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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SOLANO**

MARTHA SANCHEZ, on behalf of herself and
all others similarly situated,

Plaintiff,

vs.

DESIGNERX PHARMACEUTICALS, INC., a
California Corporation; and DOES 1 through
100, Inclusive,

Defendants.

Case No. CU23-05537

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

- (1) **FAILURE TO PAY OVERTIME
WAGES (LABOR CODE §§ 204, 510,
558, 1194, 1198);**
- (2) **MEAL PERIOD VIOLATIONS
(LABOR CODE §§ 226.7, 512, 1198);**
- (3) **REST PERIOD VIOLATIONS
(LABOR CODE §§ 226.7, 516, 1198);**
- (4) **WAGE STATEMENT VIOLATIONS
(LABOR CODE § 226, *et seq.*);**
- (5) **WAITING TIME PENALTIES
(LABOR CODE §§ 201-203);**
- (6) **FAILURE TO REIMBURSE
BUSINESS EXPENSES (LABOR
CODE §§ 2802, 2804);**
- (7) **UNFAIR COMPETITION (BUS. &
PROF. CODE § 17200, *et seq.*);**
- (8) **CIVIL PENALTIES UNDER THE
PRIVATE ATTORNEYS GENERAL
ACT (LABOR CODE § 2698, *et seq.*).**

**DEMAND FOR JURY TRIAL
UNLIMITED CIVIL CASE**

1 Plaintiff Martha Sanchez (“Plaintiff”), on behalf of herself and all others similarly
2 situated, hereby brings this Class Action Complaint against DesigneRX Pharmaceuticals, Inc., a
3 California corporation; and Does 1 through 100, inclusive (collectively, “Defendants”), and on
4 information and belief alleges as follows:

5 **JURISDICTION**

6 1. Plaintiff, on behalf of herself and all others similarly situated, hereby bring this
7 class action for recovery of unpaid wages and penalties under California Business and Professions
8 Code section 17200, *et seq.*; Labor Code sections 201-204, 226, 226.7, 510, 512, 516, 558, 1194,
9 1197, 1198, 2802, 2804, 2698 *et seq.*; and Industrial Welfare Commission Wage Order No. 4
10 (“Wage Order 4”), in addition to seeking declaratory relief and restitution. This class action is
11 brought pursuant to California Code of Civil Procedure section 382. This Court has jurisdiction
12 over Defendants’ violations of the California Labor Code because the amount in controversy
13 exceeds this Court’s jurisdictional minimum.

14 **VENUE**

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

20 **PARTIES**

21 3. Plaintiff is an individual over the age of eighteen (18). At all relevant times herein,
22 Plaintiff was, and currently is, a California resident. During the four years immediately preceding
23 the filing of this action and within the statute of limitations periods applicable to each cause of
24 action pled herein, Plaintiff was employed by Defendants as a non-exempt employee. Plaintiff
25 was, and is, a victim of Defendants’ policies and/or practices complained of herein, lost money
26 and/or property, and has been deprived of the rights guaranteed by California Labor Code §§ 201-
27 204, 226, 226.7, 510, 512, 516, 558, 1194, 1197, 1198, 2802, 2804, 2698 *et seq.*; California
28 Business & Professions Code § 17200, *et seq.* (Unfair Competition), and Wage Order 4, which

1 sets employment standards for employees in professional, technical, clerical, mechanical and
2 similar occupations.

3 4. Plaintiff is informed and believes, and based thereon alleges, that during the four
4 years preceding the filing of this lawsuit and continuing to the present, Defendants did (and do)
5 business as a pharmaceutical company, and that they have employed Plaintiff and other similarly
6 situated non-exempt employees within Solano County and the state of California.

7 5. Plaintiff does not know the true names or capacities, whether individual, partner,
8 or corporate, of the defendants sued herein as DOES 1 through 100, and for that reason, said
9 defendants are sued under such fictitious names, and Plaintiff will seek leave from this Court to
10 amend this Complaint when such true names and capacities are discovered. Plaintiff is informed
11 and believes, and thereon alleges, that each of said fictitious defendants, whether individual,
12 partners, or corporate, were responsible in some manner for the acts and omissions alleged herein,
13 and proximately caused Plaintiff and the Classes (as defined in Paragraph 17) to be subject to the
14 unlawful employment practices, wrongs, injuries, and damages complained of herein.

15 6. Plaintiff is informed and believes, and based thereon alleges, that at all times
16 mentioned herein, Defendants were and are the employers of Plaintiff and all Class members.

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

23 8. At all times mentioned herein, Defendants, and each of them, were members of
24 and engaged in a joint venture, partnership, and common enterprise, and acting within the course
25 and scope of and in pursuance of said joint venture, partnership, and common enterprise. Further,
26 Plaintiff alleges that all Defendants were joint employers for all purposes of Plaintiff and all Class
27 Members (as defined in Paragraph 17).

28 ///

GENERAL FACTUAL ALLEGATIONS

9. Plaintiff was employed by Defendants as a non-exempt employee from approximately September 2014 until approximately December 2022.

10. During Plaintiff's employment with Defendants, Defendants utilized a timekeeping and payroll system that resulted in Plaintiff not being compensated for all overtime and/or double-time hours worked. For example, during the July 1, 2022 to July 15, 2022 pay period, Plaintiff worked 8.03 hours on July 1, 2022, 7.98 hours on July 5, 2022, 8.08 hours on July 6, 2022, 8.02 hours on July 7, 2022, 7.98 hours on July 8, 2022, 8.0 hours on July 11, 2022, 8.0 hours on July 12, 2022, 17.08 hours on July 13, 2022, 10.0 hours on July 14, 2022, and 3.85 hours on July 15, 2022. During this pay period, Plaintiff worked a total of 6.13 overtime hours and 5.08 hours of double time hours (i.e., 2 minutes of overtime on July 1st, 5 minutes of overtime on July 6th, one minute of overtime on July 7th, 4 hours of overtime and 5 hours and 5 minutes of double time on July 13th, and 2 hours of overtime on July 14th). However, during the July 1-15, 2022 pay period, Defendants only paid Plaintiff for 11.22 overtime hours and **zero** double time hours. As another example, in the pay period of August 1-15, 2022, Plaintiff's time records reflect that he worked approximately 4.29 overtime hours and 1.52 double-time hours. Plaintiff's wage statement reflects that he was paid 4.28 "overtime" hours and 1.52 "doubletime" hours; however, the "doubletime" hours were actually paid at only 1.5 times Plaintiff's hourly rate, rather than double her hourly rate – specifically, the "doubletime" hours were paid at \$37.50 per hour (i.e., the same as the "overtime" rate), rather than at \$50.00 per hour. On information and belief, Defendants have paid other non-exempt employees in the same manner. As a result, Defendants have failed to pay Plaintiff and other non-exempt employees all overtime and/or double-time wages owed to them.

11. Defendants have also failed to provide Plaintiff and other non-exempt employees with all statutorily mandated meal periods, due to Defendants' meal period policies/practices. Specifically, the workload Defendants imposed on Plaintiff and other non-exempt employees sometimes made it impracticable to take a 30-minute off duty meal period before the end of the fifth hour of work, and/or a second 30-minute off-duty meal period on shifts over 12 hours. For

1 example, Plaintiff's time records reflect that her meal period was less than 30 minutes on April
2 15, 2022. Plaintiff's time records also reflect that she worked over 12.0 hours on July 13, 2022,
3 July 19, 2022, and September 20, 2022, but that she was not provided a second meal period on
4 any of those workdays. In December 2022, Plaintiff's timekeeping records do not reflect any
5 clock-outs for meal periods but reflect that Defendants nevertheless deducted 30 minutes for a
6 meal period – but did not deduct a second 30-minute meal period on many shifts of over 10 or 12
7 hours. Despite failing to provide Plaintiff with all required meal periods, Plaintiff's payroll
8 records do not reflect any meal period premium payments. Upon information and belief, during
9 at least a portion of the putative class period, Defendants maintained no payroll code or other
10 mechanism for paying meal period premiums when Defendants failed to provide a legally
11 compliant meal period.

12 12. Defendants have also failed to authorize and permit all statutorily mandated rest
13 periods to Plaintiff and other non-exempt employees. Specifically, Defendants sometimes have
14 failed to authorize and permit a 10-minute net rest period for every 4 hours worked or major
15 fraction thereof, due to the workload Defendants imposed on Plaintiff and other non-exempt
16 employees, as described above. In those instances that Defendants failed to authorize and permit
17 Plaintiff and other non-exempt employees to take a legally compliant rest period, Defendants
18 failed to pay the rest period premiums required by Labor Code § 226.7. Upon information and
19 belief, during at least a portion of the putative class period, Defendants maintained no payroll
20 code or other mechanism for paying rest period premiums when Defendants failed to authorize
21 and permit a legally compliant rest period.

22 13. Defendants have also maintained payroll practices which resulted in Plaintiff and
23 other employees being paid late, in violation of Labor Code § 204. Specifically, Defendants
24 maintain a payroll practice in which Plaintiff and other employees have been paid on the **last day**
25 **of the month** for work performed between the 1st and the 15th day of the month, and are paid on
26 the **15th day of the following month** for work performed between the 16th and the last day of
27 the month. For example, for work performed in the pay period of November 16-30, 2022, Plaintiff
28 was paid on December 15, 2022. This practice has resulted in Plaintiff and other employees being

1 paid late. Labor Code § 204(a) requires: “Labor performed between the 1st and 15th days,
2 inclusive, of any calendar month shall be paid for between the 16th and the 26th day of the month
3 during which the labor was performed, and labor performed between the 16th and the last day,
4 inclusive, of any calendar month, shall be paid for between the 1st and 10th day of the following
5 month.” As noted above, Defendants’ payroll practice fails to comply with these requirements.
6 Plaintiff is informed and believes that Defendants have paid its other employees in the same
7 manner, and have therefore violated Labor Code § 204 with respect to all of its employees during
8 the relevant time period.

9 14. Defendants have also failed to reimburse Plaintiff and other employees for
10 expenses they incurred in the course of their employment. Specifically, Defendants required
11 Plaintiff and other employees to download multiple apps onto their personal cell phones to be
12 used for work-related purposes, including “Bamboo HR”, “Rippling”, and “Paychex.” Plaintiff
13 and other employees were also required to use their personal cell phones to send and receive
14 work-related texts and emails and for calls to and from management. Despite requiring Plaintiff
15 and other employees to use their personal cellular phones for work-related purposes, Defendants
16 have failed to reimburse Plaintiff and other employees for any portion of their personal cell phone
17 bills. As a result of the foregoing, Plaintiff and other employees are entitled to reimbursement
18 pursuant to Labor Code § 2802 and *Cochran v. Schwan’s Home Service, Inc.*, 228 Cal.App.4th
19 1137 (2014).

20 15. As a result of Defendants’ failure to pay all overtime wages, as well as Defendants’
21 failure to pay meal and rest period premium wages, Defendants failed to pay all wages to Plaintiff
22 and other formerly employed non-exempt employees at the separation of their employment.

23 16. As a further result of Defendants’ failure to pay all overtime wages, as well as
24 Defendants’ failure to pay meal and rest period premium wages, Defendants maintained
25 inaccurate payroll records, and issued inaccurate wage statements to Plaintiff.

26 **CLASS ACTION ALLEGATIONS**

27 17. Class Definitions: Plaintiff bring this action on behalf of herself and the following
28 Classes pursuant to Section 382 of the Code of Civil Procedure:

1 a. The Overtime Class consists of all of the Defendants' current and former non-
2 exempt employees in California who worked more than 8.0 hours in a workday (or more
3 than 12 hours in a workday), and/or over 40.0 hours in a workweek, and were subject to
4 Defendants' timekeeping and payroll practices, at any time from four years immediately
5 preceding the filing of this action through the present.

6 b. The Meal Period Class consists of all of the Defendants' current and former non-
7 exempt employees in California who worked at least one shift in excess of 5.0 hours
8 without a 30-minute meal period beginning before the end of the fifth hour of work as
9 reflected in their time records, and/or who worked at least one shift in excess of 10.0 hours
10 without a second 30-minute meal period beginning before the end of the tenth hour of work
11 as reflected in their time records, at any time from four years immediately preceding the
12 filing of this action through the present.

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

16 d. The Wage Statement Class consists of all members of the Overtime Class, Meal
17 Period Class, and/or Rest Period Class who received a wage statement at any time from
18 one year immediately preceding the filing of this lawsuit through the present.

19 e. The Waiting Time Class consists of all members of the Overtime Class, Meal
20 Period Class, and/or Rest Period Class, who are no longer employed by Defendants and
21 whose employment with Defendants ended at any time from three years immediately
22 preceding the filing of this action through the present.

23 f. The Expense Reimbursement Class consists of all of Defendants' employees who
24 were required to use their personal cellular phones for work-related purposes, at any time
25 from four years prior to the filing of this action through the present.

26 18. **Numerosity/Ascertainability:** The members of the Classes are so numerous that
27 joinder of all members would be unfeasible and impracticable. The membership of the Classes is
28 unknown to Plaintiff at this time; however, it is estimated that the Classes number greater than

fifty (50) individuals in each Class. The identity of such membership is readily ascertainable via Defendants' employment records.

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

- i. Whether Defendants' timekeeping and payroll practices violate the applicable Labor Code provisions including, but not limited to, Sections 510 and 1194, by requiring overtime and/or double-time work and not paying the Overtime Class for said work according to California's overtime laws;
- ii. Whether Defendants provided legally compliant meal periods to members of the Meal Period Class;
- iii. Whether Defendants authorized and permitted legally compliant rest periods to members of the Rest Period Class;
- iv. Whether Defendants furnished legally compliant wage statements to members of the Wage Statement Class pursuant to Labor Code § 226;
- v. Whether Defendants paid all wages due to members of the Waiting Time Class at the time of separation of employment; and
- vi. Whether Defendants properly reimbursed expenses incurred by members of the Expense Reimbursement Class.

20. **Predominance of Common Questions:** Common questions of law and fact predominate over questions that affect only individual members of the Classes. The common questions of law set forth above are numerous and substantial and stem from Defendants' policies and/or practices applicable to each individual class member, such as Defendants' timekeeping, overtime/double-time, wage statement, meal and rest period, and final wage policies/practices. As such, common questions predominate over individual questions concerning each class member's showing as to his or her eligibility for recovery or as to the amount of damages.

1 21. **Typicality:** Plaintiff's claims are typical of the claims of the Classes because
2 Plaintiff was employed by Defendants as a non-exempt employee in California during the
3 statute(s) of limitation applicable to each cause of action pled in the Complaint in this action. As
4 alleged herein, Plaintiff, like the members of the Classes, was deprived of all earned overtime
5 wages, was subject to Defendants' uniform meal and rest period policies/practices, was furnished
6 with inaccurate wage statements, and was deprived of all final wages upon her separation of
7 employment from Defendants.

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

14 23. **Superiority:** The Labor Code is broadly remedial and serves an important public
15 interest in establishing minimum working conditions and standards in California. These laws and
16 labor standards protect the average working employee from exploitation by employers who have
17 the responsibility to follow the laws and who may seek to take advantage of superior economic
18 and bargaining power in setting onerous terms and conditions of employment. The nature of this
19 action and the format of laws available to Plaintiff and members of the Classes make the class
20 action format a particularly efficient and appropriate procedure to redress the violations alleged
21 herein. If each employee were required to file an individual lawsuit, Defendants would necessarily
22 gain an unfair advantage, as they would be able to exploit and overwhelm the limited resources
23 of each individual plaintiff with their vastly superior financial and legal resources. Moreover,
24 requiring each member of the Classes to pursue an individual remedy would discourage the
25 assertion of lawful claims by employees who would be disinclined to file an action against their
26 former and/or current employer for real and justifiable fear of retaliation and permanent damages
27 to their careers at subsequent employment. Further, the prosecution of separate actions by
28 individual class members would create a substantial risk of inconsistent or varying verdicts or

1 adjudications with respect to the individual class members against Defendants herein; and which
2 would establish potentially incompatible standards of conduct for Defendants. Further, the claims
3 of the individual members of the Classes are not sufficiently large to warrant vigorous individual
4 prosecution considering all of the concomitant costs and expenses attending thereto. As such, the
5 Classes in Paragraph 17 are maintainable under Section 382 of the Code of Civil Procedure.

6 **FIRST CAUSE OF ACTION**

7 **FAILURE TO PAY OVERTIME WAGES**

8 **(AGAINST ALL DEFENDANTS)**

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

10 25. This cause of action is brought pursuant to Labor Code §§ 204, 510, 558, 1194,
11 and 1198, which provide that non-exempt employees are entitled to overtime wages for all
12 overtime hours worked and provide a private right of action for the failure to pay all overtime
13 compensation for overtime work performed.

14 26. At all times relevant herein, Defendants were required to properly compensate
15 Plaintiff and members of the Overtime Class for all overtime hours worked pursuant to California
16 Labor Code § 1194 and Wage Order 4. Wage Order 4, § 3 requires an employer to pay an
17 employee “One and one-half (1 1/2) times the employee’s regular rate of pay” for work in excess
18 of 8 hours per workday and/or in excess of 40 hours in any workweek, and for the first 8 hours
19 on the seventh consecutive workday in a workweek. Wage Order 4, § 3 also requires an employer
20 to pay an employee double the employee’s regular rate of pay for work in excess of 12 hours in a
21 workday and/or in excess of 8 hours on the seventh consecutive day of work in the workweek.
22 Defendants caused Plaintiff and Overtime Class members to work overtime hours but did not
23 compensate them at one and one-half times (or two times) their regular rate of pay for such hours.

24 27. The foregoing policies and practices are unlawful and create entitlement to
25 recovery by Plaintiff and the Overtime Class in a civil action for the unpaid amount of overtime
26 premiums owing, including interest thereon, statutory penalties, and attorneys’ fees and costs of
27 suit according to California Labor Code §§ 204, 218.6, 510, 558, 1194, and 1198, and Code of
28 Civil Procedure § 1021.5.

SECOND CAUSE OF ACTION
MEAL PERIOD VIOLATIONS
(AGAINST ALL DEFENDANTS)

28. Plaintiff re-alleges and incorporate by reference all previous paragraphs.

29. Plaintiff is informed and believes, and based thereon alleges, that Defendants failed in their affirmative obligation to provide all their hourly non-exempt employees, including Plaintiff and members of the Meal Period Class, with all required meal periods in accordance with the mandates of the California Labor Code and Wage Order 4, for the reasons set forth herein.

30. As a result, Defendants owe premium compensation for meal period violations, including interest thereon, statutory penalties, and costs of suit, pursuant to Wage Order 4, Labor Code §§ 226.7 and 512, Civil Code § 3287, Code of Civil Procedure § 1021.5, and Art. XV, § 1 of the California Constitution.

THIRD CAUSE OF ACTION
REST PERIOD VIOLATIONS
(AGAINST ALL DEFENDANTS)

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

32. Labor Code §§ 226.7 and 516, and Wage Order 4, § 12 establish the right of employees to be authorized and permitted a rest period of at least ten (10) minutes for each four (4) hour period worked, or major fraction thereof.

33. As alleged herein, Defendants failed to authorize and permit Plaintiff and Rest Period Class members to take their legally mandated rest periods. Defendants also failed to compensate Plaintiff and Rest Period Class members with a rest period premium for each rest period to which they were entitled while working.

34. The foregoing violations create an entitlement to recovery by Plaintiff and Rest Period Class members in a civil action for the unpaid amount of rest period premiums owing, including interest thereon, statutory penalties, civil penalties, and costs of suit according to Labor Code §§ 226.7, 516, 558; Code of Civil Procedure § 1021.5; Civil Code § 3287; and Art. XV, § 1 of the California Constitution.

1 **FOURTH CAUSE OF ACTION**

2 **WAGE STATEMENT VIOLATIONS**

3 **(AGAINST ALL DEFENDANTS)**

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

5 36. Plaintiff is informed and believes, and based thereon alleges, that Defendants
6 knowingly and intentionally, as a matter of uniform policy and practice, failed to furnish Plaintiff
7 and the Wage Statement Class with accurate and complete itemized wage statements that
8 included, among other things, all wages earned, all meal and rest period premium wages earned,
9 all hours worked at each pay rate, and total hours worked, in violation of Labor Code § 226(a).

10 37. Defendants' failure to furnish Plaintiff and members of the Wage Statement Class
11 with complete and accurate itemized wage statements resulted in injury, as said failures led to,
12 among other things, the non-payment of all their overtime wages and meal and rest period
13 premium wages, and deprived them of the information necessary to identify the discrepancies in
14 Defendants' reported data.

15 38. Defendants' failures create an entitlement to recovery by Plaintiff and members of
16 the Wage Statement Class in a civil action for all damages and/or penalties pursuant to Labor
17 Code § 226, including statutory penalties, civil penalties, and reasonable attorneys' fees and costs
18 of suit, pursuant to Labor Code §§ 226 and 226.3.

19 **FIFTH CAUSE OF ACTION**

20 **WAITING TIME PENALTIES**

21 **(AGAINST ALL DEFENDANTS)**

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

23 40. This cause of action is brought pursuant to Labor Code §§ 201-203, which require
24 an employer to pay all wages immediately at the time of separation of employment in the event
25 the employer discharges the employee, or the employee provides at least 72 hours of notice of
26 their intent to quit. In the event the employee provides less than 72 hours of notice of their intent
27 to quit, said employee's wages become due and payable not later than 72 hours upon said
28 employee's last date of employment.

1 41. Plaintiff is informed and believes, and based thereon alleges, that Defendants
2 failed to timely pay Plaintiff and members of the Waiting Time Class all final wages due to them
3 at their separation from employment, including (but not limited to) unpaid overtime wages and
4 unpaid meal and rest period premium wages.

5 42. Further, Plaintiff is informed and believes, and based thereon alleges, that as a
6 matter of uniform policy and practice, Defendants continue to fail to pay Plaintiff and members
7 of the Waiting Time Class all earned wages at the end of employment in a timely manner pursuant
8 to the requirements of Labor Code §§ 201-203.

9 43. Defendants' failure to pay all final wages was willful within the meaning of Labor
10 Code § 203. Defendants' willful failure to timely pay Plaintiff and Waiting Time Class members
11 their earned wages upon separation of employment results in a continued payment of daily wages
12 up to 30 days from when the wages were due. Plaintiff and Waiting Time Class members are
13 entitled to compensation per Labor Code § 203, plus reasonable attorneys' fees and costs of suit.

14 **SIXTH CAUSE OF ACTION**

15 **FAILURE TO REIMBURSE BUSINESS EXPENSES**

16 **(AGAINST ALL DEFENDANTS)**

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

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

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

27 47. Due to Defendants' unlawful policy and practice of requiring employees to use
28 their personal cell phones for work purposes, and their failure to reimburse Plaintiff and members

of the Expense Reimbursement Class, Defendants have violated Labor Code § 2802.

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

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

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

SEVENTH CAUSE OF ACTION

UNFAIR COMPETITION

(AGAINST ALL DEFENDANTS)

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

52. Defendants have engaged, and continue to engage, in unfair and/or unlawful business practices in violation of Business & Professions Code § 17200, *et seq.*, by failing to pay Plaintiff and the Classes all overtime and/or double-time wages due, failing to provide meal periods or pay meal period premium wages, failure to authorize and permit rest periods or pay rest period premium wages, failing to furnish accurate and complete itemized wage statements, failing to pay all earned wages at separation of employment, and failing to indemnify or reimburse business expenses.

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

54. Because Plaintiff is a victim of Defendants' unfair and/or unlawful conduct alleged herein, Plaintiff for herself, and on behalf of the members of the Classes, seeks full restitution of

monies as necessary and according to proof, to restore all monies withheld, acquired, and/or converted by Defendants pursuant to Business & Professions Code §§ 17203 and 17208.

55. The acts complained of herein occurred within the four years immediately preceding the filing of this action.

56. Plaintiff was compelled to retain the services of counsel to file this court action to protect his interests and those of the Classes, to obtain restitution and injunctive relief on behalf of Defendants' current non-exempt employees, and to enforce important rights affecting the public interest. Plaintiff has thereby incurred the financial burden of attorneys' fees and costs, which he is entitled to recover under Code of Civil Procedure § 1021.5.

EIGHTH CAUSE OF ACTION

PRIVATE ATTORNEYS GENERAL ACT

(AGAINST ALL DEFENDANTS)

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

58. Defendants have committed several Labor Code violations against Plaintiff and other aggrieved employees. Plaintiff is an "aggrieved employee" within the meaning of Labor Code § 2698 *et seq.* Plaintiff, acting on behalf of herself and other aggrieved employees, brings this representative action against Defendants to recover the civil penalties due to Plaintiff, other aggrieved employees, and the State of California according to proof pursuant to Labor Code §§ 558 and 2699 (a) and (f) including, but not limited to: (1) \$100.00 for each initial violation for each failure to pay each employee and \$200.00 for each subsequent violation or willful or intentional violation pursuant to Labor Code § 210 for each failure to pay each employee, plus 25% of the amount unlawfully withheld; (2) \$50.00 for each initial violation and \$100.00 for each subsequent violation pursuant to Labor Code § 558 per employee per pay period; (3) \$100.00 for each initial violation and \$250.00 for each subsequent violation pursuant to Labor Code § 1197.1 per employee per pay period; (4) \$250.00 for each initial violation of Labor Code § 226 and \$1,000.00 for each subsequent violation, pursuant to Labor Code § 226.3, per employee per pay period; and/or (5) \$100.00 for each initial violation and \$200.00 for each subsequent violation per employee per pay period for those violations of the Labor Code for which no civil penalty is

specifically provided, based on the following Labor Code violations:

- a. Failing to pay Plaintiff and other aggrieved employees all overtime and/or double-time compensation earned, in violation of Labor Code §§ 204, 510, 558, 1194, and 1198;
- b. Failing to provide all legally required meal periods and failing to pay meal period premiums to Plaintiff and other aggrieved employees at the employees' respective regular rates of compensation, in violation of Labor Code §§ 226.7, 512, 516, 558, and 1198;
- c. Failing to authorize and permit all legally required rest periods and failing to pay rest period premiums to Plaintiff and other aggrieved employees at the employees' respective regular rates of compensation, in violation of Labor Code §§ 226.7, 516, 558, and 1198;
- d. Failing to timely pay all wages due to Plaintiff and other aggrieved employees during their employment, in violation of § 204;
- e. Failing to reimburse Plaintiff and other aggrieved employees for all work-related expenses, in violation of Labor Code §§ 2802, 2804, and 1198;
- f. Failing to furnish Plaintiff and other aggrieved employees with accurate and complete itemized wage statements, in violation Labor Code §§ 226 and 1198;
- g. Failing to pay all wages owed to Plaintiff and other aggrieved former employees at their separation of employment, in violation of Labor Code §§ 201-203; and
- h. Failing to maintain accurate records on behalf of Plaintiff and other aggrieved employees, in violation of Labor Code §§ 1174.

59. On or about November 16, 2023, Plaintiff notified Defendants DesigneRX Pharmaceuticals, Inc., via certified mail, and the California Labor and Workforce Development Agency ("LWDA") via its website, of Defendants' violations of the California Labor Code and Plaintiff's intent to bring a claim for civil penalties under California Labor Code § 2698 *et seq.* with respect to the violations of the California Labor Code identified in paragraph 58 (a)-(h) above. Now that sixty-five days have passed from Plaintiff's notifying Defendants and the LWDA

of these violations, Plaintiff has exhausted her administrative requirements for bringing a claim under the Private Attorneys General Act with respect to these violations.

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

PRAYER

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

1. For an order certifying the proposed Classes;
2. For an order appointing Plaintiff as representative of the Classes;
3. For an order appointing counsel for Plaintiff as counsel for the Classes;
4. Upon the First Cause of Action, for compensatory, consequential, general, and special damages according to proof pursuant to Labor Code §§ 204, 510, 558, 1194, and 1198;
5. Upon the Second Cause of Action, for compensatory, consequential, general, and special damages according to proof pursuant to Labor Code §§ 226.7, 512, and 1198;
6. Upon the Third Cause of Action, for compensatory, consequential, general, and special damages according to proof pursuant to Labor Code §§ 226.7, 516, and 1198;
7. Upon the Fourth Cause of Action, for statutory penalties pursuant to Labor Code § 226, *et seq.*;
8. Upon the Fifth Cause of Action, for statutory waiting time penalties pursuant to Labor Code §§ 201-203;
9. Upon the Sixth Cause of Action, for compensatory, consequential, general, and special damages according to proof pursuant to Labor Code §§ 2802 and 2804;
10. Upon the Seventh Cause of Action, for restitution to Plaintiff and members of the Classes of all money and/or property unlawfully acquired by Defendants by means of any acts or practices declared by this Court to be in violation of Business and Professions Code § 17200, *et seq.*;

11. Upon the Eighth Cause of Action, for civil penalties due to Plaintiff, other aggrieved employees, and the State of California according to proof pursuant to Labor Code § 2699, including, but not limited to: (1) \$100.00 for each initial violation for each failure to pay each employee and \$200.00 for each subsequent violation or willful or intentional violation pursuant to Labor Code § 210 for each failure to pay each employee, plus 25% of the amount unlawfully withheld; (2) \$50.00 for each initial violation and \$100 for each subsequent violation pursuant to Labor Code § 558 per employee per pay period; (3) \$100.00 for each initial violation and \$250.00 for each subsequent violation pursuant to Labor Code § 1197.1 per employee per pay period; (4) \$250.00 for each initial violation of Labor Code § 226 and \$1,000.00 for each subsequent violation, pursuant to Labor Code § 226.3 per employee per pay period; and/or (5) \$100.00 for each initial violation and \$200.00 for each subsequent violation per employee per pay period for those violations of the Labor Code for which no civil penalty is specifically provided, pursuant to Labor Code § 2699(f);

12. Prejudgment interest on all due and unpaid wages and other damages pursuant to California Labor Code §§ 218.6, 1194(a), 2802(b); Civil Code § 3287; and Art. XV, § 1 of the California Constitution;

13. On all causes of action, for attorneys' fees and costs as provided by Labor Code §§ 226(e), 1194 *et seq.*, 2802(c), 2699(g), and Code of Civil Procedure § 1021.5; and

14. For such other and further relief the Court may deem just and proper.

Respectfully submitted,

Date: January 22, 2024

ABRAMSON LABOR GROUP

By:

Tuvia Korobkin
Attorney for Plaintiff

DEMAND FOR JURY TRIAL

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

Respectfully submitted,

Dated: January 22, 2024

ABRAMSON LABOR GROUP

By:



Tuvia Korobkin
Attorney for Plaintiff