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ELECTRONICALLY FILED
SUPERIOR COURT OF CALIFORNIA
COUNTY OF SAN BERNARDINO
SAN BERNARDINO DISTRICT
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By: Sarena Perez, DEPUTY

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN BERNARDINO

ERIKA CHANG, on behalf of herself and all others similarly situated and the general public,

Plaintiff,

v.

SIE GROUP CORP dba SIE DEMOS & MERCHANDISING, a California corporation; and DOES 1 to 100, inclusive,

Defendants.

Case No.: CIVSB2622444
Hon. Thomas S. Garza Dept. S27
CLASS ACTION

FIRST AMENDED COMPLAINT FOR DAMAGES FOR:

1. Violation of B&PC §§17200, et seq.
2. Failure to Pay All Wages (Labor Code §§200, et seq., 218, 226, 510, 511, 1194, 1198, and 2802);
3. Failure to Provide Meal Breaks (Labor Code §§226.7 and 512, et seq.)
4. Failure to Permit and Authorize Rest Period Breaks (Labor Code §226.7)
5. Inaccurate Wage Statements (Labor Code §226)
6. Failure to Reimburse for Work Expenditures
7. Violation of Labor Code §§200, et seq.
8. Penalties Under PAGA Labor Code §2698, et seq.

DEMAND FOR JURY TRIAL

Plaintiff, Erika Chang, on behalf of herself and all other persons similarly situated and the general public (hereinafter collectively referred to as "Plaintiff"), hereby complains against Defendant, SIE Group Corp dba SIE Demos & Merchandising, a California corporation; and DOES 1 to 100, inclusive (hereinafter referred to as "Defendant" or "SIE"), and on information and belief, alleges as follows:

GENERAL ALLEGATIONS

JURISDICTION

1. This is a civil action seeking recovery of unpaid wages and waiting time penalties under California Labor Code §§200, et seq., 226, 226.7, 510, 512, 1194, 1194.2, 1197, 1198, and 2802 as well as the Wage Order. Plaintiff, for herself and on behalf of all others similarly situated, and the general public, brings an action for monetary damages for failure to pay wages as well as for injunctive relief, declaratory relief and restitution for Defendant's violations of California Business and Professions Code ("B&PC") §§17200, et seq., including full restitution of all compensation retained by Defendant as a result of its unlawful, fraudulent and unfair business practices. Plaintiff seeks all available relief, including full damages, full restitution and/or disgorgement of all revenues, earnings, profits, compensation and benefits retained by Defendant as a result of its unlawful, unfair business practices. Further, Plaintiff seeks injunctive relief under B&PC §§17200, et seq.

VENUE

2. Venue as to Defendant is proper in this judicial district pursuant to California Code of Civil Procedure ("CCP") §§395(a) and 395.5, as at least some of the acts complained of herein occurred in the County of San Bernardino. Defendant either owns or maintains offices, transacts business, has an agent or agents within the County of San Bernardino, or otherwise is found within the County of San Bernardino, and Defendant is within the jurisdiction of this Court for purposes of service of process.

PARTIES

3. Erika Chang is an individual over the age of eighteen (18). At all relevant times herein, Plaintiff Chang was and currently is a resident of the County of Los Angeles, State of

California.

4. Plaintiff is informed and believes and thereon alleges that at all times mentioned herein, Defendant, SIE Group Corp dba SIE Demos & Merchandising ("SIE"), is and was a California corporation.

5. Plaintiff is informed and believes and thereon alleges that at all times mentioned herein, Defendant and each of them listed herein is a professional entity licensed to do business in California.

6. Plaintiff is informed and believe and thereon allege that all relevant times each Defendant was licensed to do business in the State of California, County of San Bernardino, with its principal place of business in Rialto, California, among other counties throughout the State of California.

7. Plaintiff is informed and believe and thereon allege that Defendant and DOES 1 to 100, control and operate business and establishments in locations within the State of California, including, but not limited to, the County of San Bernardino, for the purposes of providing merchandising at various locations on behalf of its clients. Thus, each named Defendant and DOES 1 to 100 are subject to B&PC §§17200, et seq. and the Labor Code, as hereinafter alleged.

8. Plaintiff does not know the true names or capacities, whether individual, partner, or corporate, of Defendants sued herein as DOES 1 to 100, inclusive, and for that reason, said Defendants are sued under such fictitious names, and Plaintiff will seek from this Court leave to amend this Complaint when such true names and capacities are discovered. Plaintiff is informed and believes and thereon alleges that each Defendant and each fictitious Defendant, whether individual, partners, or corporate, was responsible in some manner for the circumstances alleged herein, and proximately caused Plaintiff and all others similarly situated hereinafter alleged and the general public to be subjected to the unlawful employment practices, wrongs, injuries and damages complained of herein.

9. At all times herein mentioned, each of said Defendants participated in the doing of the acts hereinafter alleged to have been done by the named Defendants; and furthermore,

Defendants, and each of them, were the agents, servants, and employees of each and every one of the other Defendants, as well as the agents of all Defendants, and at all times herein mentioned were acting within the course and scope of said agency and employment. Plaintiff herein alleges that Defendant and each of them are the joint employer of Plaintiff and all others similarly situated.

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

11. At all times herein mentioned, the acts and omissions of various Defendants, and each of them, concurred and contributed to the various acts and omissions of each and every one of the other Defendants in proximately causing the complaints, injuries and damages alleged herein.

12. At all times herein mentioned, Defendants, and each of them, approved of, condoned, and/or otherwise ratified each and every one of the acts or omissions complained of herein. At all times herein mentioned, Defendants, and each of them, aided and abetted the acts and omissions of each and every one of the other Defendants, thereby proximately causing the damages, as herein alleged.

PRIVATE ATTORNEY GENERAL ALLEGATIONS

13. Plaintiff on behalf of herself and all others similarly situated, filed this cause of action acting as a private attorney general on behalf of the general public to challenge and remedy the business practices of Defendants alleged herein.

14. B&PC §§17200, et seq., often referred to as the Unfair Competition Law, prohibits unfair competition, which is defined to include any unlawful, unfair, or fraudulent business act or practices. Defendant has instituted and implemented unlawful wage-and-hour policies, which constitute unfair, unlawful, or fraudulent business acts or practices within the State of California. Any person that has suffered injury may initiate an action to enforce B&PC §17200. The court is authorized to order injunctive relief, declaratory relief, and restitution to affected members of the general public as remedies for any violations of B&PC §17200.

15. Plaintiff is entitled to an award of attorneys' fees and costs in prosecuting this action as a private attorney general against Defendant under CCP §1021.5 based in part on the following:

a. A successful outcome in this action will result in the enforcement of important rights affecting the public interest by maintaining the integrity of entities that employ employees;

b. This action will result in a significant benefit to the general public by ceasing unlawful, unfair and deceptive activity, and by causing the return of ill-gotten gains obtained by Defendant through its failure to properly pay its employees;

c. Unless this action is prosecuted, members of the general public will not recover monies wrongfully taken from them, and many employees and consumers would not be aware that they were victimized by Defendant's wrongful acts and practices; and unless attorneys' fees and costs are awarded against Defendant, the general public will not be made whole.

PLAINTIFF CLASSES

16. The class representative Plaintiff who worked in the position of a non-exempt hourly employee, while employed by Defendant within the State of California, is Erika Chang.

CLASS ACTION ALLEGATIONS

17. Plaintiff bring this action on behalf of herself and all others similarly situated as a class action pursuant to CCP §382. The Classes which Plaintiff seeks to represent are composed of and defined as follows:

Class 1:

All California-based hourly non-exempt employees who worked at least one (1) day of more than eight (8) hours in a day or more than forty (40) hours in a week from four (4) years before the filing of this action through the date of class certification order. ("Overtime Class");

Class 2:

All California-based hourly non-exempt employees employed by Defendant as hourly employees during the time period from four years preceding the filing of this complaint to the

date of the class certification order, who were not provided timely duty-free meal period. (**Meal Break Class**);

Subclass 1:

All California-based hourly non-exempt employees employed by Defendant as hourly employees during the time period from four years preceding the filing of this complaint to the date of the class certification order, who were required to remain on-premises for their meal breaks. (**On-Premises Meal Break Subclass**);

Class 3:

All California-based hourly non-exempt employees employed by Defendant as hourly employees during the time period from four years preceding the filing of this complaint to the date of the class certification order, who were not authorized and permitted to take a duty-free 10-minute break for every four (4) hours of a shift, or major fraction thereof. (**Rest Break Class**);

Subclass 2:

All California-based hourly non-exempt employees employed by Defendant as hourly employees during the time period from four years preceding the filing of this complaint to the date of the class certification order, who were required to remain on-premises for their rest breaks. (**On-Premises Rest Break Subclass**);

Class 4:

All California-based hourly non-exempt employees who worked for Defendant from one (1) year preceding the filing of this complaint through the date of the class certification order, who were provided a paystub (a.k.a. wage statement) from Defendant (**Pay Stub Class - Derivative**);

Class 5:

All California-based hourly non-exempt employees employed by Defendant as hourly employees during the time period from four years preceding the filing of this complaint to the date of the class certification order, who were reimbursed for out-of-pocket work-related expenses. (**Work Expenditure Reimbursement Class**);

Class 6:

All California-based hourly non-exempt employees of from four (4) years preceding the filing of this complaint through the date of the class certification order, who are no longer employed by Defendant and were not paid all wages owed. (**Waiting Time Penalty Class - Derivative**).

The members of the classes are so numerous that joinder of all members would be unfeasible and not practicable. The membership of the classes is unknown to Plaintiff at this time; however, it is estimated that the classes number greater than 40 individuals. The identity of such membership is readily ascertainable via inspection of Defendant's employment records.

18. There are common questions of law and fact as to Plaintiff and all others similarly situated which predominate over questions affecting only individual members including, without limitation to:

i. Whether Defendant violated the applicable Labor Code provisions including §§510 and 1194 by requiring substantial overtime work and not paying for said work according to the overtime laws of the State of California;

ii. Whether Defendant failed to pay the appropriate straight time and premium overtime compensation to the hourly employees;

iii. Whether Defendant improperly retained, appropriated or deprived Plaintiff of the use of monies or sums to which Plaintiff and the class were legally entitled;

iv. Whether Defendant engaged in unfair business practices;

v. Whether Defendant, and each of them, was/were participants in the alleged unlawful conduct;

vi. Whether Defendant's conduct was willful or reckless;

vii. The effect upon and the extent of injuries suffered by Plaintiff and all others similarly situated and the appropriate amount of compensation;

viii. The appropriate amount of monetary penalties allowed by Labor Code

§§201, et seq. and 226;

ix. Whether Defendant knowingly and intentionally failed to maintain records for Plaintiff and all others similarly situated as required by Labor Code §1174 and §7 of California Industrial Welfare Commission Wage Order 7-2001 ("IWC Wage Order 7-2001");

x. Whether Defendant willfully violated provisions of the Labor Code;

xi. Whether Defendant fails to provide compliant meal periods;

xii. Whether Defendant fails to authorize and permit compliant rest periods.

xiii. Whether Defendant fails to reimburse Plaintiff and the class for out-of-pocket work related expenses; and

xiv. Whether Defendant is subject to civil penalties pursuant to Labor Code §§2699, et seq.

19. Plaintiff's claims are typical of the claims of all members of the classes and subclasses mentioned herein. Plaintiff, as a representative party, will fairly and adequately protect the interest of the classes by vigorously pursuing this suit through their attorneys who are skilled and experienced in handling matters of this type. Plaintiff has no claim or interest that is antagonistic to any class member.

20. The nature of this action and the nature of laws available to the members of the classes and subclasses identified herein make use of the class action format a particularly efficient and appropriate procedure to afford relief to Plaintiff for the wrongs alleged herein. Further, this claim involves one (1) corporate employer, Defendant, and a large number of individual employees (Plaintiff and all others similarly situated) with many relatively small claims with common issues of law and fact. If each employee were required to file an individual lawsuit, the corporate Defendant would necessarily gain an unconscionable advantage since it would be able to exploit and overwhelm the limited resources of each individual Plaintiff with its vastly superior financial and legal resources. Requiring each class member to pursue an individual remedy would also discourage the assertion of lawful claims by employees who

would be disinclined to pursue an action against their present and/or former employer for an appreciable and justifiable fear of retaliation and permanent damage to their careers at present and/or subsequent employment. Proof of a common business practice or factual pattern, of which the named Plaintiff experienced, is representative of the class mentioned herein and will establish the right of each of the members of the named class to recovery on the causes of action alleged herein.

21. The prosecution of separate actions by the individual class members, even if possible, would create a substantial risk of inconsistent or varying verdicts or adjudications with respect to the individual class members against Defendant herein; and which would establish potentially incompatible standards of conduct for Defendant; and/or (b) legal determinations with respect to individual class members which would, as a practical matter, be dispositive of the interest of the other class members not parties to adjudications or which would substantially impair or impede the ability of the class members to protect their interests. Further, the claims of the individual members of the class are not sufficiently large to warrant vigorous individual prosecution considering all of the concomitant costs and expenses attending thereto.

22. Plaintiff and all others similarly situated are entitled to the wages and other monies unlawfully withheld. This action is brought for the benefit of the public.

FIRST CAUSE OF ACTION

(Violation of B&PC §§17200, et seq.)

23. Plaintiff re-alleges and incorporates by reference herein the allegations of all preceding paragraphs as though fully set forth herein.

24. Beginning on an exact date unknown to Plaintiff but believed to have occurred at least since four (4) years before the filing of this action, Defendant has engaged in a pattern and practice of acts of unfair competition in violation of B&PC §17200, including the practices alleged herein.

FAILURE TO PAY PROPER WAGES AND OVERTIME COMPENSATION

25. Plaintiff is informed and believes and thereon alleges that as part of Defendant's ongoing unfair business practice, Defendant's employees were and are employed and scheduled

as a matter of established company policy to work, and in fact, worked in excess of eight (8) hour shifts. The hours worked by Plaintiff and the class is in excess of eight (8) hours per day, and in excess of forty (40) hours per week without receiving the proper overtime premium. The Defendant is in violation of Labor Code §§510 and 1194, and the relevant California Industrial Welfare Commission Order 7-2001, et seq.

26. Under Labor Code §1194, an employee is not fully compensated for the unpaid balance of their overtime compensation unless the employee is paid all unpaid compensation for the regular hours and overtime hours worked during an overtime shift.

27. Defendant, and each of them, consistently administered a corporate policy regarding, both staffing levels, duties and responsibilities of Defendant's employees, which required that the entirety of the employees work overtime without proper premium overtime pay. Further, Plaintiff and all others similarly situated are entitled to restitution of these wages obtained by Defendant, and each of them.

28. This corporate policy and pattern of conduct is accomplished with the advance knowledge and designed intent not to pay the employees at a premium rate for all overtime hours. Further, Plaintiff and all others similarly situated are entitled to restitution of these wages obtained by Defendant, and each of them.

29. Further, Plaintiff and all others similarly situated are entitled to restitution of all unpaid wages obtained by Defendant, and each of them. Plaintiff, and the class, may seek restitution for unpaid straight time wages under B&PC §§17200, et seq. Any business act or practice that violates the Labor Code through a failure to pay wages is by definition an unfair business practice under §17200. Section 17200 provides an action to recover wages as restitution, even if such recovery might be barred if brought pursuant to the Labor Code, if the failure to pay constitutes a business practice. Unpaid straight time wages and unpaid overtime wages are recoverable as restitution under §17200 based on Defendant's subterfuge which constitutes an unfair business practice that fails to pay earned wages in violation of the Labor Code.

30. Plaintiff and all others similarly situated identified herein were and are employed

and scheduled as a matter of established company policy to work and in fact worked as non-exempt hourly employees in excess of eight (8) hours per day. Defendant employed and scheduled all employees without providing overtime compensation for such excess daily overtime hours worked in violation of Labor Code §§510, 1194, 1198 and IWC Wage Order 7-2001 without a valid exemption.

VIOLATION OF MEAL PERIOD PROVISIONS

31. Defendant's improper meal policies are in violation of California law including, but not limited to Labor Code §§226.7 and 512, and IWC Wage Order 7-2001. Plaintiff and all others similarly situated are entitled to a half hour meal period within the first five (5) hours of their shift. Defendant violated the meal break provisions and did not provide Plaintiff and all others similarly situated with duty free meal periods within the first five (5) hours of their shift. Plaintiff and the class were entitled to one (1) hour of pay for each meal break violation at their regular rate of pay. Further, meal breaks were required to be taken on the job site and/or while working. Defendant and each of them failed and continue to fail to pay for a meal break violation at the employees' regular rate of pay in violation of IWC Wage Order 7-2001, §11. Furthermore, Defendant failed to provide Plaintiff and other similarly situated employees with a second meal period when said employees work in excess of 10 hours.

FAILURE TO PERMIT AND AUTHORIZE REST PERIOD BREAKS

32. Plaintiff and other members of the Rest Period Class are entitled to the benefits of Labor Code § 226.7 and Order 7-2001 of the Industrial Welfare Commission. Pursuant to Labor Code § 226.7 and Wage Order 7-2001, Plaintiff and the other members of the Rest Period Class were entitled to separate rest periods of at least 10 minutes for each four-hour period of work or major fraction thereof, and one hour of additional pay for every shift a rest period was not provided in conformance with this obligation.

33. Plaintiff is informed and believes, and thereon allege that Defendants consistently compelled Plaintiff and other members of the Rest Period Class employed for shifts of more than four (4) hours, to take only one (1) rest break during their shifts, instead of two (2) or three (3) rest breaks required depending on shift length. Further, Plaintiff alleges Defendant failed to

provide duty-free rest periods and off-site rest periods to Plaintiff and the class.

34. Plaintiff seeks restitution and injunctive relief for all the aforementioned violations.

WORK EXPENDITURE REIMBURSEMENT

35. Labor Code section 2802(a) requires an employer to indemnify their employees for all necessary expenditures or losses in the direct discharge of their duties.

36. Defendant has a uniform policy that requires Plaintiff and the class members to incur out of pocket expenses in connection with their employment, including but not limited to being required to use their own cell phones to communicate with Defendant while on shifts..

37. As a result, Plaintiff and the class members are entitled to reimbursement for all the above expenses, as well as attorney fees.

38. Defendant, and each of them, has engaged in unfair business practices in California by practicing, employing and utilizing the employment practices complained of herein. Defendant's use of such practices constitutes an unfair business practice, unfair competition, and provides an unfair advantage over Defendant's competitors. Plaintiff and the putative class seek full restitution of said monies, as necessary and according to proof, to restore any and all monies withheld and/or acquired by Defendant by means of the unfair business practices complained of herein. Plaintiff seeks, on behalf of all current and former employees of Defendant, restitution of said monies. Plaintiff further seeks, on behalf of the Plaintiff and the putative class, the appointment of a receiver, as necessary, to establish the total restitutionary relief from Defendant. The restitution includes all wages withheld by Defendant as a result of the unfair, unlawful, and/or fraudulent business practices, including interest thereon. Absent a statutory provision specifically governing the type of claim at issue, the prejudgment interest rate is 10 percent. The acts complained of herein occurred, at least in part, within the last four (4) years preceding the filing of the Complaint.

39. Plaintiff is informed and believes and thereon alleges that at all times herein mentioned, Defendant has engaged in unlawful, deceptive, and unfair business practices prohibited by California B&PC §17200, thereby depriving its employees and the putative class

the minimum working condition, standards and conditions due to them under the California labor laws and Industrial Welfare Commission wage orders as specifically described herein. Plaintiff seeks an injunction preventing Defendant from continuing its unfair business practice of improperly depriving its employees' overtime pay. Plaintiff further seeks an order requiring Defendant to identify by full name, telephone number, and last known address employees who worked or still work for Defendant from four (4) years preceding the filing of the original Complaint through the date of judgment; Plaintiff further seeks an order requiring Defendant to timely pay restitution to all current and former employees, including back wages, and interest. The acts complained of herein occurred, at least in part, within the last four (4) years preceding the filing of the original Complaint.

40. By and through its unfair, unlawful, and/or fraudulent business practices and acts described herein, Defendant has obtained valuable services from Plaintiff and all persons similarly situated, and has deprived Plaintiff and all persons similarly situated of valuable rights and benefits guaranteed by law, all to their detriment.

41. Plaintiff, and all persons similarly situated, and all persons in interest, are entitled to and do seek such relief as may be necessary to restore to them the money and property which Defendant has acquired, or of which Plaintiff and class members have been deprived by means of the herein described unfair, unlawful, and/or fraudulent business practices.

42. Plaintiff, and all persons similarly situated, and all persons in interest, are further entitled to and do seek a declaration that the above described business practices are unfair, unlawful, and/or fraudulent, and injunctive relief restraining Defendant from engaging in any of the herein described unfair, unlawful, and/or fraudulent business practices at all times in the future.

43. Plaintiff requests attorney's fees and costs pursuant to Code of Civil Procedure §1021.5 since this action is brought to vindicate important rights of a large class and the public.

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SECOND CAUSE OF ACTION

RECOVERY OF UNPAID WAGES & PENALTIES

(Violation of Labor Code §§218, 226, 510, 1194 and 1198)

44. Plaintiff re-alleges and incorporates by reference herein the allegations of all preceding paragraphs as though fully set forth herein.

45. Plaintiff and all others similarly situated identified herein were and are employed and scheduled as a matter of established company policy to work and in fact worked as non-exempt hourly employees in excess of eight (8) hours per day and/or in excess of forty (40) hours per week. Defendant employed and scheduled all employees without providing overtime compensation for such excess hours worked in violation of Labor Code §§510 and 1194 and IWC Wage Order 7-2001. Labor Code §204 establishes the fundamental right of all employees in the state of California to be paid the proper amount of wages in a timely fashion for their work, including overtime.

46. Pursuant to Labor Code §§218 and 1194(a), Plaintiff may bring a civil action for overtime wages directly against the employer without first filing a claim with the Division of Labor Standards Enforcement (hereinafter "DLSE") and may recover such wages, together with interest thereon, penalties, attorneys' fees and costs.

47. At all times relevant hereto, Defendant has failed to pay to Plaintiff and all others similarly situated wages when due as required by Labor Code §204.

48. Pursuant to Labor Code §1198, it is unlawful to employ persons for longer than the hours set by the IWC or under conditions prohibited by IWC Wage Order 7-2001, which applies to Plaintiff.

49. At all times relevant hereto, Plaintiff is informed and believes and thereon alleges that Defendant has treated Plaintiff and all others similarly situated, as hourly non-exempt employees. Despite this classification, Defendant has willfully violated the Labor Code with respect to meeting the requirements of paying all wages earned, including minimum wages, straight time pay, overtime, and remuneration when calculating the hourly non-exempt employees regular rate of pay, as herein before alleged.

50. Plaintiff is informed and believes and thereon alleges that the hourly non-exempt class was never paid any premium compensation or paid significantly less premium compensation for work accomplished in excess of forty (40) hours per pay period, and/or eight (8) hours per day.

51. Plaintiff is informed and believes and thereon alleges that Defendant consistently administered a corporate policy regarding both staffing levels and duties and responsibilities of the members of the classes which required the entirety of all classes to work overtime without proper premium pay. This included a uniform corporate policy and practice of requiring employees to work in excess of eight (8) hours a day without paying premium overtime or a valid exemption thereto. This corporate policy and pattern of conduct was/is accomplished with the advance knowledge and design of all Defendant herein. Thus, Plaintiff and all others similarly situated routinely, regularly and customarily performed overtime work. Accordingly, Plaintiff and all others similarly situated are entitled to overtime compensation under California law.

52. Plaintiff is informed and believes and thereon alleges that the obligations and responsibilities of both class employees are irrelevant because Plaintiff and all others similarly situated merely allege wrongdoing with Defendant's pay plans. Further, the duties of Plaintiff and all others similarly situated are not relevant in certifying any of the classes. Defendant's hourly non-exempt employees work routinely included work in excess of eight (8) hours per day, forty (40) hours per pay period and/or and they were not, and have never been, paid the proper premium compensation for their overtime work.

53. Defendant, and each of them, in violation of Labor Code §§201 and 202, et seq., respectively, had a consistent and uniform policy, practice and procedure of willfully failing to pay the earned and unpaid wages of all such former employees. Defendant has willfully failed to pay the earned and unpaid wages of such individuals, including, but not limited to, other wages earned including on call and/or stand by at the minimum wage and remaining uncompensated amounts according to amendment, or proof.

54. Plaintiff and all others similarly situated identified herein were and are employed

and scheduled as a matter of established company policy to work and in fact worked as non-exempt hourly employees in excess of eight (8) hours per day without overtime. Defendant employed and scheduled all employees without providing proper overtime compensation for such excess daily overtime hours worked in violation of Labor Code §§510, 1194, 1198 and IWC Wage Order 7-2001. Pursuant to Labor Code §1198, it is unlawful to employ persons for longer than the hours set by the IWC or under conditions prohibited by IWC Wage Order 7-2001, without a valid exemption. Plaintiff is informed and believes that Defendant does not have a valid exemption from the daily overtime requirement.

55. Accordingly, Plaintiff seeks all wages Defendant has failed to pay, which are owing, including interest thereon, willful penalties, attorneys' fees, and costs of suit according to the mandate of Labor Code §1194, et seq.

THIRD CAUSE OF ACTION

FAILURE TO PROVIDE MEAL BREAKS

56. Plaintiff incorporates by reference and realleges each and every one of the allegations contained in the preceding and foregoing paragraphs of this Complaint as though fully set forth herein.

57. Labor Code §226.7 requires an employer to pay an additional hour of compensation for each meal period the employer fails to provide. Plaintiff alleges that Defendant failed to provide legally compliant meals in addition to impeding, discouraging and/or dissuading employees from taking legally compliant meal periods. Employees are entitled to a meal period of at least thirty (30) minutes per five (5) hour work period. Plaintiff and all others similarly situated worked over five (5) hour shifts without meal periods due to Defendant's policy of discouraging, dissuading and/or impeding Plaintiff and all others similarly situated from taking meal periods. Pursuant to the Labor Code, Plaintiff and all others similarly situated are entitled to a meal period of not less than thirty (30) minutes prior to exceeding five (5) hours of employment, and a second meal period for hours worked over ten (10) in a day.

58. Defendant failed to provide, impeded and/or discouraged Plaintiff and all others similarly situated from taking timely duty-free off-premises meal breaks of not less than thirty

(30) minutes as required by the Labor Code during the relevant class period and/or failed to obtain legal waivers waiving the first or second meal period.

59. Pursuant to Labor Code §226.7, Plaintiff is entitled to damages in an amount equal to one (1) hour of wages per missed meal break, in a sum to be proven at trial.

60. Pursuant to Labor Code §218.5 Plaintiff requests that the court award reasonable attorney's fees and costs incurred by them in this action.

FOURTH CAUSE OF ACTION

FAILURE TO PERMIT AND AUTHORIZE REST PERIOD BREAKS

(Against All Defendants)

61. Plaintiff re-alleges and incorporates by reference as if fully set forth herein, the aforementioned allegations.

62. The Plaintiff alleges that Defendants have violated Labor Code §§226.7 & the applicable Wage Order. Section 226.7 of the Labor Code requires an employer to pay an additional hour (1) of compensation for each rest period the employer fails to provide. Hourly non-exempt employees are entitled to a paid ten (10) minute rest break for every four (4) hours worked or major fraction thereof. The Defendant's policy discourages, dissuades, and prevents all hourly non-exempt employees from taking a duty-free off-premises rest period breaks for any work period that is greater than two (2) hours up to four (4) hours. Plaintiff and the class consistently worked over four (4) hours per shift with no duty-free, off-premises rest breaks, due to Defendant's policy of discouraging, dissuading and/or preventing hourly employees from taking said breaks off-premises.

63. Pursuant to Labor Code §226.7, Plaintiff and the class are entitled to damages in an amount equal to one (1) hour of wages at the hourly non-exempt regular rate of pay per rest break violation, in a sum to be proven at trial.

FIFTH CAUSE OF ACTION

FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS

PURSUANT TO LABOR CODE §226

(Against All Defendants)

64. Plaintiff re-alleges and incorporates by reference herein the allegations of all

preceding paragraphs as though fully set forth herein.

65. IWC Wage Order 7-2001, §7 provides:

> Every employer shall semimonthly or at the time of each payment of wages furnish each employee, either as a detachable part of the check, draft, or voucher paying the employee's wages, or separately, an itemized statement in writing showing: (1) all deductions; (2) the inclusive dates of the period for which the employee is paid; (3) the name of the employee or the employee's social security number; and (4) the name of the employer, provided all deductions made on written orders of the employee may be aggregated and shown as one item. Subsection (e) provides: "Any employee suffering injury as a result of a knowing and intentional failure by an employer to comply with subdivision (a) shall be entitled to recover the greater of all actual damages or fifty dollars ($50) for the initial pay period in which a violation occurs and one hundred dollars ($100) per employee for each violation in a subsequent pay period, not exceeding an aggregate penalty of four thousand dollars ($4,000), and shall be entitled to an award of costs and reasonable attorney's fees.

66. During the Class Period, Defendant knowingly and intentionally failed to provide the Class Members, including Plaintiff, with timely and accurate wage and hour statements showing gross wages earned, total hours worked, all deductions made, net wages earned, the name and address of the legal entity employing that Class Member, and all applicable hourly rates in effect during each pay period and the corresponding number of hours worked at each hourly rate by that Class Member.

67. Defendant thus required the Class Members, including Plaintiff, to work under conditions prohibited by order of the Industrial Welfare Commission, in violation of those orders. The Class Members, including Plaintiff, suffered injury as a result of Defendant's knowing and intentional failure to provide the Class Members, including Plaintiff, with the wage and hour statements required by law.

68. Based on Defendant's conduct as alleged herein, Defendant is liable for actual damages, statutory damages and/or statutory penalties pursuant to California Labor Code §226, including attorney's fees and costs.

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SIXTH CAUSE OF ACTION

WORK EXPENDITURE REIMBURSEMENTS

(Against All Defendants)

69. Plaintiff re-alleges and incorporate each and every one of the allegations of all preceding paragraphs.

70. Labor Code section 2802(a) requires an employer to indemnify their employees for all necessary expenditures or losses in the direct discharge of their duties.

71. Defendant has a uniform policy that requires Plaintiff and the class members to incur out of pocket expenses in connection with their employment, including but not limited to being required to use their own cell phones to communicate with Defendant while on shifts..

72. As a result, Plaintiff and the class members are entitled to reimbursement for all the above expenses, as well as attorney fees.

SEVENTH CAUSE OF ACTION

(Violation of Labor Code §§200, et seq.)

73. Plaintiff re-alleges and incorporate by reference herein the allegations of all preceding paragraphs as though fully set forth herein.

74. Labor Code §§200, et seq., provides that an employer is required to pay an employee all wages (including accrued vacation), within twenty-four (24) hours of the employees' involuntary separation from employment; within twenty-four (24) hours of her voluntary separation if the employee gave at least seventy-two (72) hours' notice, and within seventy-two (72) hours, if the employee voluntarily separated, but did not give at least seventy-two (72) hours' notice.

75. Plaintiff on behalf of all former employees of Defendant employed in the State of California separated from employment with Defendant. Plaintiff alleges that this derivate claim is on behalf of all others similarly situated employees who did not timely receive a final pay check from Defendant in violation of Labor Code §§200, et seq., based on the wage claims asserted in this action. Plaintiff is informed and believes and thereon alleges that Defendant also violated the mandates of Labor Code §§200, et seq., as to other employees whose employment

ended during the period of time covered by this action.

76. Pursuant to Labor Code §§200, et seq., each member of the classes that no longer works for Defendant, and who was not timely paid is entitled to one (1) day of pay in penalties for each day that he or she was paid late, until payment was made, up on a maximum of thirty (30) days.

EIGHTH CAUSE OF ACTION

CIVIL PENALTIES UNDER LABOR CODE §§ 2698-2699

77. Plaintiff re-alleges and incorporates each and every one of the allegations of all preceding paragraphs contained in paragraphs, inclusive of this Complaint, as if fully set forth herein.

78. Labor Code §§2698 - 2699, the Labor Code Private Attorney General Act of 2004, provides for a civil penalty to be assessed and collected by the Labor and Workforce Development Agency (LWDA), or any of its departments, divisions, commissions, boards, agencies or employees for a violation of the Labor Code, may be recovered through a civil action by an aggrieved employee on behalf of himself or herself, and collectively on behalf of all other current or former employees.

79. Whenever the LWDA, or any of its departments, divisions, commissions, boards agencies or employees, has discretion to assess a civil penalty, a court in a civil action is authorized to exercise the same discretion, subject to the same limitations and conditions to assess a civil penalty.

80. Plaintiff, and all hourly non-exempt employees of Defendants are "aggrieved employees" as defined by Labor Code §2699, in that they are all current or former employees of Defendants, and one or more of the alleged violations was committed against them

81. Prior to filing this First Amended Complaint, Plaintiff gave written notice to the LWDA on or about June 26, 2026, via mandatory online filing through the State of California LWDA/ Department of Industrial Relations website with a copy to the employer via certified mail, of the specific provisions of this code alleged to have been violated, including listing some facts and some theories to support the alleged violations as required by Labor Code §2699.3; A

true and correct copy of the letter is attached hereto as **Exhibit 1**. Plaintiff alleges that she has exhausted all administrative remedies and filed the herein complaint 65 days after mailing said notice. At the date of filing this Complaint, the LWDA has not responded with any intention to investigate. As such, Plaintiff has exhausted her administrative requirements pursuant to LC §2699.3(a)(1) and (2) (A-C).

82. California Labor Code §§ 2699(a) and (g) authorize an aggrieved employee, on behalf of themselves and other current or former employees, to bring a civil action to recover civil penalties pursuant to the procedures specified in California Labor Code § 2699.3.

83. Pursuant to California Labor Code §§ 2699(a) and (f), Plaintiff and the aggrieved employees are entitled to recover civil penalties for each of the Defendant's violations of California Labor Code §§ 226, 226.7, 510, 511, 512, 1194, 1194.2, 1197, and 1198, during the applicable limitations period in the following amounts:

a. For violations of California Labor Code § 204, one hundred dollars ($100.00) for each aggrieved employee for each initial violation and two hundred dollars ($200.00) for each aggrieved employee plus twenty-five percent (25%) of the amount unlawfully withheld from each aggrieved employee for each subsequent, willful or intentional violation (penalty amounts established by California Labor Code § 210).

b. For violations of California Labor Code § 226(a), two hundred fifty dollars ($250.00) per employee for initial violation and one thousand dollars ($1,000.00) per employee for each subsequent violation (penalty amounts established by California Labor Code § 226.3).

c. For violations of California Labor Code § 512, fifty dollars ($50.00) for each aggrieved employee for each initial violation for pay period for which the employee was underpaid in addition to an amount sufficient to recover unpaid wages and one hundred dollars ($100.00) for each underpaid employee for each pay period for which the employee was underpaid (penalty amounts established by California Labor Code § 558).

d. For violations of California Labor Code § 1197, one hundred dollars ($100.00) for each aggrieved employee for each initial and intentional violation per pay period (regardless of whether the initial violations were intentionally committed) and two hundred fifty dollars ($250.00) for each aggrieved employee for each subsequent violation per pay period (regardless of whether the initial violations were intentionally committed), in addition to an amount sufficient to recover unpaid wages, liquidated damages pursuant to California Labor Code § 1194.2, and applicable penalties imposed pursuant to California Labor Code § 203.

e. For violations of California Labor Code §§ 201, 202, 203, and 226.7, one hundred dollars ($100.00) for each aggrieved employee per pay period for each initial violation and two hundred dollars ($200.00) for each aggrieved employee per pay period for each subsequent violation (penalty amounts established by California Labor Code § 2699(f)(2)).

f. Penalties under Code of Regulations, Title 8 §11070 or other applicable Code of Regulations in the amount of $50 for each aggrieved employee per pay period for the initial violation, and $100 for each aggrieved employee per pay period for each subsequent violation;

g. Penalties under Labor Code §210, in addition to and entirely independent and apart from other penalty provided in the Labor Code, in the amount of $100 for each aggrieved employee per pay period for each violation, and $200 for each aggrieved employee per pay period for each subsequent violation, plus 25% of the wage wrongly withheld;

h. Penalties under Labor Code §256, in addition to and entirely independent and apart from other penalty provided in the Labor Code, including Labor Code §2699, et seq., for any aggrieved employee who was discharged or quit, and was not paid all earned wages at termination in accordance with Labor Code §§201, 201.1, 201.5, 202, and 205.5, in the amount of a civil penalty of one day of pay, at the same rate, for each day that he or she was paid late, until payment was/is

made, up to a maximum of thirty (30) days;

i. Penalties under Labor Code §558, in addition to and entirely independent and apart from other penalty provided in the Labor Code, in the amount of $50 for each underpaid aggrieved employee for each pay period the aggrieved employee was underpaid, and $100 for each subsequent violation for each underpaid employee for each pay period for which the employee was underpaid pursuant to Labor Code §558 provided to the affected employees;

j. Penalties under Labor Code §226.3, in addition to and entirely independent and apart from other penalty provided in the Labor Code, in the amount of $250 for each aggrieved employee per pay period for each violation, and $1,000 for each aggrieved employee per pay period for each subsequent violation;

k. Any and all additional penalties and sums as provided by the Cal. Labor Code and/or other statutes.

l. Penalties under Labor Code section 210 for the weekly pay violations.

84. Pursuant to California Labor Code §2699(g), Plaintiff and the aggrieved employees are entitled to an award of civil penalties, reasonable attorney's fees and costs in connection with their claims for civil penalties.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays:

1. That the Court determine this action may be maintained as a class action;

As to the First Cause of Action:

2. For an order preliminarily and permanently enjoining Defendant from engaging in the practices challenged herein;

3. An order for full restitution of all monies, as necessary and according to proof, to restore any and all monies withheld by the Defendant by means of the unfair practice complained of herein. Plaintiff seeks, on behalf of the putative class, the appointment of a receiver, as necessary. The restitution includes all monies retained as wages, as defined in Labor Code §§200, et seq., 510, and 1194, and interest, and attorneys' fees as a result of the unfair business

practices or retained in violation of Labor Code §1198 and IWC Wage Order 7-2001;

4. For an order finding and declaring that Defendant's acts and practices as challenged herein are unlawful, and unfair and/or fraudulent;

5. For an accounting, under administration of Plaintiff and subject to Court Review, to determine the amount to be returned by Defendant and the amounts to be refunded to members who are or were not paid all their wages due to Defendant's unfair business practices;

6. For the creation of an administrative process wherein each injured current and former employee receives his or her back wages in the form of overtime pay or alternatively that each current or former eligible employee may submit a claim in order to receive his/her money;

7. For an order requiring Defendant to make full restitution and payment pursuant to B&PC §§17200, et seq. for unfair business practices that violate Labor Code §§200, et seq., 510, and 1194;

8. For reasonable attorneys' fees under CCP §1021.5 all other appropriate declaratory and equitable relief;

9. For pre-judgment interest to the extent permitted by law;

10. For pre-judgment interest to the extent permitted by law and the California Constitution;

11. For an order requiring Defendant to identify, by name, address and telephone number of each person who worked as an hourly non-exempt employee for Defendant from four (4) years before filing of the original complaint in this action through the time of judgment;

As to the Second Cause of Action:

12. For damages according to proof, as set forth in Labor Code §§204, 218, 226, 510, 1194, and 1198, et seq. and IWC Wage Order 7-2001 regarding wages due and owing;

13. For unpaid straight time and premium wages pursuant to Labor Code §1194.

14. For pre-judgment interest as allowed by Labor Code §1194 and Civil Code §3287(b), and for reasonable attorneys' fees;

As to the Third Cause of Action:

15. One (1) hour of pay at each of the employees' regular rate of compensation for

each workday that a meal break was not provided, impeded, discouraged and/or dissuaded;

As to the Fourth Cause of Action:

16. One (1) hour of pay at each of the employees' regular rate of compensation for each workday that a rest break was not authorized or permitted, or was impeded, interrupted, discouraged and/or dissuaded;

As to the Fifth Cause of Action:

17. For recovery as authorized by Labor Code §226(e);

18. For injunctive relief to ensure Defendant's compliance with Labor Code §226 and IWC Wage Order 7-2001, §7(A) pursuant to Labor Code §226(g);

19. For an award of costs and reasonable attorneys' fees pursuant to Labor Code §226(e) and/or §226(g);

As to the Sixth Cause of Action:

20. Reimbursement of all deductions from wages related to expenses;

21. Attorney fees and costs;

As to the Seventh Cause of Action:

22. For waiting time penalties for all former employees not timely paid their last pay check, including vacation pay;

23. For reasonable attorneys' fees and costs;

As to the Eighth Cause of Action:

22. On behalf of all current and former hourly RN employees, for all civil penalties authorized by Labor Code Private Attorney General Act of 2004 as specified in California Labor Code §558 plus Labor Code §1197.1 for former or current employees who are due wage payments;

23. For civil penalties per Labor Code §226.3 in the amount of $250 for each aggrieved employee per pay period for each violation, and $1,000 for each aggrieved employee per pay period for each subsequent violation;

24. For civil penalties per Labor Code §256 in the amount of one day of pay, at the same rate, for each day that an aggrieved employee was paid late, at the time of termination, until

payment was/is made, up to a maximum of thirty (30) days;

25. For civil penalties, pursuant to Labor Code § 558 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;

26. For civil penalties under Labor Code §210, in addition to and entirely independent and apart from other penalty provided in the Labor Code, in the amount of $100 for each aggrieved employee per pay period for each violation, and $200 for each aggrieved employee per pay period for each subsequent violation, plus 25% of the wage wrongly withheld;

27. For civil penalties under Labor Code §2699(f), in addition to and entirely independent and apart from other penalty provided in the Labor Code and for Labor Code violations without a specific civil penalty, in the amount of $100 for each aggrieved employee per pay period for each violation, and $200 for each aggrieved employee per pay period for each subsequent violation.

As to All Causes of Action:

28. For reasonable attorneys' fees and costs incurred;

29. For such other and further relief as this Court may deem just and proper.

Dated: September 1, 2026

JANELLE CARNEY – ATTORNEY AT LAW, APC
SALUSKY LAW GROUP, APC

By: _____
Janelle Carney, Attorney for Plaintiff

JURY TRIAL DEMAND

Plaintiff hereby demands a jury trial on all issues so triable.

Dated: September 1, 2026

JANELLE CARNEY – ATTORNEY AT LAW, APC
SALUSKY LAW GROUP

By: 

Janelle Carney, Attorney for Plaintiff

Exhibit 1

JANELLE CARNEY
ATTORNEY AT LAW
A PROFESSIONAL LAW CORPORATION

June 26, 2026

PAGA Administrator
CA Labor and Workforce Development Agency
1515 Clay Street, Suite 801
Oakland, CA 94612
Via: http://www.dir.ca.gov/Private-Attorneys-General-Act/Private-Attorneys-General-Act.html

SIE Group Corp dba SIE Demos & Merchandising
241 W. Rialto Ave., Int. 1015
Rialto, CA 92377
Via: Certified U.S. Mail/ Return Receipt Requested

Re: Chang v. SIE Demos Merchandising

NOTICE OF LABOR CODE VIOLATIONS PURSUANT TO LABOR CODE SECTION §§ 2699, *et seq.*

To: California Labor and Workforce Development Agency and Defendant SIE Demos Merchandising

From: Erika Chang, on behalf of herself and all aggrieved employees who were subject to the employer's wage and hour policies as set forth below.

Please be advised that Janelle Carney – Attorney at Law, APC and Salusky Law Group, APC, represent Erika Chang and all other aggrieved employees ("Plaintiff") defined as hourly employees, with respect to their employment with SIE Demos & Merchandising ("Defendant" or "SIE").

Ms. Chang believes and alleges that Defendant has committed numerous violations of the California Labor Code, including, but not limited to, §§226, 226.7, 510, 512, 1194, 1194.2, 1197, 1198, 2698, et. seq., and 2802. The facts and theories to support the alleged violations are set forth herein.

THEORIES OF LABOR CODE VIOLATIONS AND REMEDIES

Failure to Pay All Wages/ Overtime Violations

Ms. Chang alleges that Defendant has failed to pay Ms. Chang and other aggrieved hourly field employees the proper amount of straight time and overtime wages, and has violated various sections of the Labor Code, including §§ 510 and 1194, by failing to provide Plaintiff and all other aggrieved employees daily straight time, minimum wages and overtime

compensation for all hours worked, including over 8 hours in a day and/or 40 hours in a week at the correct regular rate of pay. Labor Code section 510 and the applicable Wage Order provide that an employee shall be paid 1.5 times their regular rate of pay for any work over eight (8) hours in one workday or forty (40) hours in a workweek. Defendant did not pay overtime pursuant to these mandates. Thus, Ms. Chang and the aggrieved employees were either not paid proper premium overtime for hours worked over eight (8) in a day or forty (40) in a week, or on the seventh consecutive workday, nor were they paid proper premium overtime/ double time at the correct rate. Ms. Chang and the Aggrieved Employees were not paid premium overtime and/or double time at the correct regular rate. Ms. Chang asserts this was due to the Defendant's automatic clocking out after eight (8) hours, whether the employee was done working or not.

Applicable Civil Penalties

As a result of the above overtime violations, Employer is subject to the civil penalties listed in Labor Code sections 210, 558, 1197.1, and 2699.

Meal Break Violations

Labor Code section 512(a) and the applicable Wage Order provide that an employer shall not employ an employee for a work period of more than five (5) hours per day without providing the employee with a meal period of not less than thirty (30) minutes, or more than ten (10) hours per day without providing the employee with a second meal period of not less than thirty (30) minutes. Meal periods must be uninterrupted, and the employee must be relieved of all duty. Defendant did not provide compliant meal periods including but not limited to uninterrupted meals and required employees to remain on premises during their meals. Further, on shifts in excess of 12 hours, Defendant failed to provide a second meal period.

Labor Code section 226.7(c) further provides that an employee is entitled to one (1) hour of pay at their regular rate of pay for each day that a compliant meal period was not provided.

Premium Pay Paid at the Wrong Regular Rate

Further, Ms. Chang received bonuses and said bonuses were not included as part of the regular rate for premium pay purposes, including but not limited to overtime, and meal or rest period premiums.

On Premises / On-Duty Meal Breaks

An employer provides compliant meal breaks to its employees "if it relieves its employees of all duty, relinquishes control over their activities and permits them a reasonable opportunity to take an uninterrupted 30-minute break." (*Brinker Restaurant Corp. v. Superior Court*, 53 Cal.4th 1004, 1040 (2012)).

Here, Ms. Chang and the Aggrieved Employees were required to remain on premises during any alleged meal breaks, so they should have received premium pay for the missed breaks at the regular rate of pay.

Applicable Civil Penalties

As a result of the above meal break violations, Employer is subject to the civil penalties listed in Labor Code sections 558 and 2699.

Rest Break Violations

Labor Code section 226.7 and the applicable Wage Order require employers to authorize and permit rest periods of 10 minutes net per four hours or major fraction thereof. Employees must be relieved of all duties during their rest breaks. Labor Code section 226.7(c) further provides that an employee is entitled to one hour of pay at their regular rate of pay for missed breaks. Ms. Chang and the aggrieved employees were not authorized or permitted to take compliant rest periods for every four hours or fraction thereof. Ms. Chang regularly was only provided one rest period per shift and not her second rest break.

On Premises Rest Breaks

An employer generally may not place restrictions on its employees during their rest breaks, such as requiring its employees to remain on the premises and subject to the employer's control. In fact, the Division of Labor Standards and Enforcement provided the following:

> Q. Can my employer require that I stay on the work premises during my rest period?
>
> A. No, your employer cannot impose any restraints not inherent in the rest period requirement itself. In *Augustus v. ABM Security Services, Inc*., (2016) 5 Cal.5th 257, 269, the California Supreme Court held that the rest period requirement "obligates employers to permit-and authorizes employees to take-off-duty rest periods. That is, during rest periods employers must relieve employees of all duties and relinquish control over how employees spend their time." (Citation omitted.) As a practical matter, however, if an employee is provided a ten-minute rest period, the employee can only travel five minutes from a work post before heading back to return in time.

Here, Ms. Chang and the aggrieved employees were not allowed to leave the premises for their ten (10) minute breaks. Since the Aggrieved Employees were not allowed to leave the work premises during their rest breaks, they were subject to Employer's control during the rest breaks and would only be authorized or permitted to take one rest break per 8-hour shift. Thus, Ms. Chang and the Aggrieved Employees were not provided with compliant rest breaks.

Applicable Civil Penalties

As a result of the above rest break violations, Defendant is subject to the civil penalties listed in Labor Code section 558 and 2699.

Wage Statement Violations

Labor Code section 226 requires an employer to provide wage statements to its employees which includes, gross and net wages earned / total hours worked / all deductions / the inclusive dates of the period for which the employee is paid / the name of the employee and only the last four digits of his or her social security number or an employee identification number / the name and address of the legal entity that is the employer / all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate. Employer failed to provide wage statements which accurately reflected this information.

Ms. Chang and the aggrieved employees' wage statements were inaccurate since they did not list all the hours worked, did not list the correct straight time hourly rates, did not list the correct overtime rates, or premium missed meal or rest breaks. Further, Defendant SIE Demos & Merchandising is not listed on the pay stub, but SIE LLC is. Neither appear to be registered with the California Secretary of State. The only entity registered with the Secretary of State is SIE Group Corporation.

Ms. Chang is "injured" under Labor Code section 226(e) "If the accuracy of any of the items enumerated in § 226(a) […] cannot be ascertained from the four corners of the wage statement." (*Ovieda v. Sodexo Operations, LLC* (C.D.Cal., Oct. 9, 2013, No. CV 12-1750-GHK) 2013 WL 12122413, p. *3.) An actual injury is shown where "there is a need for both additional documentation and additional mathematical calculations in order to determine whether Ms. Chang's were correctly paid and what they may be owed." (*Reinhardt v. Gemini Motor Transport* (E.D.Cal. 2012) 879 F.Supp.2d 1138, 1142.) In contrast, where the deficiency in the wage statement could be corrected by "simple math," there is no actual injury. (*Price v. Starbucks Corp*. (2011) 192 Cal.App.4th 1136, 1143.)

Applicable Civil Penalties

As a result of the wage statement violations detailed above, Defendant is subject to the civil penalties listed in Labor Code section 226.3 and 2699.

Unreimbursed Work Expenses

Labor Code section 2802 requires an employer to "indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties." Here, Ms. Chang and the Aggrieved Employees incurred out of pocket expenses in connection with their employment, including but not limited to being required to use their own cell phones to communicate with Defendant while on shifts. As a result, PAGA penalties apply.

Applicable Civil Penalties

As a result of the above waiting time violations, Defendant is subject to the civil penalties listed in Labor Code section 2699.

Waiting Time Penalties

Because Defendant did not pay Ms. Chang and the Aggrieved Employees all wages owed during their employment, they should have received waiting time penalties. Since they did not receive waiting time penalties, PAGA applies.

Applicable Civil Penalties

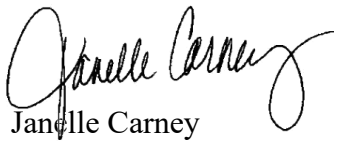
Defendant is subject to the civil penalties listed in Labor Code section 210 and 2699.

Reservation of Rights

The facts and claims contained herein are based on the information available at the time of this writing. Therefore, if through discovery and/or expert review, Ms. Chang becomes aware of additional compensation owed or losses incurred by Ms. Chang or by any other aggrieved employee, Ms. Chang expressly reserves the right to revise these facts and/or add any new claims by amending the claim letter or by adding applicable causes of action to the complaint which will relate back to the date of this letter.

Please advise the undersigned if the agency intends to investigate the alleged violations. If not, Ms. Chang intends to pursue her claims and those of the aggrieved employees under PAGA in a civil lawsuit. Please also consider this letter as providing notice on behalf of other aggrieved employees working for Defendant that were subject to the same Labor Code violations described above.

Very truly yours,



Janelle Carney

JC/jw
cc: Salusky Law Group