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Attorneys for Plaintiffs CHRYSTAL LOAIZA-GARCIA and JANELLE HALL
on behalf of themselves and others similarly situated

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

CHRYSTAL LOAIZA-GARCIA and
JANELLE HALL, on behalf of themselves
and others similarly situated,

Plaintiffs,

vs.

SUTTER HEALTH, a California nonprofit
corporation; and DOES 1 through 50,
inclusive,

Defendants.

Case No. 26CV017935

CLASS ACTION

Assigned for All Purposes To:
Hon. Jill H. Talley
Dept.: 8A

**FIRST AMENDED CLASS ACTION
COMPLAINT FOR:**

1. Failure to Pay Minimum Wages;
2. Failure to Pay Wages and Overtime
Under Labor Code § 510;
3. Meal-Period Liability Under Labor
Code § 226.7;
4. Rest-Break Liability Under Labor Code
§ 226.7;
5. Failure to Pay Split-Shift Premiums
(IWC Order 1-15, § 4);
6. Reimbursement of Necessary Expenditures
Under Labor Code § 2802;
7. Violation of Labor Code § 226(a);
8. Penalties Pursuant to Labor Code § 203;
9. Violation of Business & Professions Code
§ 17200 *et seq.*; and
10. Penalties under PAGA, Labor Code § 2698

DEMAND FOR JURY TRIAL

Plaintiffs CRYSTAL LOAIZA-GARCIA and JANELLE HALL, (hereinafter “Plaintiffs”) on behalf of themselves and all others similarly situated (collectively, “Employees”; individually, “Employee”) complains of Defendants, and each of them, as follows:

INTRODUCTION

1. Plaintiffs bring this action on behalf of themselves and all similarly situated current and former Employees at any time four (4) years prior to the filing of this lawsuit, are or were employed as non-exempt, hourly employees excluding healthcare workers, by Defendants SUTTER HEALTH, a California nonprofit corporation; and DOES 1 through 50, inclusive (all defendants being collectively referred to herein as “Defendants”). Plaintiffs allege that Defendants, and each of them, violated various provisions of the California Labor Code, relevant orders of the Industrial Welfare Commission (IWC), and California Business & Professions Code, and seeks redress.

2. Plaintiff CHRYSTAL LOAIZA-GARCIA is a resident of California and during the time period relevant to this Complaint was employed by Defendants as a non-exempt hourly employee within the State of California at Defendants' facilities and offices in Sacramento, California. Plaintiff CHRYSTAL LOAIZA-GARCIA and the other Class members worked for Defendants in Sacramento County and throughout California and consistently worked at Defendants' behest without being paid all wages due. More specifically, Plaintiff CHRYSTAL LOAIZA-GARCIA and the other similarly situated Class members were employed by Defendants and worked at Defendants' offices and other facilities where the conduct giving rise to the allegations in this Class Action Complaint occurred. Upon information and belief, Plaintiff CHRYSTAL LOAIZA-GARCIA was employed by Defendants and (1) shared similar job duties and responsibilities, (2) was subjected to the same policies and practices, and (3) endured similar violations at the hands of Defendants as the other Employee Class members who served in similar and related positions.

3. Plaintiff JANELLE HALL is a resident of California and during the time period relevant to this Complaint was employed by Defendants as a non-exempt hourly employee within the State of California at Defendants' facilities and offices in Sacramento, California. Plaintiff

1 JANELLE HALL and the other Class members worked for Defendants in Sacramento County and
2 throughout California and consistently worked at Defendants' behest without being paid all wages
3 due. More specifically, Plaintiff JANELLE HALL and the other similarly situated Class members
4 were employed by Defendants and worked at Defendants' offices and other facilities where the
5 conduct giving rise to the allegations in this Class Action Complaint occurred. Upon information
6 and belief, Plaintiff JANELLE HALL was employed by Defendants and (1) shared similar job
7 duties and responsibilities, (2) was subjected to the same policies and practices, and (3) endured
8 similar violations at the hands of Defendants as the other Employee Class members who served in
9 similar and related positions

10 4. Defendants required Plaintiffs and the Employees in the Class to perform work off
11 the clock and failed to record accurate time worked by these Employees, failed to pay all wages
12 due and owing at termination or resignation, and provided Plaintiffs and Class members with
13 inaccurate wage statements that prevented them from learning of these unlawful pay practices.
14 Defendants further failed to accurately record time worked by Plaintiffs and the Employees by
15 rounding hours worked to their detriment. Defendants also failed to provide Plaintiffs and the
16 Class with lawful meal and rest periods, as employees were not provided with the opportunity to
17 take timely, uninterrupted, and duty-free meal and rest periods as required by the Labor Code.

18 THE PARTIES

19 A. The Plaintiffs

20 5. Plaintiff CHRYSTAL LOAIZA-GARCIA has resided in California and during the
21 time period relevant to this Complaint was employed by Defendants as a non-exempt hourly
22 employee within the State of California at Defendants' facilities and offices in Sacramento,
23 California.

24 6. Plaintiff JANELLE HALL has resided in California and during the time period
25 relevant to this Complaint was employed by Defendants as a non-exempt hourly employee within
26 the State of California at Defendants' facilities and offices in Sacramento, California.

27 B. The Defendants

28 7. Defendant SUTTER HEALTH ("SUTTER") is a California nonprofit corporation

1 with its principle executive offices in Sacramento, California and has been listed as the employer
2 on Plaintiffs' paystubs during the relevant time period. SUTTER lists an address in Sacramento,
3 California with the California Secretary of State, and employs Plaintiffs and the Class members in
4 Sacramento County, including at Defendants' offices and facilities in Sacramento, California, and
5 throughout California and Defendants conduct business throughout California.

6 8. The true names and capacities, whether individual, corporate, associate, or
7 whatever else, of the Defendants sued herein as Does 1 through 50, inclusive, are currently
8 unknown to Plaintiffs, who therefore sue these Defendants by such fictitious names under Code of
9 Civil Procedure § 474. Plaintiffs are informed and believe and thereon allege that Defendants
10 designated herein as Does 1 through 50, inclusive, and each of them, are legally responsible in
11 some manner for the unlawful acts referred to herein. Plaintiffs will seek leave of court to amend
12 this Complaint to reflect the true names and capacities of the Defendants designated herein as
13 Does 1 through 50 when their identities become known.

14 9. Plaintiffs are informed and believe and thereon allege that each Defendant acted in
15 all respects pertinent to this action as the agent of the other Defendants, that Defendants carried
16 out a joint scheme, business plan, or policy in all respects pertinent hereto, and that the acts of
17 each Defendant are legally attributable to the other Defendants. Furthermore, Defendants acted in
18 all respects as the employers or joint employers of Employees. Defendants, and each of them,
19 exercised control over the wages, hours or working conditions of Employees, or suffered or
20 permitted Employees to work, or engaged, thereby creating a common law employment
21 relationship, with Employees. Therefore, Defendants, and each of them, employed or jointly
22 employed Employees.

23 JURISDICTION AND VENUE

24 10. This Court has jurisdiction over this Action pursuant to California Code of Civil
25 Procedure § 410.10 and California Business & Professions Code § 17203. This Action is brought
26 as a Class Action on behalf of similarly situated Employees of Defendants pursuant to California
27 Code of Civil Procedure § 382. Venue as to Defendants is also proper in this judicial district
28 pursuant to California Code of Civil Procedure § 395 *et seq.* Upon information and belief, the

1 obligations and liabilities giving rise to this lawsuit occurred at least in part in Sacramento County
2 and Defendants maintain and operate company offices and facilities in Sacramento County and
3 employ Plaintiffs and other Class members in Sacramento County and throughout California.

4 **FACTUAL BACKGROUND**

5 11. The Employees who comprise the Class and Collective, including Plaintiffs, are
6 nonexempt employees pursuant to the applicable Wage Order of the IWC. Defendants hire
7 Employees who work in nonexempt positions at the direction of Defendants in the State of
8 California. Plaintiffs and the Class members were either not paid by Defendants for all hours
9 worked or were not paid at the appropriate minimum, regular and overtime rates. Specifically,
10 Plaintiffs and Employees were not paid for all the overtime hours they worked, including time
11 spent working (1) finishing work tasks after clocking out; (2) off the clock phone usage; and (3)
12 while clocked out for meal breaks. Plaintiffs also contend that Defendants failed to pay Plaintiffs
13 and the Class members all wages due and owing by unlawfully rounding to their detriment or
14 under-recording of hours worked and failed to provide meal and rest breaks, all in violation of
15 various provisions of the California Labor Code and applicable Wage Orders.

16 12. Defendants required Class Members to use *Kronos*, an online employee portal, to
17 record their time which requires them click on a button to record their time. The timekeeping
18 system thus permitted Defendants to record clock in and clock out times to the real-time minute.
19 However, rather than paying Class Members for all hours and minutes they actually worked,
20 Defendants would round those times and generally did so to the detriment of the Employees, and
21 these unlawfully rounded time entries were inputted into Defendants' payroll system from which
22 wage statements and payroll checks were created. Defendants did so with the ostensible intent of
23 paying Class Members only for the hours they were scheduled to work, rather than the hours they
24 were actually under Defendants' control. Plaintiffs contend this policy is not neutral and results,
25 over time, to the detriment of the Class Members by systematically under compensating them.

26 13. During the course of Plaintiffs and the Class members' employment with
27 Defendants, they were not paid all wages they were owed, including for all work performed and
28 for all overtime hours worked and were forced to work during their meal and rest breaks.

1 14. As a matter of Company practice and culture, Plaintiffs and the Class members
2 were required to work during their meal breaks which were not compensated by Defendants in
3 violation of the California Labor Code. Plaintiffs and the Class members were also not paid
4 regular wages and overtime for the time they were required to comply with other requirements
5 imposed upon them, which they had to complete while working through their meal breaks and
6 without compensation. As a result Plaintiffs and the Class members worked shifts over eight (8)
7 hours in a day and over forty (40) hours in a work week, but they were not paid at the appropriate
8 overtime rate for all such hours, including by being required to perform work duties and tasks
9 without pay and while off-the-clock which caused overtime to begin accruing before it did in
10 Defendants' timekeeping and payroll systems. As a result, Plaintiffs and the Class members
11 worked substantial overtime hours during their employment with Defendants for which they were
12 not compensated, in violation of the California Labor Code, applicable IWC Wage Orders.

13 15. As a result of the above described daily work demands and pressures to work
14 through breaks, and the other wage violations they endured at Defendants' hands, Plaintiffs and
15 the Class members were not properly paid for all wages earned and for all wages owed to them
16 by Defendants, including when working more than eight (8) hours in any given day and/or more
17 than forty (40) hours in any given week. As a result of Defendants' unlawful policies and
18 practices, Plaintiffs and Class members incurred overtime hours worked for which they were not
19 adequately and completely compensated. To the extent applicable, Defendants also failed to pay
20 Plaintiffs and the Class members at an overtime rate of 1.5 times the regular rate for the first eight
21 hours of the seventh consecutive work day in a week and overtime payments at the rate of 2 times
22 the regular rate for hours worked over eight (8) on the seventh consecutive work day, as required
23 under the Labor Code, applicable IWC Wage Orders.

24 16. Therefore, from at least four (4) years prior to the filing of this lawsuit and
25 continuing to the present, Defendants had a consistent policy or practice of failing to pay
26 Employees for all hours worked and failing to pay minimum wage for all time worked as required
27 by California Law.

28 17. Additionally from at least four (4) years prior to the filing of this lawsuit and

1 continuing to the present, Defendants had a consistent policy or practice of failing to pay
2 Employees overtime compensation at premium overtime rates for all hours worked in excess of
3 eight (8) hours a day and/or forty (40) hours a week, and double-time rates for all hours worked in
4 excess of twelve (12) hours a day, in violation of Labor Code § 510 and the corresponding
5 sections of IWC Wage Orders.

6 18. Additionally from at least four (4) years prior to the filing of this lawsuit and
7 continuing to the present, Defendants have required Employees to work shifts in excess of five (5)
8 hours without providing them with timely, off-duty meal periods of not less than thirty (30)
9 minutes and shifts in excess of ten (10) hours without providing them with second meal periods of
10 not less than thirty minutes; nor did Defendants pay Employees “premium pay,” i.e. one hour of
11 wages at each Employee’s effective regular rate of pay, for each meal period that Defendants
12 failed to provide or deficiently provided. Employees would clock out for their meal periods and
13 continue working. What meal periods were provided were frequently provided late or were shorter
14 than thirty minutes.

15 19. From at least four (4) years prior to the filing of this lawsuit and continuing to the
16 present, Defendants have failed to provide Employees with paid rest breaks of not less than ten
17 (10) minutes for every work period of four (4) or more consecutive hours; nor did Defendant pay
18 Employees premium pay for each day on which requisite rest breaks were not provided or were
19 deficiently provided at one hour of wages at each Employee’s effective regular rate of pay, for
20 each rest period that Defendants failed to provide or deficiently provided.

21 20. Additionally, from at least four (4) years prior to the filing of this lawsuit, and
22 continuing to the present, Defendants have consistently failed to provide Employees with timely,
23 accurate, and itemized wage statements as required by California wage-and-hour laws.
24 Specifically, the wage statements given to Employees by Defendants failed to accurately account
25 for wages, overtime, and premium pay for deficient meal periods and rest breaks all of which
26 Defendants knew or reasonably should have known were owed to Employees, as alleged
27 hereinabove. The wage statements provided to Employees were confusing and required
28 Employees to engage in discovery and refer to outside sources to verify whether their pay was

1 correct, potentially resulting in a miscalculation by the Employees. Additionally, the company
2 name listed on Employees' wage statements does not match the company name listed on the
3 California Secretary of State's Website. Further, the Company address listed on the wage
4 statements is not associated with the Company.

5 21. From at least four (4) years prior to the filing of this lawsuit and continuing to the
6 present, Defendants have failed to reimburse Employees for expenses necessarily incurred in the
7 performance of their job duties for Defendants including personal cell phone usage, work from
8 home expense, and mileage, which were necessary to perform their duties under Defendants'
9 employ in violation of Labor Code § 2802.

10 22. Additionally, from at least three (3) years prior to the filing of this lawsuit, and
11 continuing to the present, Defendants have consistently failed to keep accurate time and wage
12 records as required by California wage-and-hour laws.

13 23. Additionally, from at least four (4) years prior to filing of this lawsuit and
14 continuing to the present, Defendants have had a consistent policy of failing to pay all wages fur
15 and owed to Employees at the time of their termination or within seventy-two (72) hours of their
16 resignation, as required by California wage-and-hour laws.

17 24. In light of the foregoing, Employees bring this action pursuant to, inter alia, Labor
18 Code §§ 201, 202, 203, 204, 210, 218.5, 218.6, 226, 226.7, 510, 512, 558, 558.1, 1182.12, 1185,
19 1194, 1194.2 1197, 1198, 1199, 2698, 2699, et seq., and 2802; provisions of the Industrial Welfare
20 Commission (IWC) Wage Order(s); and California Business & Professions Code § 17200 et seq.

21 25. Furthermore, pursuant to Business and Professions Code §§ 17200-17208,
22 Employees seek injunctive relief, restitution, and disgorgement of all benefits Defendants have
23 enjoyed from their violations of Labor Code.

24 **CLASS ALLEGATIONS**

25 26. Plaintiffs bring this class action on behalf of themselves, and all others similarly
26 situated pursuant to Code of Civil Procedure § 382. Plaintiffs seek to represent a class defined as
27 follows: all individuals employed as non-exempt, hourly employees excluding healthcare workers
28 by Defendants within the State of California at any time within four (4) years of the filing of this

lawsuit.

27. Further, Plaintiffs seek to represent the following Subclasses composed of and defined as follows:

a. Subclass 1. Minimum Wages Subclass. All Class members who were not compensated for all hours worked for Defendants at the applicable minimum wage.

b. Subclass 2. Wages and Overtime Subclass. All Class members who were not compensated for all hours worked for Defendants at the required rates of pay, including for all hours worked in excess of eight in a day and/or forty in a week.

c. Subclass 3. Meal Period Subclass. All Class members who were subject to Defendants' policy and/or practice of failing to provide unpaid 30-minute uninterrupted and duty-free meal periods or one hour of pay at the Employee's regular rate of pay in lieu thereof.

d. Subclass 4. Rest Break Subclass. All Class members who were subject to Defendants' policy and/or practice of failing to authorize and permit Employees to take uninterrupted, duty-free, 10-minute rest periods for every four hours worked, or major fraction thereof, and failing to pay one hour of pay at the Employee's regular rate of pay in lieu thereof.

e. Subclass 5. Split-Shift Premium Sub-Class. All Class members, who did not reside at the place of their employment with Defendants and whose work schedules were interrupted by non-paid and non-working time periods, which were longer than bona fide meal or rest periods, and were established by Defendants

f. Subclass 6. Payroll Records Subclass. All Class members who were subject to Defendants' policy and/or practice of failing to keep accurate time and wage records as required by California wage-and-hour laws.

g. Subclass 7. Wage Statement Subclass. All Class members who, within the applicable limitations period, were not provided with accurate, itemized wage statements.

h. Subclass 8. Failure to Reimburse for Necessary Business Expenditures. All Class members who were subject to Defendants' failure to reimburse for expenses necessarily incurred in the performance of Employees job duties for Defendants.

i. Subclass 9. Termination Pay Subclass. All Class members who, within the

1 applicable limitations period, either voluntarily or involuntarily separated from their employment
2 and were subject to Defendants' policy and/or practice of failing to timely pay wages upon
3 termination.

4 j. Subclass 10. UCL Subclass. All Class members who are owed restitution as a result
5 of Defendants' business acts and practices, to the extent such acts and practices are found to be
6 unlawful, deceptive, and/or unfair.

7 Plaintiffs reserve the right under California Rule of Court 3.765 to amend or modify the
8 class description with greater particularity or further division into subclasses or limitation to
9 particular issues.

10 28. This action has been brought and may properly be maintained as a class action
11 under the provisions of Code of Civil Procedure § 382 because there is a well-defined community
12 of interest in litigation and the proposed class is easily ascertainable.

13 **A. Numerosity**

14 29. The potential members of the class as defined are so numerous that joinder of all
15 the member of the class is impracticable. While the precise number of class member has not been
16 determined at this time, Plaintiffs are informed and believe that, during the time period relevant to
17 this lawsuit, Defendants employ or employed more than 100 individuals within the State of
18 California.

19 30. Accounting for employee turnover during the relevant time period increases this
20 number substantially. Plaintiffs allege that Defendants' employment records will provide
21 information as to the number and location of all class members.

22 **B. Commonality**

23 31. There are questions of law and fact common to the class that predominate over any
24 questions affecting only individual class members. These common questions of law and fact
25 include:

- 26 a. Whether Defendants failed to pay Employees minimum wages;
- 27 b. Whether Defendants failed to pay Employees wages for all hours worked;
- 28 c. Whether Defendants failed to pay Employees overtime as required under Labor

Code § 510;

- e. Whether Defendants violated Labor Code §§ 226.7 and 512, and the applicable IWC Wage Orders, by failing to provide Employees with requisite meal periods or premium pay in lieu thereof;
- f. Whether Defendants violated Labor Code §§ 226.7, and the applicable IWC Wage Orders, by failing to provide Employees with requisite rest breaks or premium pay in lieu thereof;
- i. Whether Defendants violated Labor Code § 226(a);
- j. Whether Defendants violated Labor Code §§ 201, 202, and 203 by failing to pay wages and compensation due and owing at the time of termination of employment;
- k. Whether Defendants failed to pay proper shift-split premiums;
- l. Whether Defendants violated Business and Professions Code § 17200 *et seq.*;
- m. Whether Employees are entitled to equitable relief pursuant to Business and Professions Code § 17200 *et seq.*; and
- n. Whether Defendants are liable for penalties under Labor Code § 2699, *et seq.*

C. Typicality

32. The claims of the named plaintiffs are typical of those of the other Employees. Employees all sustained injuries and damages arising out of and caused by Defendant's common course of conducts in violation of statutes, as well as regulations that have the force and effect of law, as alleged herein.

D. Adequacy of Representation

33. Plaintiffs will fairly and adequately represent and protect the interest of Employees. Counsel who represents Employees are experienced and competent in litigating employment class actions.

E. Superiority of Class Action

34. A class action is superior to other available means for the fair and efficient adjudication of this controversy. Individual joinder of all Employees is not practicable, and questions of law and fact common to all Employees predominate over any questions affecting only

1 individual Employees. Each Employee has been damaged and is entitled to recovery by reason of
2 Defendants' illegal policies or practices of failing to compensate Employees properly.

3 35. Class action treatment will allow those persons similarly situated to litigate their
4 claims in the manner that is most efficient and economical for the parties and the judicial system.
5 Plaintiffs are unaware of any difficulties in managing this case that should preclude class action.

6 **FIRST CAUSE OF ACTION**

7 **FAILURE TO PAY MINIMUM WAGES**

8 **(Against All Defendants)**

9 36. Plaintiffs re-allege and incorporate all preceding paragraphs, as though set forth in
10 full herein.

11 37. Defendants failed to pay Employees minimum wages for all hours worked.
12 Defendants had a consistent policy of misstating Employees time records and failing to pay
13 Employees for all hours worked. Employees would work hours and not receive wages, including
14 as alleged above in connection with working. Specifically, Plaintiffs and Employees were not
15 paid for all the overtime hours they worked, including time spent working (1) finishing work
16 tasks after clocking out; (2) off the clock phone usage; and (3) while clocked out for meal breaks.
17 Defendants thus regularly failed to pay minimum wages to Plaintiffs and Class members.

18 38. Moreover, Defendants did not pay Plaintiffs and Employees at the applicable
19 minimum wage for all hours worked. Defendants' uniform pattern of unlawful wage and hour
20 practices manifested, without limitation, applicable to the Class as a whole, as a result of
21 implementing a uniform policy and practice that denied accurate compensation to Plaintiffs and
22 the other members of the Class as to minimum wage pay.

23 39. California Labor Code § 1197, entitled "Pay of Less Than Minimum Wage"
24 states:

25 The minimum wage for employees fixed by the commission is the
26 minimum wage to be paid to employees, and the payment of a less
27 wage than the minimum so fixed is unlawful.
28

1 40. The applicable minimum wages fixed by the commission for work during the
2 relevant period is found in the Wage Orders. Pursuant to the Wage Orders, Employees are
3 therefore entitled to double the minimum wage during the relevant period.

4 41. The minimum wage provisions of California Labor Code are enforceable by private
5 civil action pursuant to California Labor Code § 1194(a) which states:

6 Notwithstanding any agreement to work for a lesser wage, any
7 employee receiving less than the legal minimum wage or the legal
8 overtime compensation applicable to the employee is entitled to
9 recover in a civil action the unpaid balance of the full amount of
this minimum wage or overtime compensation, including interest
thereon, reasonable attorney's fees and costs of suit.

10 42. As described in California Labor Code §§ 1185 and 1194.2, any action for wages
11 incorporates the applicable Wage Order of the California Industrial Welfare Commission.

12 43. California Labor Code § 1194.2 also provides for the following remedies:

13 In any action under Section 1194 . . . to recover wages because of
14 the payment of a wage less than the minimum wages fixed by an
15 order of the commission, an employee shall be entitled to recover
liquidated damages in an amount equal to the wages unlawfully
unpaid and interest thereon.

16 44. Defendants have the ability to pay minimum wages for all time worked and have
17 willfully refused to pay such wages with the intent to secure for Defendants a discount upon this
18 indebtedness with the intent to annoy, harass, oppress, hinder, delay, or defraud Employees.

19 45. Wherefore, Employees are entitled to recover the unpaid minimum wages
20 (including double minimum wages), liquidated damages in an amount equal to the minimum
21 wages unlawfully unpaid, interest thereon and reasonable attorney's fees and costs of suit pursuant
22 to California Labor Code § 1194(a).

23 **SECOND CAUSE OF ACTION**

24 **FAILURE TO PAY WAGES AND OVERTIME UNDER LABOR CODE § 510**

25 **(Against All Defendants)**

26 46. Plaintiffs re-allege and incorporates all preceding paragraphs, as though set forth in
27 full herein.

28 47. By their conduct, as set forth herein, Defendants violated California Labor Code §

1 510 (and the relevant orders of the Industrial Welfare Commission) by failing to pay Employees:
2 (a) time and one-half their regular hourly rates for hours worked in excess of eight (8) hours in a
3 workday or in excess of forty (40) hours in any workweek or for the first eight (8) hours worked
4 on the seventh day of work in any one workweek; or (b) twice their regular rate of pay for hours
5 worked in excess of twelve (12) hours in any one (1) day or for hours worked in excess of eight
6 (8) hours on any seventh day of work in a workweek.

7 48. Defendants had a consistent policy of not paying Employees wages for all hours
8 worked including time spent working: Specifically, Plaintiffs and Employees were not paid for
9 all the overtime hours they worked, including time spent (1) finishing work tasks after clocking
10 out; (2) off the clock phone usage; and (3) while clocked out for meal breaks. Moreover,
11 Plaintiffs alleges that Defendants failed to pay for all overtime hours worked and/or paid
12 overtime hours at the regular hourly rate instead of one and a half times the regular rate.
13 Employees regularly worked over 8 hours on a given day without receiving overtime
14 compensation.

15 49. Defendants' failure to pay compensation in a timely fashion also constituted a
16 violation of California Labor Code § 204, which requires that all wages shall be paid
17 semimonthly. From four (4) years prior to the filing of this lawsuit to the present, in direct
18 violation of that provision of the California Labor Code, Defendants have failed to pay all wages
19 and overtime compensation earned by Employees. Each such failure to make a timely payment of
20 compensation to Employees constitutes a separate violation of California Labor Code § 204.

21 50. Employees have been damaged by these violations of California Labor Code §§
22 204 and 510 (and the relevant orders of the Industrial Welfare Commission).

23 51. Consequently, pursuant to California Labor Code §§ 204, 510, and 1194 (and the
24 relevant orders of the Industrial Welfare Commission), Defendants are liable to Employees for
25 the full amount of all their unpaid wages and overtime compensation, with interest, plus their
26 reasonable attorneys' fees and costs.

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28 ///

1 **THIRD CAUSE OF ACTION**

2 **MEAL-PERIOD LIABILITY UNDER LABOR CODE § 226.7**

3 **(Against All Defendants)**

4 52. Plaintiffs re-allege and incorporate all preceding paragraphs, as though set forth in
5 full herein.

6 53. Employees regularly worked shifts greater than five (5) hours and greater than ten
7 (10) hours. Pursuant to Labor Code § 512 an employer may not employ someone for a shift of
8 more than five (5) hours without providing him or her with a meal period of not less than thirty
9 (30) minutes or for a shift of more than ten (10) hours without providing him or her with a second
10 meal period of not less than thirty (30) minutes.

11 54. Defendants failed to provide Employees with compliant meal periods as required
12 under the Labor Code. Employees were required to clock out and continue working through their
13 meal periods which they were denied. Employees were also required to take meal periods after
14 working well beyond the five (5) hour shifts and what meal periods were provided were often less
15 than thirty (30) minutes. Furthermore, Employees were regularly required to work for more than
16 10 hours in a given shift without receiving a second thirty (30) minute meal period as required by
17 law.

18 55. Moreover, Defendants failed to compensate Employees for each meal period not
19 provided or inadequately provided, as required under Labor Code § 226.7 and paragraphs 11 and
20 20 of the applicable IWC Wage Orders, which provide that, if an employer fails to provide an
21 employee a meal period in accordance with this section, the employer shall pay the employee one
22 hour of pay at the employee's regular rate of compensation for each workday that the meal period
23 is not provided. Additionally, as detailed above, when Defendants did pay meal period premiums,
24 they did so at the normal regular rate of pay without factoring in all forms or
25 remuneration/compensation or by otherwise incorrectly calculating the regular rate.

26 56. Therefore, pursuant to Labor Code § 226.7, Employees are entitled to damages in
27 an amount equal to one (1) hour of wages at their effective hourly rates of pay for each meal
28 period not provided or deficiently provided, a sum to be proven at trial.

1 **FOURTH CAUSE OF ACTION**

2 **REST-BREAK LIABILITY UNDER LABOR CODE § 226.7**

3 **(Against All Defendants)**

4 57. Plaintiffs re-allege and incorporate all preceding paragraphs, as though set forth in
5 full herein.

6 58. Plaintiffs and Employees consistently worked over three-and-one-half (3.5) hour
7 and six (6) hour shifts. At times, Plaintiffs and Employees worked over ten (10) hours in a single
8 workday. Pursuant to the Labor Code and the applicable IWC Wage Order, Employees were
9 entitled to paid rest breaks of not less than ten (10) minutes for each consecutive four (4) hour shift
10 or major fraction thereof.

11 59. Defendants failed to provide Employees with timely rest breaks of not less than ten
12 (10) minutes for each consecutive four (4) hours of work, or major fraction thereof, when
13 Employees worked over three-and-one-half (3.5) hours in a workday. Employees were often
14 required to work or to otherwise remain under Defendants' control during rest periods.

15 60. Additionally, under *Augustus v. ABM Security Services, Inc.*, 2 Cal.5th 257, 260
16 (2016) "[D]uring required rest periods, employers must relieve their employees of all duties and
17 relinquish any control over how employees spend their time." Defendants did not allow
18 Employees to leave the Defendants' location, and this is directly at odds with *Augustus*, as it
19 "tethered [employees] by time and policy to a particular location" and therefore fails to relieve
20 employees of all work duties and employer control during rest periods. *Augusts*, 2 Cal.5th at 269.

21 61. Moreover, Defendants failed to compensate Employees for each rest period not
22 provided or inadequately provided, as required under Labor Code § 226.7 and the applicable IWC
23 Wage Orders, which provide that, if an employer fails to provide an employee a rest period in
24 accordance with this section, the employer shall pay the employee one hour of pay at the
25 employee's regular rate of compensation for each workday that the rest period is not provided.
26 Defendants failed to compensate Plaintiffs and Employees for each rest period not provided or
27 inadequately provided, as required under Labor Code § 226.7 and the applicable IWC Wage
28 Order.

62. Therefore, pursuant to Labor Code § 226.7, Employees are entitled to damages in an amount equal to one (1) hour of wages at their effective regular rates of pay for each day worked without the required rest breaks, a sum to be proven at trial. Plaintiffs and Employees are also entitled to prejudgment interest for such damages.

FIFTH CAUSE OF ACTION
FAILURE TO PAY SPLIT-SHIFT PREMIUMS
(Industrial Welfare Commission Wage Order 1-15, § 4)
(Against All Defendants)

63. Plaintiffs incorporate the preceding paragraphs of the Complaint as if fully alleged herein.

64. At all relevant times, Plaintiffs and Split-Shift Sub-Class members are or have been non-exempt employees of Defendants entitled to the full protections of the Labor Code and the applicable Wage Order.

65. Section 4 of the applicable Industrial Welfare Commission Wage Order imposes an affirmative obligation on employers to pay non-exempt employees one (1) hour's pay at the minimum wage in addition to the minimum wage for that workday when an employee works a split shift.

66. Plaintiffs allege that, at all relevant times during the applicable limitations period, Defendants maintained a policy or practice of failing to pay premium wages to Split-Shift Sub-Class members when their schedules were interrupted by non-paid and non-working time periods established by the employer. The time periods between these shifts were longer than a bona fide meal or rest periods and were for the benefit of the employer.

67. At no time did the Split-Shift Sub-Class members reside at the place of their employment.

68. As a result of Defendants' unlawful conduct, Plaintiffs and Split-Shift Sub-Class members have suffered damages in an amount, subject to proof, to the extent they were not paid the full amount of split-shift premiums earned during each pay period during the applicable limitations period.

69. Pursuant to Labor Code section 204, 218.6 and 226.7, Plaintiffs, on behalf of themselves and the Split-Shift Sub-Class members, seeks to recover unpaid premium wages, interest thereon, and costs of suit.

70. Pursuant to Labor Code section 1194, Code of Civil Procedure section 1021.5, the substantial benefit doctrine, and/or the common fund doctrine, Plaintiffs, on behalf of themselves and Split-Shift Sub-Class members, seeks to recover reasonable attorneys' fees

SIXTH CAUSE OF ACTION

FAILURE TO REIMBURSE FOR NECESSARY BUSINESS EXPENDITURES

IN VIOLATION OF LABOR CODE § 2802

(Against All Defendants)

71. Plaintiffs re-allege and incorporate all preceding paragraphs, as though set forth in full herein.

72. Under Labor Code § 2802(a), an employer must indemnify its employees for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer.

73. Employees incurred necessary expenditures in the performance of their job duties for Defendants, namely: including cell phone usage, work from home expense, and mileage, which were necessary to perform their duties under Defendants' employ. From four (4) years prior to the original filing of this lawsuit and continuing to the present, Defendants consistently failed to reimburse Employees for these necessarily incurred business expenses.

74. As a result of the unlawful acts of Defendants, Employees have been deprived of reimbursement in amounts to be determined at trial; they are entitled to recovery of such amounts, plus interest and penalties thereon, attorneys' fees, and costs

SEVENTH CAUSE OF ACTION
VIOLATION OF LABOR CODE § 226(a)
(Against All Defendants)

75. Plaintiffs re-allege and incorporate all preceding paragraphs, as though set forth in full herein.

1 76. California Labor Code § 226(a) requires an employer to furnish each of his or her
2 employees with an accurate, itemized statement in writing showing the gross and net earnings,
3 total hours worked, and the corresponding number of hours worked at each hourly rate; these
4 statements must be appended to the detachable part of the check, draft, voucher, or whatever else
5 serves to pay the employee's wages; or, if wages are paid by cash or personal check, these
6 statements may be given to the employee separately from the payment of wages; in either case the
7 employer must give the employee these statements twice a month or each time wages are paid.

8 77. Defendants failed to provide Employees with accurate itemized wage statements in
9 writing, as required by the Labor Code. Specifically, the wage statements given to Employees, by
10 Defendants, failed to accurately account for wages, overtime, and premium pay for deficient meal
11 periods.

12 78. of timekeeping entries all of which Defendants knew or reasonably should have
13 known were owed to Employees, as alleged hereinabove. Additionally, the wage statements given
14 to Employees, by Defendants, failed to include the above requirements enumerated above.
15 Employees' wage statements did not include: the total hours worked in violation of Labor Code §
16 226(a)(2) and failed to accurately set forth all applicable hourly rates in effect during the pay
17 period and the corresponding number of hours worked at each such rate in violation of Labor Code
18 § 226(a)(9). The wage statements provided to Employees were confusing and required Employees
19 to engage in discovery and refer to outside sources to verify whether their pay was correct,
20 potentially resulting in a miscalculation by the Employees.

21 79. As a direct and proximate cause of Defendants' violation of Labor Code § 226(a),
22 Employees suffered injuries, including among other things confusion over whether they received
23 all wages owed them, the difficulty and expense involved in reconstructing pay records, and
24 forcing them to make mathematical computations to analyze whether the wages paid in fact
25 compensated them correctly for all hours worked.

26 80. Pursuant to Labor Code §§ 226(a) and 226(e), Employees are entitled to recover
27 the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation
28 occurs and one hundred dollars (\$100) for each violation in a subsequent pay period, not

1 exceeding an aggregate penalty of four thousand dollars (\$4,000). They are also entitled to an
2 award of costs and reasonable attorneys' fees.

3 81. With respect to violations of Labor Code § 226, Labor Code § 226.3 imposes a
4 civil penalty of two hundred and fifty dollars (\$250) for initial violations for each employee for
5 each pay period, and one thousand dollars (\$1000) for each subsequent violation for each
6 employee for each pay period.

7 82. Plaintiffs are seeking penalties against Defendants under Labor Code § 226.3, and
8 any other applicable statute allowing recovery of penalties as alleged herein in an amount to be
9 shown according to proof.

10 **EIGHTH CAUSE OF ACTION**
11 **VIOLATION OF LABOR CODE § 203**
12 **(Against All Defendants)**

13 83. Plaintiffs re-allege and incorporate all preceding paragraphs, as though set forth in
14 full herein.

15 84. Numerous Employees are no longer employed by Defendants; they either quit
16 Defendants' employ or were fired therefrom.

17 85. Defendants failed to pay these Employees all wages due and certain at the time of
18 termination or within seventy-two (72) hours of resignation.

19 86. The wages withheld from these Employees by Defendants remained due and owing
20 for more than thirty (30) days from the date of separation of employment.

21 87. Defendants' failure to pay wages, as alleged above, was willful in that Defendants
22 knew wages to be due but failed to pay them; this violation entitles these Employees to penalties
23 under Labor Code § 203, which provides that an employee's wages shall continue until paid for up
24 to thirty (30) days from the date they were due.

25 **NINTH CAUSE OF ACTION**
26 **VIOLATION OF BUSINESS & PROFESSIONS CODE § 17200 ET SEQ.**
27 **(Against All Defendants)**

28 88. Plaintiffs re-allege and incorporate all preceding paragraphs, as though set forth in

1 full herein.

2 89. Plaintiffs, on behalf of themselves, Employees, and the general public, brings this
3 claim pursuant to Business & Professions Code § 17200 *et seq.* The conduct of Defendants as
4 alleged in this Complaint has been and continues to be unfair, unlawful, and harmful to Employees
5 and the general public. Plaintiffs seek to enforce important rights affecting the public interest
6 within the meaning of Code of Civil Procedure § 1021.5.

7 90. Plaintiffs are “person[s]” within the meaning of Business & Professions Code
8 § 17204, have suffered injury, and therefore have standing to bring this cause of action for
9 injunctive relief, restitution, and other appropriate equitable relief.

10 91. Business & Professions Code § 17200 *et seq.* prohibits unlawful and unfair
11 business practices.

12 92. Wage-and-hour laws express fundamental public policies. Paying employees their
13 wages and overtime, providing them with meal periods, etc., are fundamental public policies of
14 California. Labor Code § 90.5(a) articulates the public policies of this State vigorously to enforce
15 minimum labor standards, to ensure that employees are not required or permitted to work under
16 substandard and unlawful conditions, and to protect law-abiding employers and their employees
17 from competitors who lower costs to themselves by failing to comply with minimum labor
18 standards.

19 93. Defendants have violated statutes and public policies. Through the conduct alleged
20 in this Complaint Defendants have acted contrary to these public policies, have violated specific
21 provisions of the Labor Code, and have engaged in other unlawful and unfair business practices in
22 violation of Business & Professions Code § 17200 *et seq.*; which conduct has deprived Plaintiffs,
23 and all persons similarly situated, and all interested persons, of the rights, benefits, and privileges
24 guaranteed to all employees under the law.

25 94. Defendants’ conduct, as alleged hereinabove, constitutes unfair competition in
26 violation of the Business & Professions Code § 17200 *et seq.*

27 95. Defendants, by engaging in the conduct herein alleged, by failing to pay wages and
28 overtime, failing to provide meal periods, etc., either knew or in the exercise of reasonable care

1 should have known that their conduct was unlawful; therefore their conduct violates the Business
2 & Professions Code § 17200 *et seq.*

3 96. As a proximate result of the above-mentioned acts of Defendants, Employees have
4 been damaged, in a sum to be proven at trial. Unless restrained by this Court Defendants will
5 continue to engage in such unlawful conduct as alleged above. Pursuant to the Business &
6 Professions Code this Court should make such orders or judgments, including the appointment of
7 a receiver, as may be necessary to prevent the use by Defendants or their agents or employees of
8 any unlawful or deceptive practice prohibited by the Business & Professions Code, including but
9 not limited to the disgorgement of such profits as may be necessary to restore Employees to the
10 money Defendants have unlawfully failed to pay.

11 **TENTH CAUSE OF ACTION**
12 **VIOLATION OF LABOR CODE § 2698, ET SEQ.**
13 **(Against All Defendants)**

14 97. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in
15 full herein.

16 98. Plaintiff and Employees are aggrieved employees as defined under Labor Code
17 §2699(c) in that they suffered the violations alleged in this Complaint and were employed by the
18 alleged violators, Defendants.

19 99. Plaintiff seeks penalties under Labor Code §§ 2698 and 2699 for Defendants'
20 violation of all Labor Code provisions included under Labor Code § 2699.5 and includes the
21 penalty provisions, without limitation, based on the following California Labor Code sections:
22 201, 201.3, 202, 203, 204, 210, 218.5, 218.6, 226, 226.3, 226.4, 226.7, 510, 512, 558, 558.1,
23 1182.12, 1185, 1194, 1194.2 1197, 1198, 1199, 2698, 2699, and 2802.

24 100. The penalties shall be allocated as follows: 65% to the Labor and Workforce
25 Development Agency (LWDA) and 35% to the affected employee.

26 101. Employees also seek any and all penalties and remedies set forth in Labor Code §
27 558, which states:

- 28 (a) Any employer or other person acting on behalf of an employer
who violates, or causes to be violated, a section of this chapter or

1 any provision regulating hours and days of work in any order of the
2 Industrial Welfare Commission shall be subject to a civil penalty
3 as follows: (1) For any initial violation, fifty dollars (\$50) for each
4 underpaid employee for each pay period for which the employee
5 was underpaid in addition to an amount sufficient to recover
6 underpaid wages. (2) For each subsequent violation, one hundred
7 dollars (\$100) for each underpaid employee for each pay period for
8 which the employee was underpaid in addition to an amount
9 sufficient to recover underpaid wages. (3) Wages recovered
10 pursuant to this section shall be paid to the affected employee.

11 (b) If upon inspection or investigation the Labor Commissioner
12 determines that a person had paid or caused to be paid a wage for
13 overtime work in violation of any provision of this chapter, or
14 any provision regulating hours and days of work of the Industrial
15 Welfare Commission, the Labor Commissioner may issue a
16 citation. The procedures for issuing, contesting, and enforcing
17 judgments for citations of civil penalties issued by the Labor
18 Commissioner for violation of this chapter shall be the same as those
19 set out in Section 1197.1.

20 (c) The civil penalties provided for in this section are in addition to any
21 other civil or criminal penalty provided by the law.

22 102. Labor Code § 226.3 provides that “[a]ny employer who violates subdivision (a) of
23 Section 226 shall be subject to a civil penalty in the amount of two hundred fifty dollars (\$250)
24 per employee per violation in an initial violation and one thousand dollars (\$1,000) per employee
25 for each violation in a subsequent citation, for which the employer fails to provide the employee a
26 wage deduction statement or fails to keep the required in subdivision (a) of Section 226.” To the
27 extent that Labor Code § 226.3 applies, Plaintiff and Employees also seek such penalties on.

28 103. Plaintiff has exhausted his administrative remedy by sending a certified letter to the
LWDA and Defendants postmarked on July 24, 2026. The LWDA has not provided notice of its
intent to investigate the alleged violations within 65 calendar days of the postmark date of the
letter.

RELIEF REQUESTED

WHEREFORE, Plaintiffs pray for the following relief:

1. For an order certifying this action as a class action;
2. For compensatory damages in the amount of the unpaid minimum wages for work

1 performed by Employees and unpaid overtime compensation from at least four (4) years prior to
2 the filing of this action, as may be proven;

3 3. For liquidated damages in the amount equal to the unpaid minimum wage and
4 interest thereon, from at least four (4) years prior to the filing of this action, according to proof;

5 4. For compensatory damages in the amount of the hourly wage made by Employees
6 for each missed or deficient meal period where no premium pay was paid therefor from four (4)
7 years prior to the filing of this action, as may be proven;

8 5. For compensatory damages in the amount of the hourly wage made by Employees
9 for each day requisite rest breaks were not provided or were deficiently provided and where no
10 premium pay was paid therefor from at least four (4) years prior to the filing of this action, as may
11 be proven;

12 6. For penalties pursuant to Labor Code § 226(e) for Employees, as may be proven;

13 7. For penalties pursuant to Labor Code § 226.3, as may be proven;

14 8. For penalties pursuant to Labor Code § 203 for all Employees who quit or were
15 fired in an amount equal to their daily wage times thirty (30) days, as may be proven;

16 9. For restitution for unfair competition pursuant to Business & Professions Code
17 § 17200 *et seq.*, including disgorgement or profits, as may be proven;

18 10. For compensatory damages in the amount of all previously unreimbursed business
19 expenditures necessarily incurred by Employees in the discharge of their job duties for Defendants
20 from four (4) years prior to the original filing of this action, as may be proven;

21 11. For an order enjoining Defendants and their agents, servants, and employees, and
22 all persons acting under, in concert with, or for them, from acting in derogation of any rights or
23 duties adumbrated in this Complaint;

24 12. For penalties pursuant to Labor Code § 2698 *et seq.*, as may be proven;

25 13. For all general, special, and incidental damages as may be proven;

26 14. For an award of pre-judgment and post-judgment interest;

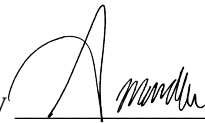
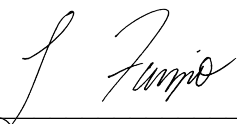
27 15. For an award providing for the payment of the costs of this suit;

28 16. For an award of attorneys' fees; and

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

2
3 DATED: September 28, 2026

D.LAW, INC.

4
5 By  
6 Roman Shkodnik
7 Amanda Fazio
8 Attorneys for Plaintiffs
9 and the putative class

DEMAND FOR JURY TRIAL

Plaintiffs hereby demand trial of their claims by jury to the extent authorized by law.

DATED: September 28, 2026

D.LAW, INC.

By  

Roman Shkodnik
Amanda Fazio
Attorneys for Plaintiffs
and the putative class

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PROOF OF SERVICE

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES:

I, the undersigned, am over the age of 18 years and not a party to this action. My business address is 250 N Madison Avenue, 2nd Floor, Pasadena, CA 91101, which is located in Los Angeles County, where the service herein occurred.

On the date of execution hereof, I caused to be served the following attached document:

FIRST AMENDED CLASS ACTION COMPLAINT

on the interested parties in this action, addressed as follows:

Attorneys for Defendant SUTTER HEALTH:

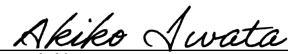
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using the following service method(s):

X VIA RAPID LEGAL E-SERVICE: A true and correct copy of the foregoing document(s) was electronically served on counsel of record by transmission through Rapid Legal electronic service.

I declare under penalty of perjury under the laws of the United States of America and the State of California that the foregoing is true and correct.

Executed on **September 28, 2026**, at Pasadena, California.



Akiko Iwata