bakersfield, often totaling up to 17 hours per day. However, RH paid Mr. Rivas and other aggrieved employees daily flat rate day rates, which did not vary based on the number of hours worked. As a result of RH's willful misclassification of Mr. Rivas and other aggrieved employees, Mr. Rivas and other aggrieved employees were denied overtime pay.

Additionally, Mr. Rivas and other aggrieved employees were required to review text message communications from RH's management after their shifts or on their days off. For example, at the end of each day, Mr. Rivas would receive a text message from RH's managers with his work schedules, the assigned delivery routes for the following work day, and other work-related announcements, and Mr. Rivas was required to spend time off-the-clock reviewing the text messages. As a further example, as stated, RH also required Mr. Rivas to attend monthly mandatory in-person meetings held by RH's supervisors at its warehouse(s) to discuss performance metrics and feedback from RH customers, which usually lasted for three (3) hours per instance.

Because RH misclassified Mr. Rivas and other aggrieved employees as "exempt," RH also failed to provide Mr. Rivas and other aggrieved employees with meal periods and instead required that they perform work during unpaid meal periods. Because Mr. Rivas and other aggrieved employees typically worked shifts of eight (8) hours a day or more or forty (40) hours a week or more, most, if not all unpaid time worked during meal periods qualified for overtime premium pay.

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

RH's failure to pay Mr. Rivas 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. Rivas and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring RH into compliance with the applicable IWC Wage Order and Labor Code sections 510 and 1198, pursuant to Labor Code sections 558 and/or 2699(a), (f), and (k).

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 Wage Order No. 9-2001 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 for the employer, whether or not required to do so." Cal. Code Regs. Tit. 8, § 11090(2)(H) (defining "Hours Worked").

As set forth above, due to RH's policies and/or practices of willful misclassification of delivery drivers and driver helpers, RH failed to track this time that Mr. Rivas and other aggrieved employees spent working off-the-clock, and Mr. Rivas and other aggrieved employees received no compensation for this time. As stated, Mr. Rivas and other aggrieved employees spent time attending daily meetings, undergoing compliance checks, loading inventory, driving to several distant delivery locations, completing deliveries, communicating with RH's customers, assembling furniture for RH's customers, cleaning up remaining trash from RH's customers' homes or from RH's warehouses, reviewing text message communications from RH's management after their shifts or on their days off, and attending mandatory in-person meetings on RH's premises. However, as stated, RH paid Mr. Rivas and other aggrieved employees daily flat rates, which did not vary based on the number of hours worked. Mr. Rivas and other aggrieved employees were misclassified as independent contractors and thus not paid any hourly wage. Thus, Mr. Rivas and other aggrieved employees were not paid even minimum wage for all of the hours they worked as a result of being paid on a fixed-rate basis, and the wages paid to them were not sufficient to compensate them for all hours they worked at a minimum wage rate on a cumulative basis, in violation of California Labor Code sections 1182.12, 1194, 1197, and 1197.1.

Additionally, RH has no policies in place for the provision of meal periods and did not provide Mr. Rivas and other aggrieved employees with an opportunity to take uninterrupted, duty-free meal periods. To the extent RH deducted time for meal periods which Mr. Rivas and other aggrieved employees did not receive, they were not paid for all hours worked. Thus, RH failed to pay Mr. Rivas and other aggrieved employees for actual hours worked during meal periods because these hours were not correctly recorded.

RH did not pay minimum wages for all hours worked by Mr. Rivas and other aggrieved employees. To the extent that these off-the-clock hours did not qualify for overtime premium payment, RH 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, RH regularly failed to pay at least minimum wages to Mr. Rivas 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. Rivas and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring RH into compliance with the applicable IWC Wage Order and Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198, pursuant to Labor Code sections 1197.1 and/or 2699(a), (f), and (k).

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.

As stated, during the relevant period, RH systematically (and improperly) classified Mr. Rivas and other aggrieved employees as independent contractors and, on that basis, did not provide them with meal periods and did not take any measures to relieve them of their duties to take compliant meal periods. Moreover, on information and belief, RH had, and continues to have, a company-wide policy and/or practice of assigning its delivery drivers multiple, time-sensitive deliveries, located across various geographical distances and locations, without building in sufficient time to allow for 30-minute meal periods, which prevented Mr. Rivas and other aggrieved employees from taking all uninterrupted 30-minute meal periods, and forced them to work during their meal periods to complete their assigned deliveries. Moreover, RH failed to schedule and/or adhere to a schedule for meal periods, which further caused Mr. Rivas and other aggrieved employees to not be relieved of their duties for compliant meal periods. Further, travel time between RH's customers' delivery locations could take longer than anticipated due to traffic conditions, which further impeded Mr. Rivas and other aggrieved employees from taking compliant meal periods.

As a result, Mr. Rivas and other aggrieved employees 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. Rivas was sometimes required to completely forgo his meal periods due to RH's willful misclassification of delivery drivers as independent contractors, delivery scheduling policies and practices, and failure to schedule and/or adhere to a schedule for meal periods.

Additionally, RH did not provide Mr. Rivas and other aggrieved employees with second 30-minute meal periods on days that they worked in excess of ten (10) hours in one day. During the relevant time period, Mr. Rivas worked shifts in excess of 10 hours in one day and did not take a second meal period during those shifts. Mr. Rivas 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, RH knew or should have known that, because it had misclassified Mr. Rivas and other aggrieved employees as "exempt" and for the reasons stated above, Mr. Rivas and other aggrieved employees were not actually relieved of all duties to take timely, uninterrupted meal periods. RH further knew or should have known that RH did not pay Mr. Rivas and other aggrieved employees all meal period premiums when meal periods were late, interrupted, shortened, and/or missed.

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

Accordingly, RH failed to provide all meal periods in violation of California Labor Code sections 226.7, 512(a), 516, and 1198. Mr. Rivas and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring RH into compliance with the applicable IWC Wage Order and Labor Code sections 226.7, 512(a), 516, and 1198, pursuant to Labor Code sections 558 and/or 2699(a), (f), and (k).

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, RH regularly failed to authorize and permit Mr. Rivas and other aggrieved employees to take a ten (10) minute rest period per each four (4) hour period worked or major fraction thereof.

RH's company-wide practices, including systemic misclassification, prevented Mr. Rivas and other aggrieved employees from being relieved of all duty in order to take compliant rest periods. Additionally, as with meal periods, RH's company-wide scheduling policies and practices of assigning its delivery drivers multiple, time-sensitive deliveries across various geographical distances and locations, prevented Mr. Rivas and other aggrieved employees from being able to take rest periods. RH also wholly failed to schedule rest periods, which led to Mr. Rivas and other aggrieved employees not being authorized and permitted to take rest periods.

As a result of RH's practices and policies, Mr. Rivas 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. Rivas sometimes had to forgo his rest periods during his employment, due to RH's willful misclassification of delivery drivers as independent contractors, delivery scheduling policies and practices, and failure to schedule rest periods.

RH 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. Rivas and other aggrieved employees have not received premium pay for all missed rest periods.

Accordingly, RH failed to authorize and permit all rest periods in violation of California Labor Code sections 226.7, 516, and 1198. Mr. Rivas and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring RH into compliance with the applicable IWC Wage Order and Labor Code sections 226.7, 516, and 1198, pursuant to Labor Code sections 558 and/or 2699(a), (f), and (k).

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. RH has not provided Mr. Rivas 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, RH has knowingly and intentionally failed to provide Mr. Rivas and other aggrieved employees with any wage statements. RH did not provide Mr. Rivas and other aggrieved employees with itemized wage statements as a result of misclassifying them as independent contractors and denying their status as employees. Because RH did not issue any wage statements to Mr. Rivas and other aggrieved employees, RH has violated and continues to violate Labor Code section 226(a) in its entirety.

Specifically, RH has knowingly and intentionally failed to provide wage statements to Mr. Rivas and other aggrieved employees wage statements that list: gross wages earned in violation of section 226(a)(1); total hours worked in violation of section 226(a)(2); the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis in violation of section 226(a)(3); all deductions in violation of section 226(a)(4); net wages earned in violation of section 226(a)(5); the inclusive dates of the period for which aggrieved employees were paid in violation of section 226(a)(6); 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 in violation of section 226(a)(7); the name and address of the legal entity that is the employer in violation of section 226(a)(8); and all and all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate in violation of section 226(a)(9). In addition, RH failed to provide Mr. Rivas and other aggrieved employees the option to elect to receive hard copies of their wage statements at any time and/or failed to provide them with the ability to easily access the information and convert the electronic wage statements into hard copies at no expense to them.

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 . . . ." Labor Code section 1174.5 provides that employers are subject to a $500 civil penalty if they fail to maintain accurate and complete records as required by section 1174(d). During the relevant time period, and in violation of Labor Code section 1174(d), RH willfully

failed to maintain accurate payroll records for Mr. Rivas and other aggrieved employees showing the daily hours they worked and the wages paid thereto as a result of failing to record any hours that they worked and as a result of misclassifying them as independent contractors.

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, RH engaged in company-wide practices and/or policies of failing to record any hours worked or keep records of meal periods as a result of misclassifying Mr. Curz and other aggrieved employees as independent contractors, and thereby failed to keep accurate records of work period and meal period start and end times for Mr. Rivas and other aggrieved employees, in violation of section 1198. Also, in light of RH's failure to provide Mr. Rivas and other aggrieved employees with second 30-minute meal periods to which they were entitled, RH kept no records of meal start and end times for second meal periods.

Because RH failed to provide the correct net and gross wages earned, applicable rates of pay, and number of total hours worked on wage statements, Mr. Rivas 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. Rivas 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. Rivas and other aggrieved employees are therefore entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring RH into compliance with the applicable IWC Wage Order and Labor Code sections 226(a), 1174(d), and 1198, pursuant to Labor Code sections 226.3, 1174.5, and/or 2699(a), (f), and (k).

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, RH failed to pay Mr. Rivas and other aggrieved employees all wages due to them, including, but not limited to, overtime wages, minimum wages, meal and rest period premiums, and/or sick leave pay, within any time period specified by California Labor Code section 204.

Mr. Rivas and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring RH into compliance with Labor Code section 204, pursuant to Labor Code sections 210 and/or 2699(a), (f), and (k).

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.

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

Mr. Rivas and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring RH into compliance with Labor Code sections 201 and 202, pursuant to Labor Code sections 256 and/or 2699(a), (f), and (k).

Violation of California Labor Code §§ 221 and 224 – Unlawful Deductions

California Labor Code section 221 provides that it shall be unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee. California Labor Code section 224 also provides in pertinent part that it is lawful to withhold a portion of the employee's wages if "a deduction is expressly authorized in writing by the employee."

During the relevant time period, RH unlawfully deducted a portion of wages previously paid to Mr. Rivas and other aggrieved employees in violation of California Labor Code section 221. On information and belief, RH maintained a company-wide policy of charging delivery drivers and driver helpers for alleged property damage, including but not limited to damage to walls, railings, steps, and floors, as well as for late deliveries, defective merchandise, and any loss or damage to RH's goods. These charges were imposed when RH's clients submitted claims, and were passed on to Mr. Rivas and other aggrieved employees regardless of fault and resulted in a discount of their wages.

RH's practice, which resulted in a discount of wages to employees, is tantamount to taking deductions from Ms. Rivas's and other aggrieved employees' paychecks without their written authorization and therefore constitutes an unlawful deduction of wages, in violation of Labor Code sections 221 and 224. Ms. Rivas and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and seek injunctive relief to bring RH into compliance with Labor Code sections 221 and 224, pursuant to Labor Code sections 225.5 and/or 2699(a), (f), and (k).

Violation of California Labor Code § 246 – Failure To Provide Sick Leave Benefits and Written Notice of 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. Pursuant to California Labor Code section 246(b)(4), employers must provide no less than 40 hours or five (5) days of paid sick leave (or equivalent paid leave or paid time off) in each year of the employee's employment. California Labor Code section 246(i) provides that an employer must provide an employee with written notice that sets forth the amount of paid sick leave available, or paid time off that an employer provides in

lieu of sick leave, for use on either the employee's itemized wage statement or in a separate written statement provided on the designated pay date with the employee's wages.

During the relevant time period, on information and belief, RH systematically failed to provide Mr. Rivas and other aggrieved employees paid sick leave of no less than 40 hours or five (5) days. Specifically, Mr. Rivas worked in excess of 30 days for RH in California and was therefore eligible to receive paid sick leave. However, on information and belief, RH failed to provide Mr. Rivas and other aggrieved employees with any sick leave benefits, in violation of Labor Code section 246(b)(1)-(4).

Additionally, during the relevant time period, RH failed, on a company-wide basis, to provide Mr. Rivas and other aggrieved employees with written notice on wage statements and/or other separate written statements that listed the amount of paid sick leave (or equivalent paid leave or paid time off) available to them. RH's systematic failure to provide written notice of sick leave benefits to Mr. Rivas and other aggrieved employees is in violation of Labor Code section 246(i).

Mr. Rivas and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring RH into compliance with Labor Code section 246, pursuant to Labor Code sections 248.5 and/or 2699(a), (f), and (k).

Violation of California Labor Code § 450 – Compelling Patronization

Labor Code section 450 provides that an employer may not "compel or coerce any employee, or applicant for employment, to patronize his or her employer, or any other person, in the purchase of anything of value." An employer violates section 450 by forcing an employee to patronize the employer's business in the purchase of a company-provided good.

During the relevant time period, RH had a company-wide policy of not providing any uniform items to Mr. Rivas and other aggrieved employees in relation to the shifts they were scheduled to work and for the tasks they were required to perform, and Mr. Rivas and other aggrieved employees were forced to pay out-of-pocket for their uniform items. For example, Mr. Rivas spent approximately $75-$100 out-of-pocket to purchase an RH-branded jacket from RH. Thus, RH failed to provide necessary uniform items to employees, forcing employees to purchase additional uniform items.

RH's conduct of compelling and/or coercing Mr. Rivas and other aggrieved employees to purchase goods from it is in violation of California Labor Code section 450. Mr. Rivas and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring RH into compliance with Labor Code section 450, pursuant to Labor Code sections 2699(a), (f), and (k).

Violation of California Labor Code §§ 551 and 552 – Failure to Provide One Day's Rest in Seven

California Labor Code section 551 provides that every person employed in any occupation of labor is entitled to one day's rest in seven. California Labor Code section 552 prohibits employers from requiring employees to work more than six consecutive days without a day of rest. California Labor Code section 556 exempts an employer from the day-of-rest requirement when the total hours worked by an employee do not exceed 30 hours in any week or six (6) hours in any one day thereof.

During the relevant time period, on information and belief, RH scheduled Mr. Rivas and other aggrieved employees to work six (6) or more hours per day and seven (7) consecutive days in a workweek. Because Mr. Rivas and other aggrieved employees worked over 30 hours per week and over six (6) hours per day in any one day in a workweek, they were not exempt from the day-of-rest requirement. To the extent that

Mr. Rivas and other aggrieved employees may have signed purported waivers of their right to a day's rest in seven, such waivers are invalid.

Thus, RH caused Mr. Rivas and other aggrieved employees to work more than six days in seven, in violation of Labor Code sections 551 and 552. Mr. Rivas and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring RH into compliance with Labor Code sections 558 and/or 2699(a), (f), and (k).

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. 9-2001, provides that: "[w]hen tools or equipment are required by the employer or 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 provided herein may be required to provide and maintain hand tools and equipment customarily required by the trade or craft." IWC Wage Order No. 9-2001 also provides that: "[w]hen uniforms are required by the employer to be worn by the employee as a condition of employment, such uniforms shall be provided and maintained by the employer."

First, during the relevant time period, RH, on a company-wide basis, required that Mr. Rivas and other aggrieved employees use their own 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 expenses. For example, as set forth above, RH required Mr. Rivas to download various mobile applications, such as the RH mobile application for displaying routes, delivery windows, and customer information, as well as allowing RH to actively monitor Mr. Rivas's movements and progress throughout the day. As another example, Mr. Rivas was required to use his personal cellular phones for communicating with RH's managers regarding work-related matters. As a further example, Mr. Rivas was required to review text message communications from RH's managers regarding his work schedules, assigned delivery routes, and other work-related announcements. Although RH required Mr. Rivas and other aggrieved employees to utilize their personal mobile devices and/or mobile data to carry out their work-related responsibilities, RH failed to reimburse them for this cost.

Second, during the relevant time period, RH had a company-wide policy of requiring Mr. Rivas and other aggrieved employees to utilize their own personal delivery vehicles to carry out company business, but failed to reimburse them for all costs of travel, including mileage, fuel, truck maintenance, and insurance premiums. Specifically, RH required Mr. Rivas and other aggrieved employees to travel to jobsites across Southern California to complete their assigned deliveries, but did not reimburse them for their travel expenses. For example, RH regularly required Mr. Rivas to drive his personal delivery vehicle from RH's warehouse in Ontario to distant locations such as San Diego, Ventura, and Bakersfield. Although RH required Mr. Rivas and other aggrieved employees to utilize their own delivery vehicles to carry out their work-related responsibilities, RH did not reimburse them for their travel expenses.

Third, during the relevant time period, RH required Mr. Rivas and other aggrieved employees to purchase supplies and equipment necessary for the performance of their duties, but failed to reimburse them for their out-of-pocket costs. For example, Mr. Rivas was required to purchase his own 4-wheel dollies, moving blankets, and magic erasers for work purposes, because RH failed to provide him with the necessary supplies and equipment which were required for him to complete his assigned duties.

Fourth, during the relevant time period, RH required Mr. Rivas and other aggrieved employees to wear uniform items, including RH-branded shirts and RH-branded jackets. However, RH did not provide Mr. Rivas and other aggrieved employees with any uniforms to wear for their shifts throughout the week. Because RH failed to provide Mr. Rivas and other aggrieved employees with any uniform items in relation to their shifts and for the tasks they were required to perform, Mr. Rivas and other aggrieved employees were forced to pay out-of-pocket for their uniform items. For example, Mr. Rivas spent approximately $75-$100 on his RH-branded jacket.

Moreover, because RH failed to provide Mr. Rivas and other aggrieved employees with any uniform items, Mr. Rivas had to wash his uniforms more frequently than he would otherwise do laundry, and incur expenses in doing so. As a result, Mr. Rivas had to wash his uniform items more frequently than other clothing and/or separately from his regular clothing, thus incurring additional laundry expenses for the upkeep of his uniforms. Thus, RH failed to provide and maintain uniforms it required Mr. Rivas and other aggrieved employees to wear during their shifts and forced them to incur the costs of purchasing and maintaining employee uniforms.

RH could have provided Mr. Rivas and other aggrieved employees with the actual equipment for use on the job, such as company mobile devices, company vehicles, supplies and equipment, as well as uniform items or access to laundering services. Or, RH could have reimbursed employees for the costs of their mobile device usage, mileage and travel expenses, supply and equipment expenses, and laundering expenses or provided a uniform maintenance allowance. Instead, RH passed these operating costs onto Mr. Rivas and other aggrieved employees.

Thus, RH 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. Rivas and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring RH into compliance with the applicable IWC Wage Order and Labor Code section 2802, pursuant to Labor Code sections 2699(a), (f), and (k).

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.

RH failed to provide Mr. Rivas and other aggrieved employees written notice that lists the requisite information set forth in Labor Code section 2810.5(a)(1)(A)-(C). RH's failure to provide Mr. Rivas and other aggrieved employees with written notice of basic information regarding their employment with RH is in violation of Labor Code section 2810.5.

Mr. Rivas and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring RH into compliance with Labor Code section 2810.5, pursuant to Labor Code sections 2699(a), (f), and (k).

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." RH, at all relevant times, was an employer or person acting on behalf of an employer(s) who violated Mr. Rivas's and other aggrieved employees' rights by violating various sections of the California Labor Code.

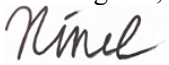
Accordingly, Mr. Rivas seeks the remedies set forth in Labor Code section 558 for himself, the State of California, and all other aggrieved employees. Specifically, pursuant to PAGA, and in particular California Labor Code sections 1194.5, 2699(a), 2699(k), 2699.3(a), 2699.3(c), 2699.5, and 558, Mr. Rivas, acting in the public interest as a private attorney general, seeks assessment and collection of civil penalties and injunctive relief for himself, all other aggrieved employees, and the State of California against RH for violations of California Labor Code sections 201, 202, 204, 221, 224, 226(a), 226.7, 226.8(a), 246, 450, 510, 512(a), 516, 551, 552, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2775(b), 2802, and 2810.5.

Therefore, on behalf of all aggrieved employees, Mr. Rivas 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:

Ninel Kocharyan
Capstone Law APC
1875 Century Park East, Suite 1860
Los Angeles, CA 90067
(310) 556-4811

Best Regards,



Ninel Kocharyan

Copy: RESTORATION HARDWARE, INC. (via U.S. Certified Mail); RH WHICH WILL DO BUSINESS IN CALIFORNIA AS RESTORATION HARDWARE HOLDINGS, INC. (via U.S. Certified Mail); PREMIER LAST MILE, LLC (via U.S. Certified Mail)

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.
- Attach this card to the back of the mailpiece,

RESTORATION HARDWARE, INC.
15 Koch Road
Suite K
Corte Madera, CA 94925

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent
☐ Addressee

B. Received by *(Printed Name)* C. Date of Delivery

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

Service Type
☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery
☐ Certified Mail®
● Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery

9589 0710 5270 2639 6036 80

PS Form 3811, July 2020 PSN 7530-02-000-9053 Domestic Return Receipt

CAPSTONE LAW, APC
1875 Century Park East
Suite #1860
Los Angeles, CA 90067

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS, FOLD AT DOTTED LINE

CERTIFIED MAIL®

9589 0710 5270 2639 6036 80

9589 0710 5270 2639 6036 80

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee
$
Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) $
☐ Return Receipt (electronic)
☐ Certifie
☐ Adult S
☐ Adult S
Postage
$
Total Pos
Sent To
Street and
City, State

Postmark

RIVAS v. RESTORATION HARDWARE

RESTORATION HARDWARE, INC.
15 Koch Road
Suite K
Corte Madera, CA 94925

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

RESTORATION HARDWARE, INC.
15 Koch Road
Suite K
Corte Madera, CA 94925

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.
- Attach this card to the back of the mailpiece,

1. RH WHICH WILL DO
BUSINESS IN CALIFORNIA AS
RESTORATION HARDWARE
HOLDINGS, INC.
15 Koch Road
Suite K
Corte Madera, CA 94925

2. 9589 0710 5270 2639 6036 97

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X ☐ Agent ☐ Addressee

B. Received by (Printed Name) C. Date of Delivery

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

PS Form 3811, July 2020 PSN 7530-02-000-9053 Domestic Return Receipt

CAPSTONE LAW, APC
1875 Century Park East
Suite #1860
Los Angeles, CA 90067

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS, FOLD AT DOTTED LINE

CERTIFIED MAIL®

9589 0710 5270 2639 6036 97

9589 0710 5270 2639 6036 97

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®

OFFICIAL USE

Certified Mail Fee
Extra Services & Fees (check box, add fee as appropriate)
Return Receipt (hardcopy)
Return Receipt (electronic)
Certified Mail Restricted Delivery
Adult Signature Required
Adult Signature Restricted Delivery
Postage
Total Postage
Sent To
Street and Apt. No.; or PO Box No.
City, State, ZIP+4®

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

RH WHICH WILL DO
BUSINESS IN CALIFORNIA AS
RESTORATION HARDWARE
HOLDINGS, INC.
15 Koch Road
Suite K
Corte Madera, CA 94925

RIVAS v. RESTORATION HARDWARE

RH WHICH WILL DO
BUSINESS IN CALIFORNIA AS
RESTORATION HARDWARE
HOLDINGS, INC.
15 Koch Road
Suite K
Corte Madera, CA 94925

CAPSTONE LAW, APC
1875 Century Park East
Suite #1860
Los Angeles, CA 90067

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.
- Attach this card to the back of the mailpiece,

PREMIER LAST
MILE, LLC
27638 Sugar Loaf Drive
Wesley Chapel, FL 33544

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X ☐ Agent ☐ Addressee

B. Received by (Printed Name) C. Date of Delivery

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

9589 0710 5270 2639 6037 03

PS Form 3811, July 2020 PSN 7530-02-000-9053 Domestic Return Receipt

PREMIER LAST
MILE, LLC
27638 Sugar Loaf Drive
Wesley Chapel, FL 33544

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS, FOLD AT DOTTED LINE

CERTIFIED MAIL®

9589 0710 5270 2639 6037 03

9589 0710 5270 2639 6037 03

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

Certified Mail Fee
Extra Services & Fees (check box, add fee as appropriate)
Return Receipt (hardcopy)
Return Receipt (electronic)
Certified Mail Restricted Delivery
Adult Signature Required
Adult Signature Restricted Delivery
Postage
Total Postage and Fees
Sent To
Street and Apt. No., or PO Box No.
City, State, ZIP+4®

OFFICIAL USE

RIVAS v. RESTORATION HARDWARE

Postmark

PREMIER LAST
MILE, LLC
27638 Sugar Loaf Drive
Wesley Chapel, FL 33544

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions



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.
- Attach this card to the back of the mailpiece,

PREMIER LAST
MILE, LLC
27638 Sugar Loaf Drive
Wesley Chapel, FL 33544

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X
☐ Agent
☐ Addres

B. Received by (Printed Name)
C. Date of Delivery

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

Service Type
dult Signature
☐ Adult Signature Restricted Delivery
■ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

2. [illegible] 9589 0710 5270 2639 6037 03 stricted Delivery

PS Form 3811, July 2020 PSN 7530-02-000-9053 Domestic Return Receipt

PROOF OF SERVICE

I am employed in the State of California, County of Los Angeles. I am over the age of 18 and not a party to the within suit; my business address is 1875 Century Park East, Suite 1860 Los Angeles, California 90067.

On **September 17, 2026,** I served the document described as **FIRST AMENDED CLASS ACTION COMPLAINT & ENFORCEMENT ACTION UNDER THE PRIVATE ATTORNEYS GENERAL ACT, CALIFORNIA LABOR CODE §§ 2698, *ET SEQ.*** on the interested parties in this action by sending [ ] the original [or] [✓] a true copy thereof [✓] to interested parties as follows [or] as stated on the attached service list:

Kwan Park
KwanPark@dwt.com
Nancy Thomas
NancyThomas@dwt.com
Natalie Fox
NatalieFox@dwt.com
Tyler Jack
TylerJack@dwt.com
Davis Wright Tremaine LLP
50 California Street, 23rd Floor
San Francisco, CA 94111

Attorneys for Defendant:
RESTORATION HARDWARE, INC.

[ ] **BY E-MAIL:** I hereby certify that this document was served from Los Angeles, 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.

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

[ ] **BY OVERNIGHT DELIVERY:** I am "readily familiar" with this firm's practice of collection and processing correspondence for overnight delivery. Under that practice, overnight packages are enclosed in a sealed envelope with a packing slip attached thereto fully prepaid. The packages are picked up by the carrier at our offices or delivered by our office to a designated collection site.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on **September 17, 2026,** at Los Angeles, California.

Sophia Flores
Type/Print Name


Signature