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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF RIVERSIDE

RUBEN CASTILLO, as an individual and
on behalf of all others similarly situated,

Plaintiff,

vs.

RHYTHM HEALTHCARE LLC, a Delaware
limited liability company; and DOES 1 through
100, inclusive,

Defendants.

Case No.: CVRI2603427

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

- (1) MINIMUM WAGE VIOLATIONS
(LABOR CODE §§ 1182.12, 1194,
1194.2, 1197);**
- (2) FAILURE TO PAY ALL OVERTIME
WAGES (LABOR CODE §§ 204, 510,
558, 1194, 1198);**
- (3) MEAL PERIOD VIOLATIONS
(LABOR CODE §§ 226.7, 512, 558);**
- (4) REST PERIOD VIOLATIONS
(LABOR CODE §§ 226.7, 516, 558);**
- (5) FAILURE TO REIMBURSE
NECESSARY BUSINESS
EXPENDITURES (LABOR CODE §§
2802, 2804);**
- (6) WAGE STATEMENT VIOLATIONS
(LABOR CODE § 226 et seq.);**
- (7) WAITING TIME PENALTIES
(LABOR CODE §§ 201-203);**
- (8) UNFAIR COMPETITION (BUS &
PROF CODE § 17200 et seq.); and**

**(9) CIVIL PENALTIES UNDER THE
PRIVATE ATTORNEYS
GENERAL ACT (LABOR CODE
§ 2698 *et seq.*).**

**DEMAND FOR JURY TRIAL
UNLIMITED CIVIL CASE**

1 Plaintiff Ruben Castillo (“Plaintiff”) on behalf of himself and all others similarly situated,
2 hereby brings this First Amended Class and Representative Action Complaint against Defendant
3 Rhythm Healthcare LLC, a Delaware limited liability company, and DOES 1 to 100, inclusive
4 (collectively “Defendants”), and on information and belief alleges as follows:

5 **JURISDICTION**

6 1. Plaintiff, on behalf of himself and all others similarly situated, hereby brings this
7 action for recovery of unpaid wages and penalties under California Labor Code sections 201-204,
8 226, 226.7, 510, 512, 516, 558, 1182.12, 1194, 1194.2, 1197, 1198, 2698 *et seq.*, 2802, and 2804,
9 California Business and Professions Code section 17200 *et seq.*, and Industrial Welfare
10 Commission Wage Order 1 (“Wage Order 1”), in addition to seeking declaratory relief and
11 restitution. This action is brought pursuant to California Code of Civil Procedure section 382.
12 This Court has jurisdiction over Defendants’ violations of the California Labor Code because the
13 amount in controversy 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 sections 395(a) and 395.5, as at least some of the acts and omissions complained of
17 herein occurred in the County of Riverside. Defendants transact business within the County of
18 Riverside and/or otherwise are found within the County of Riverside, and Defendants are within
19 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 Labor Code §§ 201-204, 226,
27 226.7, 510, 512, 516, 558, 1182.12, 1194, 1194.2, 1197, 1198, 2698 *et seq.*, 2802, and 2804,
28 California Business and Professions Code § 17200 *et seq.* (“Unfair Competition Law”), and Wage

Order 1, which sets employment standards for the manufacturing industry.

4. Plaintiff is informed and believes, and based thereon alleges, that during the applicable statute of limitations for each cause of action pled herein and continuing to the present, Defendants did (and continue to do) business within the County of Riverside and the State of California by manufacturing and distributing medical equipment and employed Plaintiff and other, similarly-situated non-exempt employees, and therefore, were (and are) doing business in the County of Riverside and the State of California.

5. Plaintiff does not know the true names or capacities, whether individual, partner, or corporate, of the 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 leave from this Court to amend this Complaint when such true names and capacities are discovered. Plaintiff is informed, and believes, and based thereon alleges, that each of said fictitious defendants, whether individual, partners, or corporate, were responsible in some manner for the acts and omissions alleged herein, and proximately caused Plaintiff and the Classes (as defined in Paragraph 18) to be subject to the unlawful employment practices, wrongs, injuries and damages complained of herein.

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

7. 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 Defendant; and furthermore, the 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. Defendants, and each of them, approved of, condoned, and/or otherwise ratified each and every one of the acts or omissions complained of herein.

8. 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. Further,

1 Plaintiff alleges that all Defendants were joint employers for all purposes of Plaintiff and all
2 members of the Classes.

3 **GENERAL FACTUAL ALLEGATIONS**

4 9. Defendants manufacture and distribute medical equipment in Corona, California.
5 Plaintiff was employed by Defendants as a non-exempt “Reverse Logistics Lead” from
6 approximately July 2023 through approximately March 11, 2026. Plaintiff’s primary job duties
7 included email correspondence, handling returns, inspecting opened boxes of returned items
8 delivered by UPS, applying credits, and restocking items that were not damaged. Unless otherwise
9 specified, all allegations herein occurred during Plaintiff’s employment with Defendants.

10 10. During Plaintiff’s employment with Defendants, Defendants failed to compensate
11 Plaintiff and other non-exempt employees for all hours actually worked due to unlawful
12 timekeeping policies/practices, resulting in unpaid minimum wages and additional unpaid
13 overtime wages. Specifically, Defendants failed to maintain accurate daily timekeeping records
14 for Plaintiff and other non-exempt employees, including by failing to capture and pay for time
15 spent working during interrupted meal periods (as further described below) and time spent
16 responding to work-related calls and text messages from Defendants’ management before and
17 after scheduled shifts. By way of example, Plaintiff’s supervisors and other employees would text
18 Plaintiff with work-related questions outside of Plaintiff’s scheduled shift hours, requiring
19 Plaintiff to engage in work-related communications without compensation. Because Defendants’
20 management messaged Plaintiff and other non-exempt employees with information necessary to
21 perform their job duties, Defendants were required to compensate them for this time, and
22 Defendants knew or should have known that Plaintiff and other non-exempt employees regularly
23 performed this off-the-clock work but failed to pay for it. Due to Defendants’ timekeeping
24 policies and practices that fail to compensate for all hours worked, Plaintiff and other non-exempt
25 employees were deprived of all required minimum wages. Further, on occasions when Plaintiff
26 and other non-exempt employees worked over eight hours in a day and/or forty hours in a
27 workweek, Defendants’ practice of failing to accurately record and pay for all time worked also
28 deprived Plaintiff and other non-exempt employees of all overtime wages owed.

1 11. During Plaintiff's employment with Defendants, Plaintiff worked over 8.0 hours
2 per workday and/or more than 40.0 hours per workweek but did not receive overtime
3 compensation equal to one and one-half times his regular rate of pay for working overtime hours.
4 Specifically, Defendants paid Plaintiff and other non-exempt employees non-discretionary
5 incentive pay, including bonus payments and other remuneration that are not excludable from an
6 employee's "regular rate" of pay (hereinafter, "Incentive Pay"). However, Defendants failed to
7 properly calculate Plaintiff's and other non-exempt employees' regular rates of pay as a result of
8 their receipt of Incentive Pay, thereby miscalculating and underpaying the overtime wages owed
9 to them.

10 12. Defendants failed to provide Plaintiff and other non-exempt employees with all
11 legally compliant meal periods due to Defendants' meal period policies/practices, which have
12 frequently resulted in missed, short (less than 30 minutes) and late (commencing after the fifth
13 hour of work or after the tenth hour of work for shifts of over 10.0 hours) meal periods. On
14 occasions when Plaintiff and other non-exempt employees were provided meal periods,
15 Defendants required Plaintiff and other non-exempt employees to keep a cellular phone on their
16 person in order to communicate with their supervisors at all times, in violation of *Augustus v.*
17 *ABM Security Svcs., Inc.* (2016) 2 Cal.5th 257, 269 ("[O]ne cannot square the practice of
18 compelling employees to remain at the ready, tethered by time and policy to
19 particular...communications devices, with the requirement to relieve employees of all work duties
20 and employer control....") (emphasis added). As such, Defendants failed to relinquish control
21 over how Plaintiff and other non-exempt employees spent their meal periods. Defendants also
22 often interrupted Plaintiff and other non-exempt employees during their meal periods, including
23 by directing truck drivers and UPS delivery drivers to enter the warehouse to deliver paperwork
24 and to receive directions regarding where to park while Plaintiff and other non-exempt employees
25 were on their meal periods, without compensating Plaintiff and other non-exempt employees for
26 this time or otherwise accounting for this time worked during interrupted meal periods. This
27 practice regularly resulted in interrupted meal periods or meal periods shorter than 30 minutes in
28 length.

1 13. Defendants also failed to provide a "net" 30-minute meal period to Plaintiff and
2 other non-exempt employees because Defendants required non-exempt employees to clock out
3 for their meal at their workstation prior to arriving at the break room. Defendants maintained a
4 single break room that was located several minutes away from Plaintiff's work area. On occasions
5 when Plaintiff was provided a meal period, Plaintiff did not receive a "net" 30-minute meal period
6 because Plaintiff had to walk approximately several minutes away from his work area to reach
7 the break room, all while off-the-clock. Defendants also failed to account for the time Plaintiff
8 and other non-exempt employees were required to walk to and from the designated break area
9 after clocking out and before clocking in, thereby reducing their meal periods to less than 30
10 minutes "net" away from their workstations. As a result of Defendants' meal period practices and
11 policies, Plaintiff and other non-exempt employees were not provided with all lawful meal periods
12 to which they were entitled. On occasions when Plaintiff and other non-exempt employees were
13 not provided with all lawful meal periods to which they were entitled, as alleged in the preceding
14 paragraphs, Defendants failed to pay Plaintiff and other non-exempt employees an additional hour
15 of premium pay at their respective regular rates of pay for each workday in which a meal period
16 violation occurred, as required by Labor Code § 226.7.

17 14. Plaintiff and other non-exempt employees were not authorized and permitted to
18 take all duty-free, ten-minute rest periods for every four (4) hours worked (or major fraction
19 thereof) due to Defendants' rest period policies/practices. Specifically, Defendants required
20 Plaintiff and other non-exempt employees to carry and be responsive to their cellular phones at
21 all times while on duty in violation of *Augustus*. See *Augustus, supra*, 2 Cal.5th at 269. Defendants
22 also frequently interrupted Plaintiff and other non-exempt employees during their rest periods to
23 discuss job assignments and/or required Plaintiff and other non-exempt employees to return to
24 work before the completion of 10 minutes of net rest, rendering the rest periods non-compliant.
25 On occasions when Plaintiff and other non-exempt employees were not authorized and permitted
26 to take all lawful rest periods to which they were entitled, Defendants failed to pay Plaintiff and
27 other non-exempt employees an additional hour of premium pay at their respective regular rates
28 of pay for each workday in which a rest period violation occurred, as required by Labor Code §

226.7. Upon information and belief, Defendants failed to maintain pay codes for the payment of rest period premium payments as required by Labor Code § 226.7.

15. During Plaintiff's employment with Defendants, Defendants also failed to properly calculate the regular rate of pay when calculating their employees' sick time pay due to the payment of Incentive Pay, thus providing Plaintiff and other non-exempt employees with sick time pay at below the regular rate of pay, in violation of California law.

16. Defendants also failed to reimburse Plaintiff and other non-exempt employees for necessary business expenses, including personal cell phone use, as alleged herein. Upon information and belief, Defendants never reimbursed Plaintiff and other non-exempt employees for a reasonable portion of their cellular phone expenses, as mandated by *Cochran v. Schwan's Home Service, Inc.* (2014) 228 Cal.App.4th 1137 and Labor Code § 2802.

17. As a result of Defendants' failure to pay all overtime wages, minimum wages, and meal and rest period premium wages, Defendants maintained inaccurate payroll records and issued inaccurate wage statements to Plaintiff. As a further result of Defendants' failure to pay all minimum and overtime wages, and failure to pay all meal and rest period premium wages, Defendants failed to pay all wages owed to Plaintiff and other non-exempt employees at the time of their separation from employment.

CLASS ACTION ALLEGATIONS

18. **Class Definitions:** Plaintiff brings this action on behalf of himself and the following Classes pursuant to section 382 of the Code of Civil Procedure:

- a. The Minimum Wage Class consists of all of Defendants' current and former non-exempt employees in California who were subject to Defendants' timekeeping policies and/or practices for non-exempt employees, during the four years immediately preceding the filing of this action through the present.
- b. The Overtime Class consists of all Defendants' current and former non-exempt employees in California who worked more than 8.0 hours per day and/or 40.0 hours per workweek and (i) were subject to Defendants' timekeeping policies and/or practices; and/or (ii) received Incentive Pay during a corresponding pay

period, during the four years immediately preceding the filing of this action through the present.

c. The Meal Period Class consists of all of Defendants' current and former non-exempt employees in California who (i) worked at least one shift in excess of 5.0 hours; and/or (ii) worked at least one shift in excess of 10.0 hours, during the four years immediately preceding the filing of the Complaint through the present.

d. The Rest Period Class consists of all of Defendants' current and former non-exempt employees in California who worked at least one shift of 3.5 hours or more, during the four years immediately preceding the filing of the Complaint through the present.

e. The Reimbursement Class consists of all of Defendants' current and former non-exempt employees in California who were not reimbursed for the use of their personal cellular phones, during the four years preceding the filing of this action through the present.

f. The Waiting Time Class consists of all formerly employed members of the Overtime Class, Minimum Wage Class, Meal Period Class, Rest Period Class, and/or those who have received Sick Pay, who separated their employment from Defendants during the three years immediately preceding the filing of this action through the present.

g. The Wage Statement Class consists of all members of the Overtime Class, Minimum Wage Class, Meal Period Class, and/or Rest Period Class who received a wage statement from Defendants during the one year immediately preceding the filing of this action through the present.

19. **Numerosity/Ascertainability:** 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 members of the Classes number greater than fifty (50) individuals. The identity of such membership is readily ascertainable via inspection of Defendants' employment records.

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

- 5 i. Whether Defendants paid at least the minimum wage for all hours worked to
6 members of the Minimum Wage Class;
- 7 ii. Whether Defendants properly paid all overtime wages to members of the Overtime
8 Class;
- 9 iii. Whether Defendants provided all legally compliant meal periods to members of
10 the Meal Period Class pursuant to Labor Code sections 226.7 and 512;
- 11 iv. Whether Defendants authorized and permitted all lawful rest periods to members
12 of the Rest Period Class pursuant to Labor Code sections 226.7 and 516;
- 13 v. Whether Defendants correctly paid meal and/or rest period premium payments for
14 non-compliant meal and/or rest periods;
- 15 vi. Whether Defendants' reimbursement policies, and failure to reimburse Plaintiff
16 and members of the Reimbursement Class for business expenditures necessarily
17 incurred in the performance of their work duties, comply with Labor Code § 2802;
- 18 vii. Whether Defendants furnished legally compliant wage statements to members of
19 the Wage Statement Class pursuant to Labor Code § 226; and
- 20 viii. Whether Defendants' policies and/or practices for the timing and amount of
21 payment of final wages to members of the Waiting Time Class at the time of their
22 separation of employment were lawful.

23 **21. Predominance of Common Questions:** Common questions of law and fact
24 predominate over questions that affect only individual members of the Classes. The common
25 questions of law set forth above are numerous and substantial and stem from Defendants' policies
26 and/or practices applicable to each individual class member, such as Defendants' uniform
27 timekeeping policies/practices, meal and rest period policies/practices, and reimbursement
28 policies/practices. As such, common questions predominate over individual questions concerning

each individual class member's showing as to their eligibility for recovery or as to the amount of their damages.

22. **Typicality:** Plaintiff's claims are typical of the claims of the Classes because Plaintiff was employed by Defendants as a non-exempt employee in California during the statute(s) of limitations period applicable to each cause of action pled in the action. As alleged herein, Plaintiff, like the members of the Classes, was deprived of all overtime and minimum wages owed, was not provided all required meal periods, was not authorized and permitted to take all required rest periods, did not receive meal and rest period premium wages at his regular rate of pay for missed or non-compliant meal and rest periods, was not reimbursed for all necessary business expenses, was not provided with accurate, itemized wage statements, and did not receive all final wages owed at the time of his separation from employment.

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

24. **Superiority:** The California Labor Code is broadly remedial in nature and serves an important public interest in establishing minimum working conditions and standards in California. These laws and labor standards protect the average working employee from exploitation by employers who have the responsibility to follow the laws and who may seek to take advantage of superior economic and bargaining power in setting onerous terms and conditions of employment. The nature of this action and the format of laws available to Plaintiff and members of the Classes make the class action format a particularly efficient and appropriate procedure to redress the violations alleged herein. If each employee were required to file an individual lawsuit, Defendants would necessarily gain an unconscionable advantage since they would be able to exploit and overwhelm the limited resources of each individual plaintiff with their vastly superior financial and legal resources. Moreover, requiring each member of the

1 Classes to pursue an individual remedy would also discourage the assertion of lawful claims by
2 employees who would be disinclined to file an action against their former and/or current employer
3 for real and justifiable fear of retaliation and permanent damage to their careers at subsequent
4 employment. Further, the prosecution of separate actions by the individual class members, even
5 if possible, would create a substantial risk of inconsistent or varying verdicts or adjudications
6 with respect to the individual class members against Defendants herein; and which would
7 establish potentially incompatible standards of conduct for Defendants; and/or legal
8 determinations with respect to individual class members which would, as a practical matter, be
9 dispositive of the interest of the other class members not parties to adjudications or which would
10 substantially impair or impede the ability of the class members to protect their interests. Further,
11 the claims of the individual members of the Classes are not sufficiently large to warrant vigorous
12 individual prosecution considering all of the concomitant costs and expenses attending thereto.
13 As such, the Classes identified in Paragraph 18 are maintainable as a Class under section 382 of
14 the Code of Civil Procedure.

15 **FIRST CAUSE OF ACTION**

16 **MINIMUM WAGE VIOLATIONS**

17 **(AGAINST ALL DEFENDANTS)**

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

19 26. Wage Order 1, § 4 and California Labor Code §§ 1197 and 1182.12 establish the
20 right of employees to be paid minimum wages for all hours worked, in amounts set by state law.
21 Labor Code §§ 1194(a) and 1194.2(a) provide that an employee who has not been paid the legal
22 minimum wage as required by Labor Code § 1197 may recover the unpaid balance together with
23 attorneys' fees and costs of suit, as well as liquidated damages in an amount equal to the unpaid
24 wages and interest accrued thereon. At all relevant times herein, Defendants failed to conform
25 their pay practices to the requirements of the law by failing to pay Plaintiff and members of the
26 Minimum Wage Class for all hours worked including, but not limited to, all hours they were
27 subject to the control of Defendants and/or suffered or permitted to work under the California
28 Labor Code and Wage Order 1.

1 27. California Labor Code § 1198 makes unlawful the employment of an employee
2 under conditions that the IWC prohibits. California Labor Code §§ 1194(a) and 1194.2(a) provide
3 that an employer who has failed to pay its employees the legal minimum wage is liable to pay
4 those employees the unpaid balance of the unpaid wages as well as liquidated damages in an
5 amount equal to the wages due and interest thereon.

6 28. As a consequence of Defendants' non-payment of minimum wages, Plaintiff and
7 members of the Minimum Wage Class seek penalties pursuant to Wage Order 1 § 18(A) and
8 California Labor Code § 1199; interest pursuant to California Labor Code §§ 218.6 and 1194 and
9 Civil Code §§ 3287 and 3289; liquidated damages pursuant to California Labor Code § 1194.2;
10 attorneys' fees and costs of suit pursuant to California Labor Code § 1194 *et seq.*; and damages
11 and/or penalties pursuant to California Labor Code § 558(a).

12 **SECOND CAUSE OF ACTION**

13 **FAILURE TO PAY ALL OVERTIME WAGES**

14 **(AGAINST ALL DEFENDANTS)**

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

16 30. This cause of action is brought pursuant to Labor Code §§ 204, 510, 1194, and
17 1198, which provide that non-exempt employees are entitled to overtime wages for all overtime
18 hours worked and provide a private right of action for the failure to pay all overtime compensation
19 for overtime work performed.

20 31. At all times relevant herein, Defendants were required to properly compensate
21 non-exempt employees, including Plaintiff and members of the Overtime Class, for all overtime
22 hours worked pursuant to California Labor Code § 1194 and Wage Order 1. Wage Order 1, § 3
23 requires an employer to pay an employee "one and one-half (1½) times the employee's regular
24 rate of pay" for all overtime hours worked. Defendants caused Plaintiff and members of the
25 Overtime Class to work overtime hours, but failed to credit these employees with all overtime
26 hours actually worked.

27 32. At all times relevant herein, Defendants caused Plaintiff and other non-exempt
28 employees to work overtime hours but did not compensate Plaintiff or members of the Overtime

1 Class at one and one-half times their regular rate of pay for such hours.

2 33. The foregoing policies and practices are unlawful and create entitlement to
3 recovery by Plaintiff and the Overtime Class members in a civil action for the unpaid amount of
4 overtime premiums owing, including interest thereon, statutory penalties, attorneys' fees, and
5 costs of suit according to California Labor Code §§ 204, 210, 216, 218.6, 510, 1194, and 1198;
6 Code of Civil Procedure § 1021.5; and Civil Code §§ 3287 and 3289.

7 **THIRD CAUSE OF ACTION**

8 **MEAL PERIOD VIOLATIONS**

9 **(AGAINST ALL DEFENDANTS)**

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

11 35. Plaintiff is informed and believes, and based thereon alleges, that Defendants
12 failed in their affirmative obligation to provide all of their non-exempt employees in California,
13 including Plaintiff and members of the Meal Period Class, with all legally compliant meal periods
14 in accordance with the mandates of the California Labor Code and Wage Order 1, § 11, for the
15 reasons set forth in the factual allegations and class definitions sections of this Complaint. Despite
16 Defendants' violations, Defendants did not pay an additional hour of premium pay to Plaintiff
17 and members of the Meal Period Class at their respective regular rates of pay, in accordance with
18 California Labor Code §§ 204, 210, 226.7, and 512.

19 36. As a result, Defendants are responsible for paying premium compensation for meal
20 period violations, including interest thereon, statutory penalties, civil penalties, attorneys' fees,
21 and costs of suit, pursuant to Labor Code §§ 226.7, 512, and 558, Wage Order 1, and Civil Code
22 §§ 3287(b) and 3289.

23 **FOURTH CAUSE OF ACTION**

24 **REST PERIOD VIOLATIONS**

25 **(AGAINST ALL DEFENDANTS)**

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

27 38. Wage Order 1, § 12 and Labor Code §§ 226.7, 516, and 558 establish the right of
28 employees to be provided with a rest period of at least ten (10) minutes for each four (4) hour

1 period worked, or major fraction thereof. Despite Defendants' failure to authorize and permit
2 Plaintiff and members of the Rest Period Class to take all legally complaint rest periods as alleged
3 herein, Defendants did not pay these individuals an additional hour of pay at their respective
4 regular rate for the rest periods that they failed to authorize and permit them to take, as required
5 by Labor Code § 226.7.

6 39. Defendants' policies and practices described herein are unlawful and create an
7 entitlement to recovery by Plaintiff and members of the Rest Period Class in a civil action for the
8 unpaid amount of rest period premiums owing, including interests thereon, statutory penalties,
9 civil penalties, attorneys' fees, and costs of suit according to California Labor Code §§ 226.7,
10 516, 558, Wage Order 1, and Civil Code §§ 3287(b) and 3289.

11 **FIFTH CAUSE OF ACTION**

12 **FAILURE TO REIMBURSE NECESSARY BUSINESS EXPENSES**

13 **(AGAINST ALL DEFENDANTS)**

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

15 41. At all relevant times herein, Defendants were subject to Labor Code section 2802,
16 which states that "an employer shall indemnify his or her employees for all necessary
17 expenditures or losses incurred by the employee in direct consequence of the discharge of his or
18 her duties, or of his or her obedience to the directions of the employer."

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

24 43. As alleged herein, due to Defendants' unlawful reimbursement policies/practices,
25 Defendants failed to indemnify Plaintiff and the members of the Reimbursement Class for all
26 necessary business expenses incurred, including personal cell phone usage.

27 44. As a proximate result of Defendants' policies and/or practices in violation of Labor
28 Code sections 2802 and 2804, Plaintiff and members of the Reimbursement Class suffered

1 damages in sums which will be shown according to proof.

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

4 46. Pursuant to Labor Code § 2802(b), any action brought for the reimbursement of
5 necessary expenditures carries interest at the same rate as judgments in civil actions. Thus,
6 Plaintiff and members of the Reimbursement Class are entitled to interest, which shall

7 **SIXTH CAUSE OF ACTION**

8 **WAGE STATEMENT VIOLATIONS**

9 **(AGAINST ALL DEFENDANTS)**

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

11 48. Plaintiff is informed and believes, and based thereon alleges, that Defendants
12 knowingly and intentionally, as a matter of uniform policy and practice, failed to furnish Plaintiff
13 and members of the Wage Statement Class with complete and accurate itemized wage statements
14 in violation of Labor Code § 226 *et seq.*

15 49. Defendants' failure to furnish Plaintiff and members of the Wage Statement Class
16 with complete and accurate, itemized wage statements resulted in actual injury, as said failures
17 deprived them of the information necessary to identify the discrepancies in Defendants' reported
18 data, and deprived them of the information required to be included under Labor Code § 226(a).

19 50. Defendants' failures create an entitlement to recovery by Plaintiff and members of
20 the Wage Statement Class in a civil action for all damages and/or penalties pursuant to Labor
21 Code § 226 *et seq.*, including statutory penalties, civil penalties, reasonable attorneys' fees, and
22 costs of suit according to California Labor Code § 226 *et seq.*

23 **SEVENTH CAUSE OF ACTION**

24 **WAITING TIME PENALTIES**

25 **(AGAINST ALL DEFENDANTS)**

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

27 52. This cause of action is brought pursuant to Labor Code §§ 201-203, which require
28 an employer to pay all wage earned immediately at the time of separation from employment in

1 the event the employer discharges the employee, or if the employee provides at least 72 hours of
2 notice of his/her intent to quit. In the event the employee provides less than 72 hours of notice of
3 their intent to quit, said employee's wages become due and payable not later than 72 hours upon
4 said employee's last date of employment.

5 53. Plaintiff is informed and believes, and based thereon alleges, that Defendants
6 failed to timely pay Plaintiff and members of the Waiting Time Class all final wages due to them
7 at the time of their separation including, among other things, underpaid overtime and minimum
8 wages owed, and meal and rest period premium wages.

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

13 55. Defendants' failure to pay all final wages was willful within the meaning of Labor
14 Code § 203. Defendants' willful failure to timely pay Plaintiff and members of the Waiting Time
15 Class all earned wages upon separation from employment results in a continued payment of wages
16 up to thirty (30) days from the time the wages were due.

17 56. Therefore, Plaintiff and members of the Waiting Time Class are entitled to
18 compensation pursuant to Labor Code § 203, plus reasonable attorneys' fees and costs of suit.

19 **EIGHTH CAUSE OF ACTION**

20 **UNFAIR COMPETITION**

21 **(AGAINST ALL DEFENDANTS)**

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

23 58. Defendants have engaged and continue to engage in unfair and/or unlawful
24 business practices in California in violation of California Business and Professions Code § 17200
25 *et seq.* by: (a) failing to pay Plaintiff and members of the Overtime Class all overtime wages
26 owed; (b) failing to pay Plaintiff and members of the Minimum Wage Class all minimum wages;
27 (c) failing to provide Plaintiff and members of the Meal Period Class with all meal periods to
28 which they are entitled, and failing to pay them meal period premium payments; (d) failing to

1 authorize and permit Plaintiff and members of the Rest Period Class all rest periods to which they
2 are entitled, and failing to pay them rest period premium payments; (e) failure to reimburse all
3 business expenses to members of the Reimbursement Class; (f) failing to issue accurate and
4 itemized wage statements to the Wage Statement Class; and (g) failing to pay Plaintiff and
5 members of the Waiting Time Class all wages due at separation of employment.

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

11 60. Because Plaintiff is a victim of Defendants' unfair and/or unlawful conduct alleged
12 herein, Plaintiff, for himself and on behalf of the members of the Classes, seeks full restitution of
13 monies as necessary and according to proof to restore any and all monies withheld, acquired
14 and/or converted by Defendants pursuant to Business and Professions Code §§ 17203 and 17208.

15 61. The acts complained of herein occurred within the last four years immediately
16 preceding the filing this action.

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

22 **NINTH CAUSE OF ACTION**

23 **PRIVATE ATTORNEYS GENERAL ACT**

24 **(AGAINST ALL DEFENDANTS)**

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

26 64. Defendants have committed several Labor Code violations against Plaintiff,
27 members of the Classes, and other aggrieved employees. Plaintiff, an "aggrieved employee" within
28 the meaning of Labor Code § 2698 *et seq.*, acting on behalf of himself and other aggrieved

employees, brings this representative action against Defendants to recover the civil penalties due to Plaintiff, the members of the Classes, 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 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 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 violation, and \$200 for each violation for which either (a) within the five years preceding the alleged violation, the California Labor and Workforce Development Agency (“LWDA”) or any court issued a finding or determination to the employer that its policy or practice giving rise to the violation was unlawful, or (b) the court determines that the employer’s conduct giving rise to the violation was malicious, fraudulent, or oppressive, 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, the Overtime Class, and other aggrieved employees all earned overtime compensation in violation of Labor Code §§ 204, 510, 1194, and 1198;
- b. Failing to pay minimum wages for all hours worked to Plaintiff, the Minimum Wage Class, and other aggrieved employees in violation of Labor Code §§ 1182.12, 1194, 1194.2, and 1197;
- c. Failing to provide all legally required meal periods, and failure to pay meal period premium wages, to Plaintiff, the Meal Period Class, and other aggrieved employees at the regular rate of compensation in violation of Labor Code §§ 226.7, 512, 558, and 1198;
- d. Failing to authorize and permit all legally required rest periods, and failure to

1 pay rest period premium wages, to Plaintiff, the Rest Period Class, and other
2 aggrieved employees at the regular rate of compensation in violation of Labor
3 Code §§ 226.7, 516, 558, and 1198;

4 e. Failing to furnish Plaintiff, the Wage Statement Class, and other aggrieved
5 employees with complete, accurate, itemized wage statements in violation of
6 Labor Code § 226;

7 f. Failing to timely pay all final wages and compensation earned by Plaintiff, the
8 Waiting Time Class, and other aggrieved employees at the time of separation
9 in violation of Labor Code §§ 201, 202, and 203;

10 g. Failing to reimburse Plaintiff, the Reimbursement Class, and other aggrieved
11 employees for all necessary work expenses incurred in violation of Labor Code
12 §§ 2802 and 2804;

13 h. Failing to pay Plaintiff and other aggrieved employees all earned wages at least
14 twice during each calendar month in violation of Labor Code § 204; and

15 i. Failing to maintain accurate records on behalf of Plaintiff and other aggrieved
16 employees in violation of Labor Code § 1174 and 1198.

17 65. On June 9, 2026, Plaintiff notified Defendants via certified mail, and notified the
18 LWDA via its website, of Defendants' violations of the California Labor Code and Plaintiff's
19 intent to bring a claim for civil penalties under California Labor Code § 2698 *et seq.* with respect
20 to the violations of the California Labor Code identified in Paragraph 64 (a)-(i). Now that sixty-
21 five days have passed from Plaintiff notifying Defendants and the LWDA of these violations, and
22 the LWDA has not provided notice that it intends to investigate the violations, Plaintiff has
23 exhausted his administrative requirements for bringing a claim under the Private Attorneys
24 General Act with respect to these violations.

25 66. Based on the foregoing, Plaintiff seeks to represent himself and all Aggrieved
26 Employees, as defined by Labor Code § 2699(c).

27 67. Plaintiff was compelled to retain the services of counsel to file this court action to
28 protect his 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 he is entitled to receive under California Labor Code § 2699(k)(1).

PRAYER

WHEREFORE, Plaintiff prays for judgment for himself 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 payment of minimum wages, liquidated damages, and penalties owed according to proof pursuant to Labor Code §§ 1182.12, 1194, 1194.2, and 1197;
5. Upon the Second Cause of Action, for compensatory, consequential, general and special damages according to proof pursuant to Labor Code §§ 204, 510, 558, 1194, 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, 512 and 558;
7. Upon the Fourth Cause of Action, for compensatory, consequential, general and special damages according to proof pursuant to Labor Code §§ 226.7, 516, and 558;
8. Upon the Fifth Cause of Action, for compensatory, consequential, general and special damages according to proof pursuant to Labor Code sections 2802 and 2804;
9. Upon the Sixth Cause of Action, for statutory penalties pursuant to Labor Code § 226;
10. Upon the Seventh Cause of Action, for statutory waiting time penalties pursuant to Labor Code §§ 201-203;
11. Upon the Eighth 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 California Business and Professions Code § 17200 *et seq.*;
12. Upon the Ninth Cause of Action, for 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 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 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 for each violation for which either (a) within the five years preceding the alleged violation, the California Labor and Workforce Development Agency (“LWDA”) or any court issued a finding or determination to the employer that its policy or practice giving rise to the violation was unlawful, or (b) the court determines that the employer’s conduct giving rise to the violation was malicious, fraudulent, or oppressive, per employee per pay period for those violations of the Labor Code for which no civil penalty is specifically provided, based on the Labor Code violations identified in Paragraph 64 (a)-(j);

13. Prejudgment interest on all due and unpaid wages pursuant to California Labor Code § 218.6 and Civil Code §§ 3287 and 3289;

14. On all causes of action, for attorneys’ fees and costs as provided by Labor Code §§ 218.5, 226, 1194, 2699(k)(1), and 2802(c), and Code of Civil Procedure § 1021.5; and

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

Dated: August 14, 2026

Respectfully submitted,
HAINES LAW GROUP, APC

By:



Paul K. Haines
Attorneys for Plaintiff

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Dated: August 14, 2026

By:


Paul K. Haines
Attorneys for Plaintiff

PROOF OF SERVICE

Ruben Castillo v. Rhythm Healthcare LLC
Riverside County Superior Court Case No. CVRI2603427

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action; my business address is [X] 2155 Campus Drive, Suite 180, El Segundo, El Segundo, California 90245.

On August 14, 2026, I served the foregoing document(s) described as:

FIRST AMENDED CLASS AND REPRESENTATIVE ACTION COMPLAINT

on the interested party(ies) in this action as follows:

Peter J. Wozniak, Esq.
Email: pwozniak@kslaw.com
KING & SPALDING LLP
110 N Wacker Drive, Suite 3800
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Ramon Miyar, Esq.
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50 California Street, Suite 3300
San Francisco, CA 94111

Attorneys for Defendant RHYTHM HEALTHCARE, LLC

[X] (VIA ELECTRONIC MAIL) Pursuant to California Rule of Court 2.251(c)(3), I sent the document(s) to the person(s) at the electronic service address(es) listed from the email address aclark@haineslawgroup.com.

[X] (STATE) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on August 14, 2026, at El Segundo, California.



Aaron Clark