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Attorneys for Plaintiff LANISHA ELDER,
on behalf of herself and all others similarly situated

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

LANISHA ELDER, on behalf of herself
and all others similarly situated,

Plaintiffs,

v.

REX AND MARGARET FORTUNE
SCHOOL OF EDUCATION d/b/a
"Fortune School," "William Lee College
Prep," "Alan Rowe College Prep,"
"Ephraim Williams College Prep Middle
School," "Hazel Mahone College Prep,"
"Fortune Middle School," "Rex and
Margaret Fortune Early College High
School," "Tecoy Porter College Prep,"
"Stephon A. Clark College Prep Middle
School," and/or "Hardy Grown College
Prep," a California non-profit corporation;
and DOES 1 to 10, inclusive,

Defendants.

CLASS ACTION:

Case No. Case No. 23CV013990

FIRST AMENDED COMPLAINT FOR:

1. FAILURE TO PAY ALL WAGES;
2. FAILURE TO PAY ALL WAGES DUE TO ILLEGAL ROUNDING;
3. FAILURE TO PAY ALL OVERTIME WAGES AT THE LEGAL OVERTIME PAY RATE;
4. FAILURE TO PROVIDE ALL MEAL PERIODS;
5. FAILURE TO AUTHORIZE AND PERMIT ALL PAID REST PERIODS;
6. FAILURE TO REIMBURSE WORK EXPENSES;
7. INDEPENDENT FAILURE TO TIMELY FURNISH ACCURATE ITEMIZED WAGE STATEMENTS;
8. DERIVATIVE FAILURE TO TIMELY FURNISH ACCURATE ITEMIZED WAGE STATEMENTS;
9. VIOLATIONS OF LABOR CODE §§ 201-202;
10. PENALTIES UNDER LABOR CODE § 2699; AND
11. UNFAIR BUSINESS PRACTICES

DEMAND FOR JURY TRIAL

Action filed: February 26, 2024
Trial date: None Set

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1 Plaintiff Lanisha Elder, an individual on behalf of herself and all others similarly situated
2 (collectively referred to as “Plaintiffs”), hereby files this First Amended Complaint against
3 Defendant Rex and Margaret Fortune School of Education d/b/a “Fortune School,” “William Lee
4 College Prep,” “Alan Rowe College Prep,” “Ephraim Williams College Prep Middle School,”
5 “Hazel Mahone College Prep,” “Fortune Middle School,” “Rex and Margaret Fortune Early
6 College High School,” “Tecoy Porter College Prep,” “Stephon A. Clark College Prep Middle
7 School,” and/or “Hardy Grown College Prep,” and Does 1 to 10 (collectively referred to as
8 “Defendants”). Plaintiffs are informed and believe, and on the basis of that information and belief,
9 allege as follows:

10 **I.**

11 **INTRODUCTION**

12 1. This is a civil action seeking recovery for Defendants’ violations of the California
13 Labor Code, California Business and Professions Code, the applicable Wage Orders issued by
14 the California Industrial Welfare Commission (the “IWC Wage Orders”) and related common law
15 principles.

16 2. Plaintiffs’ action seeks monetary damages including full restitution from
17 Defendants as a result of Defendants’ unlawful, fraudulent, and/or unfair business practices.

18 3. The acts complained of herein occurred, occur and will occur, at least in part,
19 within the time period from four years preceding the filing of the original Complaint herein,
20 plus 179 days under Cal. Rules of Court, Appendix I, Emergency Rule No. 9, up to and through
21 the time of trial for this matter although this should not automatically be considered the statute of
22 limitations for any cause of action herein.

23 **RELEVANT JOB TITLES**

24 4. For introductory and general information only (and not to be considered a
25 proposed class definition), the relevant individuals in this action are Defendants’ non-exempt
26 employees who were subjected to Defendants’ policies and practices as described herein. Any
27 differences in job activities between the different individuals in these positions were and are
28 legally insignificant to the issues presented by this action.

1 SUMMARY OF CLAIMS

- 2 5. With regard to Defendants' non-exempt employees, Defendants have:
- 3 a. Failed to pay straight time, minimum, and/or overtime wages for all hours
- 4 worked;
- 5 b. Failed to pay all wages due to illegal time rounding;
- 6 c. Failed to pay all overtime wages at the legal overtime pay rate;
- 7 d. Failed to provide all legally-required meal periods;
- 8 e. Failed to authorize and permit all paid legally-required rest periods;
- 9 f. Failed to reimburse for all work-related expenses;
- 10 g. Independently failed to timely furnish accurate itemized wage statements;
- 11 h. Derivatively failed to timely furnish accurate itemized wage statements;
- 12 i. Violated Labor Code §§ 201-202;
- 13 j. Incurred penalties under Labor Code §§ 2698, et seq.; and
- 14 k. Conducted unfair business practices.

15 **II.**

16 **PARTIES**

17 PLAINTIFF LANISHA ELDER

18 6. Plaintiff Lanisha Elder is an individual over the age of 18 and is now and/or at all

19 times mentioned in this Complaint was a citizen of the State of California.

20 7. Plaintiff Lanisha Elder worked for Defendants as a non-exempt employee from

21 approximately August 2017 to January 4, 2023, in Sacramento, California, which is in

22 Sacramento County, California.

23 8. Plaintiff Lanisha Elder seeks recovery herein from Defendants because with

24 regard to Plaintiff Lanisha Elder, while acting for Defendants in her capacity as a non-exempt

25 employee, Defendants have:

- 26 a. Failed to pay straight time, minimum, and/or overtime wages for all hours
- 27 worked;
- 28 b. Failed to pay all wages due to illegal time rounding;

- c. Failed to pay all overtime wages at the legal overtime pay rate;
- d. Failed to provide all legally-required meal periods;
- e. Failed to authorize and permit all paid legally-required rest periods;
- f. Failed to reimburse for all work-related expenses;
- g. Independently failed to timely furnish accurate itemized wage statements;
- h. Derivatively failed to timely furnish accurate itemized wage statements;
- i. Violated Labor Code §§ 201-202;
- j. Incurred penalties under Labor Code §§ 2698, et seq.; and
- k. Conducted unfair business practices.

DEFENDANT REX AND MARGARET FORTUNE SCHOOL OF EDUCATION

9. Defendant Rex and Margaret Fortune School of Education, d/b/a “Fortune School,” “William Lee College Prep,” “Alan Rowe College Prep,” “Ephraim Williams College Prep Middle School,” “Hazel Mahone College Prep,” “Fortune Middle School,” “Rex and Margaret Fortune Early College High School,” “Tecoy Porter College Prep,” “Stephon A. Clark College Prep Middle School,” and/or “Hardy Grown College Prep,” is now and/or at all times mentioned in this Complaint was a California non-profit corporation and the owner and operator of an industry, business, and/or facilities licensed to do business and actually doing business in the State of California.

DOES 1 TO 10, INCLUSIVE

10. Does 1 to 10, inclusive, are now and/or at all times mentioned in this Complaint were licensed to do business and/or actually doing business in California.

11. Plaintiffs do not know the true names or capacities, whether individual, partner or corporate, of Does 1 to 10, inclusive and for that reason, Does 1 to 10 are sued under such fictitious names under California Code of Civil Procedure § 474.

12. Plaintiffs will seek leave of court to amend this Complaint to allege such names and capacities as soon as they are ascertained.

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1 ALL DEFENDANTS

2 13. Defendants, and each of them, are now and/or at all times mentioned in this
3 Complaint were in some manner legally responsible for the events, happenings, and circumstances
4 alleged in this Complaint.

5 14. Defendants, and each of them, proximately subjected Plaintiffs to the unlawful
6 practices, wrongs, complaints, injuries, and/or damages alleged in this Complaint.

7 15. Defendants, and each of them, are now and/or at all times mentioned in this
8 Complaint were the agents, servants, and/or employees of some or all other Defendants, and
9 vice-versa, and in doing the things alleged in this Complaint, Defendants are now and/or at all
10 times mentioned in this Complaint were acting within the course and scope of that agency,
11 servitude, and/or employment.

12 16. Defendants, and each of them, are now and/or at all times mentioned in this
13 Complaint were members of and/or engaged in a joint venture, partnership, and common
14 enterprise, and were acting within the course and scope and in pursuance of said joint venture,
15 partnership, and common enterprise.

16 17. Defendants, and each of them, at all times mentioned in this Complaint concurred
17 and contributed to the various acts and omissions of each and every one of the other Defendants
18 in proximately causing the complaints, injuries, and/or damages alleged in this Complaint.

19 18. Defendants, and each of them, at all times mentioned in this Complaint approved
20 of, condoned and/or otherwise ratified each and every one of the acts and/or omissions alleged in
21 this Complaint.

22 19. Defendants, and each of them, at all times mentioned in this Complaint aided and
23 abetted the acts and omissions of each and every one of the other Defendants thereby
24 proximately causing the damages alleged in this Complaint.

25 **III.**

26 **JURISDICTION AND VENUE**

27 20. The California Superior Court has jurisdiction in this matter due to Defendants'
28 aforementioned violations of California statutory law and/or related common law principles.

21. The California Superior Court also has jurisdiction in this matter because both the individual and aggregate monetary damages and restitution sought herein exceed the minimal jurisdictional limits of the Superior Court and will be established at trial, according to proof.

23. Venue is proper in Sacramento County under Code of Civil Procedure § 395(a) and Code of Civil Procedure § 395.5 in that liability arose there because at least some of the transactions that are the subject matter of this Complaint occurred therein and/or each Defendant either is found, maintains offices, transacts business, and/or has an agent therein.

CLASS ACTION ALLEGATIONS

25. The putative classes Plaintiffs will seek to certify are currently composed of and defined as follows:

b. All California citizens employed by Defendants as non-exempt employees (as defined, supra) during the appropriate time period to whom Defendants applied a time rounding policy and practice as specifically described herein

(hereinafter, the “Rounding Class”);

c. All California citizens employed by Defendants as non-exempt employees (as defined, supra) during the appropriate time period who were subjected to Defendants’ policies and practices regarding the calculation of overtime pay as specifically described herein (hereinafter, the “Overtime Rate Class”);

d. All California citizens employed by Defendants as non-exempt employees (as defined, supra) during the appropriate time period who were subjected to Defendants’ policies and practices regarding meal periods as specifically described herein (hereinafter, the “Meal Period Class”);

e. All California citizens employed by Defendants as non-exempt employees (as defined, supra) during the appropriate time period who were subjected to Defendants’ policies and practices regarding paid rest periods as specifically described herein (hereinafter, the “Rest Period Class”);

f. All California citizens employed by Defendants as non-exempt employees (as defined, supra) during the appropriate time period who were subjected to Defendants’ policies and practices regarding business expense reimbursement as specifically described herein (hereinafter, the “Reimbursements Class”);

g. All California citizens employed by Defendants as non-exempt employees (as defined, supra) during the appropriate time period who were independently subjected to Defendants’ policies and practices regarding itemized wage statements as specifically described herein (hereinafter, the “Independent Wage Statement Class”);

h. All California citizens employed by Defendants as non-exempt employees (as defined, supra) during the appropriate time period who were derivatively subjected to Defendants’ policies and practices regarding itemized wage statements as specifically described herein (hereinafter, the “Derivative Wage Statement Class”);

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- i. All formerly-employed California citizens employed by Defendants as non-exempt employees (as defined, supra) during the appropriate time period who were subjected to Defendants' policies and practices regarding Labor Code § 203 and the payment of all final wages as specifically described herein (hereinafter, the "LC 203 Class"); and
- j. All California citizens employed by Defendants as non-exempt employees (as defined, supra) during the appropriate time period regarding whom Defendants have engaged in unlawful, unfair and/or fraudulent business acts or practices prohibited by Business & Professions Code §§ 17200, et seq. as specifically described herein (hereinafter, the "17200 Class").

26. The Wage Class, Rounding Class, Overtime Rate Class, Meal Period Class, Rest Period Class, Reimbursements Class, Independent Wage Statement Class, Derivative Wage Statement Class, LC 203 Class, and 17200 Class are herein collectively referred to as the "Classes."

27. Throughout discovery in this litigation, Plaintiffs may find it appropriate and/or necessary to amend the definition of the Classes. Plaintiffs will formally define and designate a class definition at such time when Plaintiffs seek to certify the Classes alleged herein.

28. Numerosity (Code of Civil Procedure § 382):

- a. The potential quantity of members of the Classes as defined is so numerous that joinder of all members is unfeasible and impractical;
- b. The disposition of the claims of the members of the Classes through this class action will benefit both the parties and this Court;
- c. The quantity of members of the Classes is unknown to Plaintiffs at this time; however, it is estimated that the membership of the Classes numbers greater than 100 individuals; and
- d. The quantity and identity of such membership is readily ascertainable via inspection of Defendants' records.

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1 29. Superiority (Code of Civil Procedure § 382): The nature of this action and the
2 nature of the laws available to Plaintiffs make the use of the class action format particularly
3 efficient and the appropriate procedure to afford relief to Plaintiffs for the wrongs alleged herein,
4 as follows:

- 5 a. California has a public policy that encourages the use of the class action
6 device;
- 7 b. By establishing a technique whereby the claims of many individuals can be
8 resolved at the same time, the class suit both eliminates the possibility of
9 repetitious litigation and provides small claimants with a method of obtaining
10 redress for claims which would otherwise be too small to warrant individual
11 litigation;
- 12 c. This case involves large corporate Defendants and a large number of
13 individual Class members with many relatively small claims and common
14 issues of law and fact;
- 15 d. If each individual member of the Classes was required to file an individual
16 lawsuit, the large corporate Defendants would necessarily gain an
17 unconscionable advantage because Defendants would be able to exploit and
18 overwhelm the limited resources of each individual member of the Classes
19 with Defendants' vastly superior financial and legal resources;
- 20 e. Requiring each individual member of the Classes to pursue an individual
21 remedy would also discourage the assertion of lawful claims by the members
22 of the Classes who would be disinclined to pursue an action against
23 Defendants because of an appreciable and justifiable fear of retaliation and
24 permanent damage to their lives, careers, and well-being;
- 25 f. Proof of a common business practice or factual pattern, of which the members
26 of the Classes experienced, is representative of the Classes herein and will
27 establish the right of each of the members of the Classes to recover on the
28 causes of action alleged herein;

- 1 g. Absent class treatment, the prosecution of separate actions by the individual
2 members of the Classes, even if possible, would likely create:
- 3 i) a substantial risk of each individual plaintiff presenting in separate,
4 duplicative proceedings the same or essentially similar arguments and
5 evidence, including expert testimony;
- 6 ii) a multiplicity of trials conducted at enormous expense to both the
7 judicial system and the litigants;
- 8 iii) inconsistent or varying verdicts or adjudications with respect to the
9 individual members of the Classes against Defendants;
- 10 iv) potentially incompatible standards of conduct for Defendants; and
- 11 v) potentially incompatible legal determinations with respect to
12 individual members of the Classes which would, as a practical matter,
13 be dispositive of the interest of the other members of the Classes who
14 are not parties to the adjudications or which would substantially
15 impair or impede the ability of the members of the Classes to protect
16 their interests.
- 17 h. The claims of the individual members of the Classes are not sufficiently large
18 to warrant vigorous individual prosecution considering all of the concomitant
19 costs and expenses attendant thereto;
- 20 i. Courts seeking to preserve efficiency and other benefits of class actions
21 routinely fashion methods to manage any individual questions; and
- 22 j. The Supreme Court of California urges trial courts, which have an obligation
23 to consider the use of innovative procedural tools to certify a manageable
24 class, to be procedurally innovative in managing class actions.

25 30. Well-defined Community of Interest: Plaintiffs also meet the established
26 standards for class certification, as follows:

- 27 a. Typicality: The claims of Plaintiff Lanisha Elder are typical of the claims
28 of all members of the Classes she seeks to represent because all members

of the Classes sustained injuries and damages arising out of Defendants' common course of conduct in violation of law and the injuries and damages of all members of the Classes were caused by Defendants' wrongful conduct in violation of law, as alleged herein.

b. Adequacy: Plaintiff Lanisha Elder:

- i) is an adequate representative of the Classes she seeks to represent;
- ii) will fairly protect the interests of the members of the Classes;
- iii) has no interests antagonistic to the members of the Classes; and
- iv) will vigorously pursue this suit via attorneys who are competent, skilled and experienced in litigating matters of this type.

c. Predominant Common Questions of Law or Fact: There are common questions of law and/or fact as to the members of the Classes which predominate over questions affecting only individual members of the Classes, including, without limitation:

- i) Whether Defendants paid the legal and appropriate straight time pay, minimum wage pay and/or overtime pay for all work hours to the members of the Wage Class;
- ii) Whether Defendants' time rounding policies and practices are illegal with regard to the members of the Rounding Class;
- iii) Whether Defendants paid all overtime wages owed to the members of the Overtime Rate Class at the appropriate overtime pay rate;
- iv) Whether Defendants failed and continue to fail to provide legally-required meal periods to the members of the Meal Period Class in violation of the Labor Code and Section 11 of the IWC Wage Orders;
- v) Whether Defendants failed and continue to fail to authorize and permit paid legally-required rest periods to the members of the Rest Period Class in violation of the Labor Code and Section 12 of the IWC Wage Orders;

- 1 vi) Whether Defendants failed to fully reimburse for all work-related
2 expenses incurred by the members of the Reimbursements Class;
3 vii) Whether Defendants independently failed to timely furnish accurate,
4 itemized and legal wage statements to the members of the Independent
5 Wage Statement Class;
6 viii) Whether Defendants derivatively failed to timely furnish accurate,
7 itemized and legal wage statements to the members of the Derivative
8 Wage Statement Class;
9 ix) Whether Defendants are liable under Labor Code § 203 to the
10 members of the LC 203 Class;
11 x) Whether Defendants' conduct constitutes unfair competition within the
12 meaning of Business & Professions Code §§ 17200, et seq.;
13 xi) Whether the members of the Classes are entitled to compensatory
14 damages, and if so, the means of measuring such damages;
15 xii) Whether the members of the Classes are entitled to injunctive relief;
16 xiii) Whether the members of the Classes are entitled to restitution; and
17 xiv) Whether Defendants are liable for attorneys' fees and costs.

18 31. Whether each member of the Classes might be required to ultimately justify an
19 individual claim does not preclude maintenance of a class action.

20 **V.**

21 **CAUSES OF ACTION**

22 **FIRST CAUSE OF ACTION**

23 **FAILURE TO PAY ALL WAGES**

24 **(On Behalf of the Wage Class)**

25 **(Against All Defendants)**

26 32. Plaintiffs incorporate by reference and reallege each and every one of the
27 allegations contained in the preceding and foregoing paragraphs of this Complaint as if fully set
28 forth herein.

1 33. Labor Code § 204 establishes the fundamental right of all employees in the State
2 of California to be paid wages, including straight time and overtime, in a timely fashion for their
3 work.

4 34. Labor Code § 510(a) states in pertinent part, “Any work in excess of eight hours
5 in one workday and any work in excess of 40 hours in any one workweek ... shall be
6 compensated at the rate of no less than one and one-half times the regular rate of
7 pay for any employee.”

8 35. Labor Code § 1182.12, effective July 1, 2014, states, “Notwithstanding any other
9 provision of this part, on and after July 1, 2014, the minimum wage for all industries shall be not
10 less than nine dollars (\$9) per hour, and on and after January 1, 2016, the minimum wage for all
11 industries shall be not less than ten dollars (\$10) per hour.” Further, under Labor Code §
12 1182.12(b)(1)(A), for any employer who employs 26 or more employees, the minimum wage
13 shall be as follows: “From January 1, 2017, to December 31, 2017, inclusive, - ten dollars and
14 fifty cents (\$10.50) per hour.” Under Labor Code § 1182.12(b)(1)(B), for any employer who
15 employs 26 or more employees, the minimum wage shall be as follows: “From January 1, 2018,
16 to December 31, 2018, inclusive, - eleven dollars (\$11) per hour.” Under Labor Code §
17 1182.12(b)(1)(C), for any employer who employs 26 or more employees, the minimum wage
18 shall be as follows: “From January 1, 2019, to December 31, 2019, inclusive, - twelve dollars
19 (\$12) per hour.” Under Labor Code § 1182.12(b)(1)(D), for any employer who employs 26 or
20 more employees, the minimum wage shall be as follows: “From January 1, 2020, to December
21 31, 2020, inclusive, - thirteen dollars (\$13) per hour.” Under Labor Code § 1182.12(b)(1)(E), for
22 any employer who employs 26 or more employees, the minimum wage shall be as follows:
23 “From January 1, 2021, to December 31, 2021, inclusive, - fourteen dollars (\$14) per hour.”
24 Finally, under Labor Code § 1182.12(b)(1)(F), for any employer who employs 26 or more
25 employees, the minimum wage shall be as follows: “From January 1, 2022, and until adjusted by
26 subdivision (c) - fifteen dollars (\$15) per hour.”

27 36. Labor Code § 1194(a) states, “Notwithstanding any agreement to work for a
28 lesser wage, any employee receiving less than the legal minimum wage or the legal overtime

1 compensation applicable to the employee is entitled to recover in a civil action the unpaid
2 balance of the full amount of this minimum wage or overtime compensation, including interest
3 thereon, reasonable attorney's fees, and costs of suit."

4 37. Further, under Labor Code § 1197, payment of less than the minimum wage fixed
5 by the Labor Commission is unlawful.

6 38. Under Labor Code § 1198, it is unlawful to employ persons for longer than the
7 hours set by the Industrial Welfare Commission or under conditions prohibited by the IWC
8 Wage Order(s).

9 39. Under the IWC Wage Order(s), Defendants are required to pay the members of
10 the Wage Class for all hours worked, meaning the time during which an employee is subject to
11 the control of an employer, including all the time the employee is suffered or permitted to work,
12 whether or not required to do so.

13 40. Defendants, as a matter of established company policy and procedure, at each and
14 every one of the individual facilities owned and/or operated by Defendants, consistently:

15 a. Administered a uniform company policy and practice as to the pay
16 policies regarding the members of the Wage Class;

17 b. Required the members of the Wage Class to spend unpaid time under
18 Defendants' control for work-related tasks without compensation,
19 including but not limited to:

20 i. Work-related tasks at the beginning of their shifts before clocking in
21 and/or at the end of their shifts after clocking out;

22 ii. Use of their personal mobile devices for work-related tasks,
23 including before and/or after their shifts, and/or in the evening and/or
24 on weekends; and/or

25 iii. Lengthy COVID screenings and COVID tests while off the clock;

26 c. And as such, Defendants suffered, permitted, and/or required the members
27 of the Wage Class to work without paying for all time they were under
28 Defendants' control.

1 41. Because Defendants required the members of the Wage Class to remain under
2 Defendants' control without paying therefore, this resulted in the members of the Wage Class
3 earning less than the legal minimum wage in the State of California.

4 42. Defendants' pattern, practice and uniform administration of corporate policy
5 regarding illegal employee compensation as described herein is unlawful and creates an
6 entitlement, under Labor Code § 218, to recovery by Plaintiffs and the members of the Wage
7 Class, in a civil action, of the unpaid balance of the full amount of wages owing, calculated at the
8 appropriate rate.

9 43. Further, Defendants' pattern and practice in uniform administration of corporate
10 policy regarding Defendants' failure to pay the legal minimum wage to the members of the
11 Wage Class as described herein is unlawful and creates entitlement, under Labor Code § 1194(a),
12 to recovery by the members of the Wage Class, in a civil action, for the unpaid balance of the
13 full amount of the unpaid minimum wages owed, calculated as the difference between the
14 straight time compensation paid and the applicable minimum wage, including interest thereon.

15 44. Under Labor Code § 1194.2(a) (which provides that in any action under Labor
16 Code § 1194, an employee shall be entitled to recover liquidated damages), the members of the
17 Wage Class seek recovery of liquidated damages in an amount equal to the wages unlawfully
18 unpaid and interest thereon.

19 45. That calculation of individual damages for the members of the Wage Class may at
20 some point be required does not foreclose the possibility of taking common evidence on
21 questions regarding their entitlement to overtime compensation.

22 46. Under Labor Code §§ 218.6 and 1194(a) and Civil Code § 3287, the members of
23 the Wage Class seek recovery of pre-judgment interest on all amounts recovered herein.

24 47. Under Labor Code §§ 218.5 and/or 1194, the members of the Wage Class request
25 that the Court award reasonable attorneys' fees and costs incurred by them in this action.

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SECOND CAUSE OF ACTION
FAILURE TO PAY ALL WAGES DUE TO ILLEGAL ROUNDING
(On Behalf of the Rounding Class)
(Against All Defendants)

48. Plaintiffs incorporate by reference and reallege each and every one of the allegations contained in the preceding and foregoing paragraphs of this Complaint as if fully set forth herein.

49. Labor Code § 204 establishes the fundamental right of all employees in the State of California to be paid wages, including straight time and overtime, in a timely fashion for their work.

50. Labor Code § 510(a) states in pertinent part: “Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek ... shall be compensated at the rate of no less than one and one-half times the regular rate of pay for any employee.”

51. Labor Code § 1182.12, effective July 1, 2014, states: “Notwithstanding any other provision of this part, on and after July 1, 2014, the minimum wage for all industries shall be not less than nine dollars (\$9) per hour, and on and after January 1, 2016, the minimum wage for all industries shall be not less than ten dollars (\$10) per hour.” Further, under Labor Code § 1182.12(b)(1)(A), for any employer who employs 26 or more employees, the minimum wage shall be as follows: “From January 1, 2017, to December 31, 2017, inclusive, - ten dollars and fifty cents (\$10.50) per hour.” Under Labor Code § 1182.12(b)(1)(B), for any employer who employs 26 or more employees, the minimum wage shall be as follows: “From January 1, 2018, to December 31, 2018, inclusive, - eleven dollars (\$11) per hour.” Under Labor Code § 1182.12(b)(1)(C), for any employer who employs 26 or more employees, the minimum wage shall be as follows: “From January 1, 2019, to December 31, 2019, inclusive, - twelve dollars (\$12) per hour.” Under Labor Code § 1182.12(b)(1)(D), for any employer who employs 26 or more employees, the minimum wage shall be as follows: “From January 1, 2020, to December 31, 2020, inclusive, - thirteen dollars (\$13) per hour.” Under Labor Code § 1182.12(b)(1)©, for

any employer who employs 26 or more employees, the minimum wage shall be as follows:
“From January 1, 2021, to December 31, 2021, inclusive, - fourteen dollars (\$14) per hour.”
Finally, under to Labor Code § 1182.12(b)(1)(F), for any employer who employs 26 or more employees, the minimum wage shall be as follows: “From January 1, 2022, and until adjusted by subdivision (c) - fifteen dollars (\$15) per hour.”

52. Labor Code § 1194(a) states: “Notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to 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.”

53. Further, under to Labor Code § 1197, payment of less than the minimum wage fixed by the Labor Commission is unlawful.

54. Under Labor Code § 1198, it is unlawful to employ persons for longer than the hours set by the Industrial Welfare Commission or under conditions prohibited by the IWC Wage Order(s).

55. Under the IWC Wage Order(s), Defendants are required to pay the members of the Rounding Class for all hours worked, meaning the time during which an employee is subject to the control of an employer, including all the time the employee is suffered or permitted to work, whether or not required to do so.

56. Defendants, as a matter of established company policy and procedure, at each and every one of the individual facilities owned and/or operated by Defendants, consistently:

- a. Administered a uniform company policy and practice as to the rounding policies regarding the members of the Rounding Class; and
- b. Used a timekeeping system that could track the exact amount of time worked; and
- c. Instructed the members of the Rounding Class to enter their scheduled shift start and end times in the timekeeping system instead of their actual work hours, so that during the course of their employment, the members of the

1 Rounding Class were paid far less than they would have been paid had they
2 been paid for actual time rather than “rounded” time.

3 57. Because Defendants required the members of the Rounding Class to remain under
4 Defendants’ control without paying therefore, this resulted in the members of the Rounding
5 Class earning less than the legal minimum wage in the State of California.

6 58. Defendants’ pattern, practice and uniform administration of corporate policy
7 regarding illegal employee compensation as described herein is unlawful and creates an
8 entitlement, under Labor Code § 218, to recovery by Plaintiffs and the members of the Rounding
9 Class, in a civil action, of the unpaid balance of the full amount of wages owing, calculated at the
10 appropriate rate.

11 59. Further, Defendants’ pattern and practice in uniform administration of corporate
12 policy regarding Defendants’ failure to pay the legal minimum wage to the members of the
13 Rounding Class as described herein is unlawful and entitles them, under Labor Code § 1194(a),
14 to recovery of the unpaid balance of the full amount of the unpaid minimum wages owed,
15 calculated as the difference between the straight time compensation paid and the applicable
16 minimum wage (and/or the full amount of unpaid overtime compensation, which includes any
17 unpaid straight time and unpaid overtime premium for overtime hours worked), including
18 interest thereon.

19 60. Under Labor Code § 1194.2(a) (which provides that in any action under Labor
20 Code § 1194, an employee shall be entitled to recover liquidated damages), the members of the
21 Rounding Class seek recovery of liquidated damages in an amount equal to the wages unlawfully
22 unpaid and interest thereon.

23 61. That calculation of individual damages for the members of the Rounding Class
24 may at some point be required does not foreclose the possibility of taking common evidence on
25 questions regarding their entitlement to overtime compensation.

26 62. Under Labor Code §§ 218.6 and 1194(a) and Civil Code §3287, the members of
27 the Rounding Class seek recovery of pre-judgment interest on all amounts recovered herein.

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63. Under Labor Code §§ 218.5 and/or 1194, the members of the Rounding Class request that the Court award reasonable attorneys' fees and costs incurred by them in this action.

THIRD CAUSE OF ACTION
FAILURE TO PAY ALL OVERTIME
WAGES AT THE LEGAL OVERTIME PAY RATE
(On Behalf of the Overtime Rate Class)
(Against All Defendants)

64. Plaintiffs incorporate by reference and reallege each and every one of the allegations contained in the preceding and foregoing paragraphs of this Complaint as if fully set forth herein.

65. Labor Code § 204 establishes the fundamental right of all employees in the State of California to be paid wages, including straight time and overtime, in a timely fashion for their work.

66. Labor Code § 510(a) states in pertinent part, "Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek ... shall be compensated at the rate of no less than one and one-half times the regular rate of pay for any employee."

67. The "regular rate of pay" includes "all [applicable] remuneration paid to, or on behalf of the employee." (29 U.S.C. § 207(3).) The California Industrial Welfare Commission applies this standard for determining an employee's regular rate of pay for overtime calculation purposes.

68. Labor Code §§ 1194(a) states: "Notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to 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."

69. Defendants, as a matter of established company policy and procedure, at each and every one of the individual facilities owned and/or operated by Defendants, consistently:

- a. Administered a uniform company policy and practice regarding the payment of wages, including overtime and bonuses, to the members of the Overtime Rate Class;
- b. Scheduled to work and in fact required Plaintiff and the members of the Overtime Class to work in excess of eight hours per workday and/or in excess of 40 hours per workweek;
- c. Paid the members of the Overtime Rate Class various additional forms of non-discretionary remuneration, including but not limited to bonuses; and yet,
- d. Failed to pay Plaintiff and the members of the Overtime Rate Class at the legal rate reflecting all applicable forms of remuneration, including but not limited to bonuses, commissions, and/or incentive pay, as required by law.

70. Defendants' pattern, practice and uniform administration of corporate policy regarding illegal employee compensation as described herein is unlawful and creates an entitlement, under Labor Code §§ 218 and 1194(a), to recovery by the members of the Overtime Rate Class, in a civil action, for the unpaid balance of the full amount of the overtime premiums owing.

71. That calculation of individual damages for the members of the Overtime Rate Class may at some point be required does not foreclose the possibility of taking common evidence on questions regarding their entitlement to overtime compensation.

72. Under Labor Code §§ 218.6 and 1194(a), and Civil Code § 3287, the members of the Overtime Rate Class seek recovery of pre-judgment interest on all amounts recovered herein.

73. Under Labor Code §§ 218.5 and/or 1194, the members of the Overtime Rate Class request that the Court award reasonable attorneys' fees and costs incurred by them in this action.

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FOURTH CAUSE OF ACTION
FAILURE TO PROVIDE ALL MEAL PERIODS
(On Behalf of the Meal Period Class)
(Against All Defendants)

74. Plaintiffs incorporate by reference and reallege each and every one of the allegations contained in the preceding and foregoing paragraphs of this Complaint as if fully set forth herein.

75. Labor Code § 226.7(b) provides, “An employer shall not require an employee to work during a meal or rest or recovery period mandated pursuant to an applicable statute, or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health.”

76. Labor Code § 512 provides, “An employer may not employ an employee for a work period of more than five hours per day without providing the employee with a meal period of not less than 30 minutes, except that if the total work period per day of the employee is no more than six hours, the meal period may be waived by mutual consent of both the employer and employee. An employer may not employ an employee for a work period of more than 10 hours per day without providing the employee with a second meal period of not less than 30 minutes, except that if the total hours worked is no more than 12 hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived.”

77. Labor Code § 516 provides that the Industrial Welfare Commission “may adopt or amend working condition orders with respect to break periods, meal periods, and days of rest for any workers in California consistent with the health and welfare of those workers.”

78. Section 11(C) of the IWC Wage Orders provides that “Unless the employee is relieved of all duty during a 30 minute meal period, the meal period shall be considered an “on duty” meal period and counted as time worked. An “on duty” meal period shall be permitted only when the nature of the work prevents an employee from being relieved of all duty and when by written agreement between the parties an on-the-job paid meal period is agreed to. The

1 written agreement shall state that the employee may, in writing, revoke the agreement at any
2 time.”

3 79. Section 11(D) of the IWC Wage Order(s) provides “If an employer fails to
4 provide an employee a meal period in accordance with the applicable provisions of this order, the
5 employer shall pay the employee one (1) hour of pay at the employee’s regular rate of
6 compensation for each workday that the meal period is not provided.”

7 80. On one or more occasions, the members of the Meal Period Class worked over
8 five hours per shift and therefore were entitled to an uninterrupted meal period of not less than
9 30 minutes prior to exceeding five hours of employment.

10 81. Further, on one or more occasions, some members of the Meal Period Class
11 worked over 10 hours per shift and therefore were entitled to an uninterrupted second meal
12 period of not less than 30 minutes prior to exceeding 10 hours of employment.

13 82. The members of the Meal Period Class did not validly or legally waive their meal
14 periods, by mutual consent with Defendants or otherwise.

15 83. The members of the Meal Period Class did not enter into any written agreement
16 with Defendants agreeing to an on-the-job paid meal period.

17 84. As a matter of Defendants’ established company policy, Defendants failed to
18 always comply with the meal period requirements established by Labor Code §§ 226.7, 512, and
19 516 and Section 11 of the IWC Wage Order(s) by failing to always provide the members of the
20 Meal Period Class with a first and in some cases a second legally compliant meal period.

21 85. Under Section 11(B) of the IWC Wage Order(s) and Labor Code § 226.7(c),
22 which states “If an employer fails to provide an employee a meal or rest or recovery period in
23 accordance with a state law, including, but not limited to, an applicable statute or applicable
24 regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and
25 Health Standards Board, or the Division of Occupational Safety and Health, the employer shall
26 pay the employee one additional hour of pay at the employee's regular rate of compensation for
27 each workday that the meal or rest or recovery period is not provided,” the members of the Meal
28 Period Class are entitled to damages in an amount equal to one additional hour of pay at each

1 employee's regular rate of compensation for each work day that one or more meal periods were
2 not provided to them, in a sum to be proven at trial.

3 86. Under Labor Code § 218.6 and Civil Code § 3287, the members of the Meal
4 Period Class seek recovery of pre-judgment interest on all amounts recovered herein.

5 **FIFTH CAUSE OF ACTION**

6 **FAILURE TO AUTHORIZE AND PERMIT ALL PAID REST PERIODS**

7 **(On Behalf of the Rest Period Class)**

8 **(Against All Defendants)**

9 87. Plaintiffs incorporate by reference and reallege each and every one of the
10 allegations contained in the preceding and foregoing paragraphs of this Complaint as if fully set
11 forth herein.

12 88. Labor Code § 226.7(b) provides, "An employer shall not require an employee to
13 work during a meal or rest or recovery period mandated pursuant to an applicable statute, or
14 applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational
15 Safety and Health Standards Board, or the Division of Occupational Safety and Health."

16 89. Labor Code § 516 provides that the Industrial Welfare Commission "may adopt or
17 amend working condition orders with respect to break periods, meal periods, and days of rest for
18 any workers in California consistent with the health and welfare of those workers."

19 90. Section 12(A) of the IWC Wage Order(s) states, "Every employer shall authorize
20 and permit all employees to take rest periods, which insofar as practicable shall be in the middle
21 of each work period. The authorized rest period time shall be based on the total hours worked
22 daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof.
23 However, a rest period need not be authorized for employees whose total daily work time is less
24 than three and one-half (3 ½) hours. Authorized rest period time shall be counted as hours
25 worked for which there shall be no deduction from wages."

26 91. Section 12(B) of the IWC Wage Order(s) states, "If an employer fails to provide
27 an employee a rest period in accordance with the applicable provisions of this order, the
28 employer shall pay the employee one (1) hour of pay at the employee's regular rate of

1 compensation for each workday that the rest period is not provided.”

2 92. The members of the Rest Period Class sometimes worked over four hours per
3 shift. Further, the members of the Rest Period Class sometimes worked over six hours per shift
4 and in some cases over 10 hours per shift.

5 93. The members of the Rest Period Class were entitled to a rest period of not less
6 than 10 minutes for every four hours of work or major fraction thereof.

7 94. As a matter of Defendants’ established company policy, Defendants failed to
8 always authorize and permit legally-compliant rest periods. Defendants did not authorize and
9 permit rest periods for shifts every four hours or major fraction thereof.

10 95. Under Section 12 of the IWC Wage Order(s) and Labor Code § 226.7(b) which
11 states “if an employer fails to provide an employee a meal or rest period in accordance with an
12 applicable order of the Industrial Welfare Commission, the employer shall pay the employee one
13 additional hour of pay at the employee’s regular rate of compensation for each work day that the
14 meal or rest period is not provided,” the members of the Rest Period Class are entitled to
15 damages in an amount equal to one (1) additional hour of pay at each employee’s regular rate of
16 compensation for each work day that one or more rest periods were not so provided.

17 96. Under Labor Code § 218.6 and Civil Code § 3287, the members of the Rest
18 Period Class seek recovery of pre-judgment interest on all amounts recovered herein.

19 **SIXTH CAUSE OF ACTION**

20 **FAILURE TO FULLY REIMBURSE WORK EXPENSES**

21 **(On Behalf of the Reimbursements Class)**

22 **(Against All Defendants)**

23 97. Plaintiffs incorporate by reference and reallege each and every one of the
24 allegations contained in the preceding and foregoing paragraphs of this Complaint as if fully set
25 forth herein.

26 98. Under Labor Code § 2802(a), “an employer shall indemnify his or her employee
27 for all necessary expenditures or losses incurred by the employee in direct consequence of the
28 discharge of his or her duties, or of his or her obedience to the directions of the employer.”

1 99. Labor Code § 2804 states in pertinent part, “Any contract or agreement, express
2 or implied, made by any employee to waive the benefits of this article or any part thereof is null
3 and void, and this article shall not deprive any employee or his personal representative of any
4 right or remedy to which he is entitled under the laws of this State.”

5 100. As a matter of Defendants’ established company policy, the members of the
6 Reimbursements Class were and are required by Defendants to personally incur necessary
7 expenditures in direct consequence of the discharge of their duties, including but not limited to
8 the use of personal mobile devices and personal vehicle (including but not limited to mileage) for
9 work-related activities.

10 101. Defendants are legally required to reimburse the members of the Reimbursements
11 Class for all necessary expenditures.

12 102. Defendants failed to fully and reasonably reimburse the members of the
13 Reimbursements Class for all necessary expenditures, including but not limited to the
14 aforementioned expenditures.

15 103. As a proximate result of the aforementioned violations of Labor Code § 2802(a),
16 the members of the Reimbursements Class are entitled to recovery from Defendants of the
17 unpaid balance for all necessary expenditures, including but not limited to the aforementioned
18 expenditures.

19 104. As a proximate result of the aforementioned violations of Labor Code § 450(a)
20 and § 2802(a), the members of the Reimbursements Class have been damaged in an amount
21 according to proof at the time of trial.

22 105. Under Labor Code § 2802(b), the members of the Reimbursements Class request
23 that the Court award interest at the same rate as judgments in civil actions, accruing from the
24 date on which each member of the Reimbursements Class incurred the necessary expenditure or
25 loss.

26 106. Under Labor Code § 2802(c), the members of the Reimbursements Class request
27 that the Court award reasonable attorneys’ fees and costs incurred by them in this action.

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SEVENTH CAUSE OF ACTION
INDEPENDENT FAILURE TO TIMELY
FURNISH ACCURATE ITEMIZED WAGE STATEMENTS
(On Behalf of the Independent Wage Statement Class)
(Against All Defendants)

107. Plaintiffs incorporate by reference and reallege each and every one of the allegations contained in the preceding and foregoing paragraphs of this Complaint as if fully set forth herein.

108. Labor Code § 226(a) states in pertinent part, “Every employer shall, semimonthly or at the time of each payment of wages, furnish each of his or her employees, either as a detachable part of the check, draft, or voucher paying the employee’s wages, or separately when wages are paid by personal check or cash, an accurate itemized statement in writing showing (1) gross wages earned, (2) total hours worked by the employee, except for any employee whose compensation is solely based on a salary and who is exempt from payment of overtime under subdivision (a) of Section 515 or any applicable order of the Industrial Welfare Commission, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer and, if the employer is a farm labor contractor, as defined in subdivision (b) of Section 1682, the name and address of the legal entity that secured the services of the employer, and (9) all applicable hourly rates in effect during the pay period...”

109. As a pattern and practice, in violation of Labor Code § 226(a), Defendants did not and still do not furnish each of the members of the Independent Wage Statement Class with an accurate itemized statement in writing showing (2) total hours worked by the employee ... , (8) the name and address of the legal entity that is the employer, and ... (9) all applicable hourly

1 rates in effect during the pay period...”

2 110. Such confusion over which entity is the legal employer and the use of a city and
3 zip code instead of a full physical address has been held to be a violation of the statute. *Cicairos*
4 *v. Summit Logistics, Inc.* (2005) 133 Cal.App.4th 949, 961; *Noori v. Countrywide Payroll & HR*
5 *Solutions, Inc.* (2019) 43 Cal.App.5th 957, 965.

6 111. As of January 1, 2013, SB 1255 amended Labor Code § 226 to clarify that an
7 employee suffers injury if the employer fails to provide accurate and complete information as
8 required by any one or more items listed in Labor Code § 226(a)(1)-(9) and the employee cannot
9 promptly and easily ascertain required information without reference to other documents or
10 information.

11 112. Here, the members of Independent Wage Statement Class suffered injury because
12 Defendants failed to provide accurate and complete information as required by one or more items
13 listed in Labor Code § 226(a)(1)-(9) and the Independent Wage Statement Class members could
14 not and cannot promptly and easily ascertain required information without reference to other
15 documents or information.

16 113. In addition, the members of the Independent Wage Statement Class have suffered
17 injury as a result of Defendants’ failure to maintain accurate records for the members of the
18 Independent Wage Statement Class in that the members of the Independent Wage Statement
19 Class were not timely provided written accurate itemized statements showing all required
20 information, including but not limited to the name and address of the legal entity that is the
21 employer, total hours worked, and/or all applicable hourly rates, in violation of Labor Code §
22 226, such that the members of the Independent Wage Statement Class were misled by
23 Defendants as to the correct information regarding various items, including but not limited to the
24 name and address of the legal entity that is the employer, total hours worked, and/or all
25 applicable hourly rates.

26 114. The actual injuries suffered by the members of the Independent Wage Statement
27 Class as a result of Defendants’ knowing and intentional failure to maintain accurate records for
28 the members of the Independent Wage Statement Class include but are not limited to:

1 a. That such practice prevents the members of the Independent Wage Statement
2 Class from being able to effectively challenge information on their wage
3 statements; and/or

4 b. The difficulty and expense of filing and maintaining this lawsuit and the
5 discovery required to collect and analyze the very information that California
6 law requires.

7 115. Under Labor Code § 226(e), the members of the Independent Wage Statement
8 Class are entitled to \$50.00 per employee for the initial pay period in which a violation
9 hereunder occurs and \$100.00 per employee for each violation in a subsequent pay period, not
10 exceeding an aggregate penalty of \$4,000.00.

11 116. Under Labor Code § 226(g), the currently-employed members of the Independent
12 Wage Statement Class are entitled to injunctive relief to ensure Defendants' compliance with
13 Labor Code § 226.

14 117. Under Labor Code §§ 226(e)/(g), the members of the Independent Wage
15 Statement Class are also entitled to an award of costs and reasonable attorneys' fees.

16 **EIGHTH CAUSE OF ACTION**

17 **DERIVATIVE FAILURE TO TIMELY**

18 **FURNISH ACCURATE ITEMIZED WAGE STATEMENTS**

19 **(On Behalf of the Derivative Wage Statement Class)**

20 118. Plaintiffs incorporate by reference and reallege each and every one of the
21 allegations contained in the preceding and foregoing paragraphs of this Complaint as if fully set
22 forth herein.

23 119. Labor Code § 226(a) states in pertinent part, "Every employer shall, semimonthly
24 or at the time of each payment of wages, furnish each of his or her employees, either as a
25 detachable part of the check, draft, or voucher paying the employee's wages, or separately when
26 wages are paid by personal check or cash, an accurate itemized statement in writing showing (1)
27 gross wages earned, (2) total hours worked by the employee... (4) all deductions... (5) net wages
28 earned, (6) the inclusive dates of the period for which the employee is paid... (8) the name and

1 address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during
2 each the pay period and the corresponding number of hours worked at each hourly rate by the
3 employee....”

4 120. Further, the IWC Wage Orders § 7(A) states in pertinent part, “(A) Every
5 employer shall keep accurate information with respect to each employee including the following:
6 (3) Time records showing when the employee begins and ends each work period. Meal periods,
7 split shift intervals, and total daily hours worked shall also be recorded...(5) Total hours worked
8 in the payroll period and applicable rates of pay....”

9 121. Therefore, under Labor Code § 226(a) and the IWC Wage Orders § 7(A),
10 California employers are required to maintain accurate records pertaining to the total hours
11 worked for Defendants by the members of the Derivative Wage Statement Class, including but
12 not limited to, beginning and ending of each work period, meal period and split shift interval, the
13 total daily hours worked, and the total hours worked per pay period and applicable rates of pay.

14 122. As a pattern and practice, in violation of Labor Code § 226(a) and the IWC Wage
15 Orders § 7(A), Defendants did not and still do not furnish each of the members of the Derivative
16 Wage Statement Class with an accurate itemized statement in writing showing (1) gross wages
17 earned, (2) total hours worked by the employee, (3) all deductions, (4) net wages earned and/or
18 (5) all applicable hourly rates in effect during each respective pay period and the corresponding
19 number of hours worked at each hourly rate by each respective individual.

20 123. As set forth herein in prior causes of action, Defendants failed to pay the members
21 of the Derivative Wage Statement Class all wages due and owing.

22 124. As a derivative result of this failure to pay wages and as a pattern and practice in
23 violation of Labor Code § 226(a) and the IWC Wage Orders § 7(A), Defendants did not and do
24 not maintain accurate records pertaining to the total hours worked for Defendants by the
25 members of the Derivative Wage Statement Class, including but not limited to, beginning and
26 ending of each work period, meal period interval, total daily hours worked, total hours worked
27 per pay period, and the applicable rates of pay.

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1 125. As of January 1, 2013, SB 1255 amended Labor Code § 226 to clarify that an
2 employee suffers injury if the employer fails to provide accurate and complete information as
3 required by any one or more items listed in Labor Code § 226(a)(1)-(9) and the employee cannot
4 promptly and easily ascertain requisite information without reference to other documents or
5 information.

6 126. Here, the members of Derivative Wage Statement Class suffered injury because,
7 due to Defendants' failure to pay all wages due and owing, Defendants derivatively failed to
8 provide accurate and complete information as required by one or more items listed in Labor
9 Code § 226(a)(1)-(9).

10 127. In addition, the members of the Derivative Wage Statement Class have suffered
11 injury as a result of Defendants' failure to maintain accurate records for the members of the
12 Derivative Wage Statement Class in that the members of the Derivative Wage Statement Class
13 were not timely provided written accurate itemized statements showing all requisite information,
14 including but not limited to total hours worked by the employee, net wages earned and all
15 applicable hourly rates in effect during the pay period and the corresponding number of hours
16 worked at each hourly rate, in violation of Labor Code § 226 and the IWC Wage Orders § 7(A),
17 such that the members of the Derivative Wage Statement Class were misled by Defendants as to
18 the correct information regarding various items, including but not limited to total hours worked
19 by the employee, net wages earned and all applicable hourly rates in effect during the pay period
20 and the corresponding number of hours worked at each hourly rate.

21 128. The actual injuries suffered by the members of the Derivative Wage Statement
22 Class as a result of Defendants' knowing and intentional failure to maintain accurate records for
23 the members of the Derivative Wage Statement Class include but are not limited to:

- 24 a. Confusion over whether they received all wages owed them by Defendants;
- 25 b. The difficulty and expense of attempting to reconstruct time and pay records;
- 26 c. Being forced to engage in mathematical computations to analyze whether
- 27 Defendants' wages in fact compensated for all hours worked;

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- 1 d. The inability to accurately calculate wage rates complicated by the fact that
2 wage statement information required by Labor Code § 226 is missing;
3 e. That such practice prevents the members of the Derivative Wage Statement
4 Class from being able to effectively challenge information on their wage
5 statements; and/or
6 f. The difficulty and expense of filing and maintaining this lawsuit, and the
7 discovery required to collect and analyze the very information that California
8 law requires.

9 129. Under Labor Code § 226(e), the members of the Derivative Wage Statement
10 Class are entitled to \$50.00 per employee for the initial pay period in which a violation
11 hereunder occurs and \$100.00 per employee for each violation in a subsequent pay period, not
12 exceeding an aggregate penalty of \$4,000.00.

13 130. Under Labor Code § 226(g), the currently-employed members of the Derivative
14 Wage Statement Class are entitled to injunctive relief to ensure Defendants' compliance with
15 Labor Code § 226.

16 131. Under Labor Code §§ 226(e)/(g), the members of the Derivative Wage Statement
17 Class are also entitled to an award of costs and reasonable attorneys' fees.

18 **NINTH CAUSE OF ACTION**

19 **VIOLATIONS OF LABOR CODE §§ 201-202**

20 **(On Behalf of the LC 203 Class)**

21 **(Against All Defendants)**

22 132. Plaintiffs incorporate by reference and reallege each and every one of the
23 allegations contained in the preceding and foregoing paragraphs of this Complaint as if fully set
24 forth herein.

25 133. Labor Code § 203 provides that if an employer willfully fails to pay, without
26 abatement or reduction, in accordance with Labor Code §§ 201 and 202, any wages of an
27 employee who is discharged or who quits, the wages of the employee shall continue at the same
28 rate, for up to 30 days from the due date thereof, until paid or until an action therefore is

1 commenced.

2 134. The members of the LC 203 Class are no longer employed by Defendants as they
3 were either discharged from or quit Defendants' employ.

4 135. Defendants had a consistent and uniform policy, practice, and procedure of
5 willfully failing to pay the earned wages of Defendants' former employees, as set forth above,
6 according to amendment or proof.

7 136. As set forth above, Defendants willfully failed to pay the members of the LC 203
8 Class their entire wages due and owing at the time of their termination or within seventy-two
9 hours of their resignation and failed to pay those sums for up to 30 days thereafter.

10 137. Defendants' willful failure to pay wages to the members of the LC 203 Class
11 violates Labor Code § 203 because Defendants knew or should have known wages were due to
12 the members of the LC 203 Class, as set forth above, but Defendants failed to pay them.

13 138. Thus, the members of the LC 203 Class are entitled to recovery under Labor Code
14 § 203.

15 **TENTH CAUSE OF ACTION**

16 **PENALTIES UNDER LABOR CODE § 2699**

17 **(On Behalf of the Aggrieved Employees)**

18 **(Against All Defendants)**

19 139. Plaintiffs incorporate by reference and reallege each and every one of the
20 allegations contained in the preceding and foregoing paragraphs of this Complaint as if fully set
21 forth herein.

22 **A. FAILURE TO TIMELY PAY WAGES IN VIOLATION OF LABOR CODE § 204**

23 140. Labor Code § 204(a) provides in pertinent part that all wages "are due and
24 payable twice during each calendar month, on days designated in advance by the employer as the
25 regular paydays. Labor performed between the 1st and 15th days, inclusive, of any calendar
26 month shall be paid for between the 16th and the 26th day of the month during which the labor
27 was performed, and labor performed between the 16th and the last day, inclusive, of any calendar
28 month, shall be paid for between the 1st and 10th day of the following month."

1 141. As a matter of Defendants' established company policy, Plaintiff and all other
2 similarly situated aggrieved employees were and are not timely paid wages under Labor Code §
3 204.

4 142. Regarding Labor Code § 204(d), Plaintiff and all other similarly situated
5 aggrieved employees are and were paid requisite wages more than seven calendar days following
6 the close of Defendants' payroll period.

7 143. As such, Defendants had a consistent and uniform policy, practice and procedure
8 of failing to comply with Labor Code § 204 with regard to Plaintiff and all other similarly
9 situated aggrieved employees.

10 144. Defendants' consistent and uniform pay policies, practices, and procedures
11 resulted in Defendants failing to timely pay wages due and owing to Plaintiff and all other
12 similarly situated aggrieved employees during the relevant time period, in violation of Labor
13 Code § 204.

14 145. Plaintiff and all other similarly situated aggrieved employees are and were not
15 executive, administrative, or professional employees during the relevant time period, and as
16 such, for purposes of this cause of action, are not covered by the Fair Labor Standards Act.

17 146. Regarding Labor Code § 204(c), Plaintiff and all other similarly situated
18 aggrieved employees are and were not covered by a collective bargaining agreement that
19 provides different pay arrangements than those set forth in Labor Code § 204.

20 **B. FAILURE TO PAY SICK PAY AT THE LEGAL PAY RATE**

21 147. Labor Code § 246(a) states: "(a) An employee who, on or after July 1, 2015,
22 works in California for the same employer for 30 or more days within a year from the
23 commencement of employment is entitled to paid sick days as specified in this section."

24 148. Labor Code § 246(b)(1) states: "An employee shall accrue paid sick days at the
25 rate of not less than one hour per every 30 hours worked, beginning at the commencement of
26 employment or the operative date of this article, whichever is later, subject to the use and accrual
27 limitations set forth in this section."

28 ///

1 149. Labor Code § 246(*l*) states: “For the purposes of this section, an employer shall
2 calculate paid sick leave using any of the following calculations:

3 (1) Paid sick time for nonexempt employees shall be calculated in the same
4 manner as the regular rate of pay for the workweek in which the employee
5 uses paid sick time, whether or not the employee actually works overtime in
6 that workweek.

7 (2) Paid sick time for nonexempt employees shall be calculated by dividing the
8 employee’s total wages, not including overtime premium pay, by the
9 employee’s total hours worked in the full pay periods of the prior 90 days of
10 employment.”

11 150. Defendants, as a matter of established company policy and procedure, at each and
12 every one of the individual facilities owned and/or operated by Defendants, during the relevant
13 time period:

14 a. Administered a uniform company policy and practice as to the pay policies
15 regarding Plaintiff and all other similarly situated aggrieved employees; and

16 b. Failed to pay Plaintiff and all other similarly situated aggrieved employees for
17 paid sick days in a manner that fully complies with Labor Code § 246(*l*).

18 151. Defendants’ pattern, practice, and uniform administration of corporate policy
19 regarding illegal employee compensation as described herein is unlawful and creates an
20 entitlement, under Labor Code §§ 246, 248.5, and/or 2699, et seq., to recovery by Plaintiff and
21 all other similarly situated aggrieved employees, in a civil action, to the extent allowed by law.

22 **C. FAILURE TO MAINTAIN COMPLIANT EMPLOYMENT RECORDS**

23 152. Labor Code § 1174 states in pertinent part:

24 “Every person employing labor in this state shall:

25 (c) Keep a record showing the names and addresses of all employees employed and the
26 ages of all minors.

27 (d) Keep, at a central location in the state or at the plants or establishments at which
28 employees are employed, payroll records showing the hours worked daily by and the wages paid

1 to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees
2 employed at the respective plants or establishments. These records shall be kept in accordance
3 with rules established for this purpose by the commission, but in any case, shall be kept on file
4 for not less than three years. An employer shall not prohibit an employee from maintaining a
5 personal record of hours worked, or, if paid on a piece-rate basis, piece-rate units earned.”

6 153. Defendants had a consistent and uniform policy, practice, and procedure of
7 willfully failing to comply with Labor Code § 1174.

8 154. For example, Defendants did not have a policy regarding Plaintiff and other
9 aggrieved employees recording the hours worked during training nor did Defendants record such
10 hours.

11 155. Labor Code § 1174.5 states: “Any person employing labor who willfully fails to
12 maintain the records required by subdivision (c) of Section 1174 or accurate and complete
13 records required by subdivision (d) of Section 1174, or to allow any member of the commission
14 or employees of the division to inspect records pursuant to subdivision (b) of Section 1174, shall
15 be subject to a civil penalty of five hundred dollars (\$500).

16 156. Here, Defendants’ violations of Labor Code § 1174 were willful. Defendants’
17 pattern, practice, and uniform administration of corporate policy regarding the maintenance of
18 employment records as described herein is unlawful and creates liability for civil penalties for
19 these violations.

20 **D. PENALTIES ASSESSED**

21 157. Under Labor Code § 2699(a) (which provides that any provision of the Labor
22 Code that provides for a civil penalty to be assessed and collected by the LWDA, or any of its
23 departments, divisions, commissions, board agencies or employees, such civil penalties may, as
24 an alternative, be recovered through a civil action brought by an aggrieved employee on behalf
25 of himself or herself and other current or former employees) and Labor Code § 2699(f) (which
26 establishes a civil penalty for violations of all Labor Code provisions except those for which a
27 civil penalty is specifically provided), the aggrieved employees seek recovery of all applicable
28 civil penalties, as follows:

- 1 a. As applicable, for civil penalties under Labor Code § 2699(f), for all
2 violations of the Labor Code except for those for which a civil penalty is
3 specifically provided, in the amount of \$100 for each aggrieved employee per
4 pay period for the initial violation; and \$200 for each aggrieved employee per
5 pay period for each subsequent violation;
- 6 b. As applicable, civil penalties under Labor Code § 558 (in addition to and
7 entirely independent and apart from any other penalty provided in the Labor
8 Code), for violations of Labor Code §§ 500-556, in the amount of \$50 for
9 each underpaid aggrieved employee for each pay period the aggrieved
10 employee was underpaid, and \$100 for each subsequent violation for each
11 underpaid employee for each pay period for which the employee was
12 underpaid;
- 13 c. As applicable, for civil penalties under Labor Code § 1197.1 (in addition to
14 and entirely independent and apart from any other penalty provided in the
15 Labor Code), for violations of Labor Code §§ 1194 and 1197, in the amount
16 of \$100 for each underpaid aggrieved employee for each pay period the
17 aggrieved employee was intentionally underpaid, and \$250 for each
18 subsequent violation for each underpaid aggrieved employees regardless of
19 whether the initial violation was intentionally committed;
- 20 d. As applicable, for civil penalties under Labor Code § 210 (in addition to and
21 entirely independent and apart from any other penalty provided in the Labor
22 Code), for each employee who is/was not paid wages in accordance with
23 Labor Code §§ 204 and 204b in the amount of a civil penalty of \$100 for each
24 aggrieved employee per pay period for each initial violation, and \$200 for
25 each aggrieved employee per pay period for each subsequent violation;
- 26 e. As applicable, for civil penalties under Labor Code § 226.3 (in addition to and
27 entirely independent and apart from any other penalty provided in the Labor
28 Code), for each violation of Labor Code § 226(a), in the amount of \$250 for

- 1 each aggrieved employee per pay period for each violation and \$1,000 for
2 each aggrieved employee per pay period for each subsequent violation; and
3 f. As applicable, for civil penalties under Labor Code § 248.5(e) (in addition to
4 and entirely independent and apart from any other penalty provided in the
5 Labor Code), for each violation of Labor Code § 246(l), in the amount of
6 \$250;
7 g. As applicable, for civil penalties under Labor Code § 1174.5 (in addition to
8 and entirely independent and apart from any other penalty provided in the
9 Labor Code), for each violation of Labor Code § 1174, in the amount of \$500;
10 h. As applicable, for any and all additional civil penalties and sums as provided
11 by the Labor Code and/or other relevant statutes.

12 158. In addition, Plaintiff seeks and is entitled to 75% of all penalties obtained under
13 Labor Code § 2699 to be allocated to the LWDA, for education of employers and employees
14 about their rights and responsibilities under the Labor Code, and 25% to Plaintiff and all other
15 similarly situated aggrieved employees.

16 159. Further, Plaintiff is entitled to recover reasonable attorneys' fees and costs under
17 Labor Code §§ 2699(g)(1) and any other applicable statute.

18 160. Labor Code § 2699.3(a) states in pertinent part: "A civil action by an aggrieved
19 employee pursuant to subdivision (a) or (f) of Section 2699 alleging a violation of any provision
20 listed in Section 2699.5 shall commence only after the following requirements have been met:
21 (1) (A) The aggrieved employee or representative shall give written notice by online filing with
22 the Labor and Workforce Development Agency and by certified mail to the employer of the
23 specific provisions of this code alleged to have been violated, including the facts and theories to
24 support the alleged violation."

25 161. Labor Code § 2699.3(c)(1) states in pertinent part: "A civil action by an aggrieved
26 employee pursuant to subdivision (a) or (f) of Section 2699 alleging a violation of any provision
27 other than those listed in Section 2699.5 or Division 5 (commencing with Section 6300) shall
28 commence only after the following requirements have been met: (1) (A) The aggrieved

1 employee or representative shall give written notice by online filing with the Labor and
2 Workforce Development Agency and by certified mail to the employer of the specific provisions
3 of this code alleged to have been violated, including the facts and theories to support the alleged
4 violation.”

5 162. Here, Plaintiffs’ civil action alleges violations of provisions listed in Labor Code
6 § 2699.5 and violations of provisions other than those listed in Labor Code § 2699.5. As such,
7 Labor Code § 2699.3(a) and § 2699.3(c) apply to this action.

8 163. On December 22, 2023, Plaintiffs complied with Labor Code § 2699.3(a) and
9 Labor Code § 2699.3(c) in that Plaintiffs gave written notice by online filing with the LWDA
10 and by certified mail to Defendants of the specific provisions of the Labor Code alleged to have
11 been violated, including the facts and theories to support the alleged violations. Attached hereto
12 as Exhibit 1 is Plaintiffs’ LWDA letter.

13 164. Labor Code § 2699.3(a) further states in pertinent part: “(2)(A) The agency shall
14 notify the employer and the aggrieved employee or representative by certified mail that it does
15 not intend to investigate the alleged violation within 60 calendar days of the postmark date of the
16 notice received pursuant to paragraph (1). Upon receipt of that notice or if no notice is provided
17 within 65 calendar days of the postmark date of the notice given pursuant to paragraph (1), the
18 aggrieved employee may commence a civil action pursuant to Section 2699.”

19 165. As of February 25, 2024 (65 calendar days after Plaintiffs’ December 22, 2023,
20 LWDA letter was filed online), Plaintiffs had not received any notification that the LWDA
21 intended to investigate the alleged violations. As such, Plaintiffs have complied with Labor Code
22 § 2699.3(a) and have been given authorization therefrom to commence a civil action which
23 includes a cause of action under Labor Code § 2699.

24 166. Further, as of January 24, 2024 (33 calendar days after Plaintiffs’ December 22,
25 2023, LWDA letter was mailed to Defendants via certified mail), Plaintiffs have not received
26 from Defendants written notice by certified mail that the alleged violations have been cured,
27 including a description of actions taken. As such, Plaintiffs have complied with Labor Code §
28 2699.3(c) and have been given authorization therefrom to commence a civil action which

1 includes a cause of action under Labor Code § 2699.

2 **ELEVENTH CAUSE OF ACTION**

3 **UNFAIR BUSINESS PRACTICES**

4 **(On Behalf of the 17200 Class)**

5 **(Against All Defendants)**

6 167. Plaintiffs incorporate by reference and reallege each and every one of the
7 allegations contained in the preceding and foregoing paragraphs of this Complaint as if fully set
8 forth herein.

9 168. Business & Professions Code § 17200 provides, in pertinent part, “unfair
10 competition shall mean and include any unlawful, unfair or fraudulent business act.”

11 169. Business & Professions Code § 17205 provides that unless otherwise expressly
12 provided, the remedies or penalties provided for unfair competition “are cumulative to each other
13 and to the remedies or penalties available under all other laws of this state.”

14 170. Business & Professions Code § 17204 provides that an action for any relief from
15 unfair competition may be prosecuted by any person who has suffered injury in fact and has lost
16 money or property as a result of such unfair competition.

17 171. Defendants have engaged in unlawful, unfair and fraudulent business acts or
18 practices prohibited by Business & Professions Code § 17200, including those set forth in the
19 preceding and foregoing paragraphs of the complaint, thereby depriving the members of the
20 17200 Class of the minimum working standards and conditions due to them under the Labor
21 Code and/or the IWC Wage Orders, as specifically described herein.

22 172. Defendants have engaged in unfair business practices in California by practicing,
23 employing and utilizing the employment practices outlined in the preceding paragraphs,
24 specifically, by requiring employees to perform the labor services complained of herein without
25 the requisite compensation.

26 173. Defendants’ use of such practices constitutes an unfair business practice and
27 unfair competition and provides an unfair advantage over Defendants’ competitors.

28 ///

174. Plaintiffs have suffered injury in fact and have lost money or property as a result of such unfair competition.

176. Further, if Defendants are not enjoined from the conduct set forth above, Defendants will continue to practice, employ, and utilize the employment practices outlined in the preceding paragraphs.

178. Plaintiffs seek the appointment of a receiver, as necessary, to establish the total monetary relief sought from Defendants.

PRAYER FOR RELIEF

a. That the Court issue an Order certifying the Classes herein, appointing all named Plaintiffs as representative of all others similarly situated, and appointing all law firms representing all named Plaintiffs as counsel for the members of the Classes;

b. For recovery of the unpaid balance of the full amount of the straight time compensation due and owing, according to proof;

d. For recovery of the unpaid balance of the full amount of overtime compensation due and owing, calculated at the appropriate rate and according to proof;

f. For an award of reasonable attorneys' fees and costs under Labor Code §§ 218.5 and/or 1194(a);

1 As to the Second Cause of Action for Failure to Pay All Wages Due To Illegal Rounding:

2 g. For recovery of the unpaid balance of the full amount of the straight time
3 compensation due and owing, according to proof;

4 h. For liquidated damages as authorized by Labor Code § 1194.2(a);

5 i. For recovery of the unpaid balance of the full amount of overtime compensation
6 due and owing, calculated at the appropriate rate and according to proof;

7 j. For pre-judgment interest as allowed by Labor Code §§ 218.6 and 1194(a) and
8 Civil Code § 3287;

9 k. For an award of reasonable attorneys' fees and costs under Labor Code §§ 218.5
10 and/or 1194(a);

11 As to the Third Cause of Action for Failure to Pay All Overtime Wages at the Legal Overtime
12 Pay Rate:

13 l. For damages, as set forth in Labor Code § 1194(a) and the IWC Wage Order(s)
14 regarding wages due and owing, according to proof;

15 m. For pre-judgment interest as allowed by Labor Code §§ 218.6 and 1194(a), and
16 Civil Code § 3287;

17 n. For an award of reasonable attorneys' fees and costs under Labor Code §§ 218.5
18 and/or 1194(a);

19 As to the Fourth Cause of Action for Failure to Provide Meal Periods:

20 o. For one hour of pay at the regular rate of compensation for each member of the
21 Meal Period Class for each workday that a meal or rest period was not provided;

22 p. For pre-judgment interest as authorized by Labor Code § 218.6 and Civil Code §
23 3287;

24 As to the Fifth Cause of Action for Failure to Authorize and Permit Paid Rest Periods:

25 q. For one hour of pay at the regular rate of compensation for each member of the
26 Rest Period Class for each workday that a meal or rest period was not provided;

27 r. For pre-judgment interest as authorized by Labor Code § 218.6 and Civil Code §
28 3287;

1 As to the Sixth Cause of Action for Unpaid Reimbursements for Work Expenses:

2 s. For recovery of the unpaid balance for all necessary expenditures and losses
3 incurred in direct consequence of the discharge of Defendants' duties;

4 t. For interest thereon at the same rate as judgments in civil actions, accruing from
5 the date on which each member of the Reimbursements Class incurred the necessary expenditure
6 or loss, under Labor Code § 2802(b);

7 u. For reasonable attorneys' fees and costs under Labor Code § 2802(c);

8 As to the Seventh Cause of Action for Independent Failure to Timely Furnish Accurate Itemized
9 Wage Statements:

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

11 w. For an award of costs and reasonable attorneys' fees under Labor Code §§

12 As to the Eighth Cause of Action for Derivative Failure to Timely Furnish Accurate Itemized
13 Wage Statements:

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

15 y. For an award of costs and reasonable attorneys' fees under Labor Code §§
16 226(e)/(g);

17 As to the Ninth Cause of Action for Violations of Labor Code §§ 201-202:

18 z. For recovery as authorized by Labor Code § 203;

19 As to the Tenth Cause of Action for Penalties Under Labor Code § 2699:

20 aa. As applicable, for civil penalties under Labor Code § 2699(f), in addition to and
21 entirely independent and apart from other penalties in the Labor Code and for Labor Code
22 violations without a specific civil penalty, in the amount of \$100 for each aggrieved employee
23 per pay period for each violation, and \$200 for each aggrieved employee per pay period for each
24 subsequent violation;

25 bb. As applicable, for civil penalties under Labor Code § 558, in addition to and
26 entirely independent and apart from other penalties in the Labor Code, as follows:

27 i. For any initial violation, fifty dollars (\$50) for each aggrieved underpaid
28 employee for each pay period for which the employee was underpaid; and

1 ii. For each subsequent violation, one hundred dollars (\$100) for each aggrieved
2 underpaid employee for each pay period for which the employee was
3 underpaid;

4 cc. As applicable, for civil penalties under Labor Code § 1197.1, in addition to and
5 entirely independent and apart from other penalties in the Labor Code, as follows:

6 i. For any initial violation that is intentionally committed, \$100 for each
7 aggrieved underpaid employee for each pay period for which the employee
8 was underpaid; and

9 ii. For each subsequent violation, regardless of whether the initial violation is
10 intentionally committed, \$250 for each aggrieved underpaid employee for
11 each pay period for which the employee was underpaid;

12 dd. As applicable, for civil penalties under Labor Code § 210, in addition to and
13 entirely independent and apart from other penalties in the Labor Code, in the amount of \$100 for
14 each aggrieved employee per pay period for each violation, and \$200 for each aggrieved
15 employee per pay period for each subsequent violation;

16 ee. As applicable, for civil penalties under Labor Code § 226.3, in addition to and
17 entirely independent and apart from other penalties in the Labor Code, in the amount of \$250 for
18 each aggrieved employee per pay period for each violation, and \$1,000 for each aggrieved
19 employee per pay period for each subsequent violation;

20 ff. As applicable, for civil penalties under Labor Code § 248.5(e) (in addition to and
21 entirely independent and apart from any other penalty provided in the Labor Code), for each
22 violation of Labor Code § 246(l), in the amount of \$250;

23 gg. As applicable, for civil penalties under Labor Code § 1174.5 (in addition to and
24 entirely independent and apart from any other penalty provided in the Labor Code), for each
25 violation of Labor Code § 1174, in the amount of \$500;

26 hh. As applicable, for reasonable attorneys' fees and costs incurred under Labor Code
27 § 2699(g)(1) and any other applicable statute; and

28 ii. For such relief as this Court may deem just and proper;

As to the Eleventh Cause of Action for Unfair Business Practices:

jj. For an accounting, under administration of Plaintiffs and/or the receiver and subject to Court review, to determine the amount to be returned by Defendants, and the amounts to be refunded to members of the Classes who are owed monies by Defendants;

kk. For an Order requiring Defendants to identify each of the members of the Classes by name, home address, home telephone number and, if available, email address;

ll. For an Order requiring Defendants to make full restitution and payment under California law;

mm. For an Order for a preliminary and/or permanent injunction prohibiting Defendants from engaging in the acts complained of herein;

nn. For the creation of an administrative process wherein each injured member of the Classes may submit a claim in order to receive his/her money;

oo. For all other appropriate injunctive, declaratory and equitable relief;

pp. For interest to the extent permitted by law;

qq. For an award of attorneys' fees and costs incurred in the investigation, filing and prosecution of this action under Code of Civil Procedure § 1021.5, Business & Professions Code §§ 17200, et seq., Labor Code § 1194 and/or any other applicable provision of law;

As to All Causes of Action:

rr. For such relief as this Court may deem just and proper, including reasonable attorneys' fees and costs incurred.

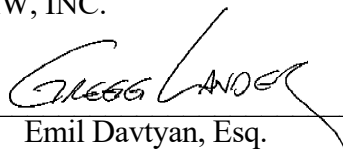
VII.

DEMAND FOR JURY TRIAL

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

Dated: February 26, 2024

D.LAW, INC.

By: 

Emil Davtyan, Esq.
Gregg Lander, Esq.
Vanessa M. Ruggles, Esq.
Attorneys for Plaintiffs

EXHIBIT 1

December 22, 2023

Submitted at <https://www.dir.ca.gov> with \$75 filing fee

PAGA Administrator
California Labor and Workforce Development Agency
PAGAfilings@dir.ca.gov

Re: Rex and Margaret Fortune School of Education d/b/a "Fortune School," "William Lee College Prep," "Alan Rowe College Prep," "Ephraim Williams College Prep Middle School," "Hazel Mahone College Prep," "Fortune Middle School," "Rex and Margaret Fortune Early College High School," "Tecoy Porter College Prep," "Stephon A. Clark College Prep Middle School," and/or "Hardy Grown College Prep" (the "Employer")

NOTICE OF LABOR CODE VIOLATIONS UNDER LABOR CODE § 2699.3

To: PAGA Administrator, California Labor and Workforce Development Agency, and the Employer

From: Lanisha Elder (the "Employee"), who was subjected to the wage and hour practices set forth below

The Employee, by way of the above-named counsel, submits this Notice, under and in compliance with the requirements of California Labor Code §§ 2699.3(a)/(c), and alleges the facts and theories to support the alleged violations as follows:

During the applicable time period, the Employer employed the Employee and all other similarly situated aggrieved employees as non-exempt employees and utilized consistent policies and procedures regarding the Employee and all such other aggrieved employees, as follows:

First, the Employee and other aggrieved employees spent time under the Employer's control but were not paid therefore. For example, the Employer required the Employee and other aggrieved employees to perform work-related tasks at the beginning of their shifts before clocking in and/or at the end of their shifts after clocking out. The Employee and other aggrieved employees were also required, when off the clock, to use their personal mobile devices for work-related tasks, including before and/or after their shifts, and/or in the evenings and/or on weekends. In addition, the Employee and other aggrieved were required to go through COVID screenings and take COVID tests while off the clock. In these circumstances, the Employer failed to pay all straight time, minimum, and/or overtime wages due for the time the Employee and other aggrieved employees were subject to the Employer's control, in violation of Labor Code §§ 510, 1194, 1197, and 1198 and the applicable Industrial Wage Order, and owes penalties under Labor Code §§ 2699(f), 1197.1, and/or 558.

Second, the Employer failed to pay all wages to the Employee and other aggrieved employees due to the Employer's time rounding policy. The Employer could capture actual time worked but instructed employees to enter scheduled shift start and end times instead of their actual work times. This time-rounding policy (combined with the fact that employees often arrived early and/or worked late) resulted in a disproportionate impact that does not average out over a period of time. This policy results in the failure to compensate for all time actually worked by the Employee and other aggrieved employees. In these circumstances, the Employer failed to pay all straight time, minimum, and/or overtime wages due for the time the Employee and other



aggrieved employees were subject to the Employer's control, in violation of Labor Code §§ 510, 1194, 1197, and 1198 and the applicable Industrial Wage Order, and owes penalties under Labor Code §§ 2699(f), 1197.1, and/or 558.

Third, the Employer paid Employee and other aggrieved employees certain forms of non-discretionary pay, including but not limited to bonuses, commissions, and/or incentive pay. However, the Employer did not include all forms of remuneration in the overtime pay rate when the Employee and other aggrieved employees worked overtime. As such, the Employer violated Labor Code §§ 510, 1194, 1197, 1198 and the applicable Industrial Wage Order and owes penalties under Labor Code §§ 2699(f), 1197.1, and/or 558.

Fourth, the Employer failed to timely provide all legally compliant meal breaks (including second meal breaks) to the Employee and other aggrieved employees, because the Employer failed to relinquish all control and/or because meal breaks were missed, interrupted, short and/or late. The Employee and other aggrieved employees routinely worked over five hours but did not always get lawful full thirty-minute uninterrupted meal breaks within the first five hours of their shift. Further, they sometimes worked over ten and/or twelve hours but were not timely provided a legally compliant second meal break. The Employer did not always pay a meal period penalty for these violations. As such, the Employer violated Labor Code §§ 226.7, 512 and 516 and the applicable Industrial Wage Order ¶ 11 and owes penalties under Labor Code §§ 2699(f) and/or 558.

Fifth, the Employer failed to always authorize and permit paid rest breaks to the Employee and other aggrieved employees. The Employee and other aggrieved employees did not always get full ten-minute uninterrupted rest breaks within the first four hours of their shift or major fraction thereof, and each subsequent four hours worked thereafter or major fraction thereof. As such, the Employee and other aggrieved employees were not always authorized and permitted legally compliant rest breaks and were not always provided legally complaint rest breaks. The Employer did not pay a rest period penalty for these violations. As such, the Employer violated Labor Code §§ 226.7 and 516, and the applicable Industrial Wage Order ¶ 12(A)/(B) and owes rest period wages and penalties under Labor Code §§ 2699(f) and/or 558.

Sixth, the Employee and other aggrieved employees incurred expenses while performing reasonable and necessary work-related duties, including but not limited to the use of their personal vehicles (including but not limited to mileage) and personal mobile devices. The Employer failed to reimburse for any expenses. As such, the Employer violated Labor Code § 2802 by failing to reimburse the Employee and other aggrieved employees for all business expenses reasonably incurred in the course of their required work duties and owes penalties under Labor Code § 2699(f).

Seventh, regarding wage statements, under Labor Code § 226(a) and the applicable Industrial Wage Order, the Employer is required to include certain information on an employee's wage statement. Here, the Employer issued improper wage statements to the Employee and other aggrieved employees because the Employer's wage statements did not always contain all requisite information, including but not limited to total hours worked by the employee, the name and address of the legal entity that is the employer, and all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. As such, the Employer independently violated Labor Code § 226 and owes penalties under Labor Code §§ 2699(f) and/or 226.3.



Eighth, also regarding wage statements, and in addition to the alleged independent violations of Labor Code § 226 above, as stated, because the Employer failed to pay all wages as set forth above, the Employer issued improper wage statements to the Employee and other aggrieved employees, and the Employer has derivatively violated Labor Code § 226 and owes penalties under Labor Code §§ 2699(f) and/or 226.3.

Ninth, because the Employer failed to pay all wages as set forth above, the Employee and other aggrieved employees are entitled to thirty days of wages at their regular rate of pay for the Employer's failure to pay all wages due upon separation of employment. Therefore, because the Employer failed to pay all wages as set forth above, the Employer violated Labor Code §§ 201-202 and owes penalties under Labor Code §§ 2699(f) and/or 201-203.

Tenth, the Employer paid wages on an untimely basis. The wages of the Employee and other aggrieved employees are earned and calculable in every pay period, yet the Employer failed to always timely pay all earned and calculable wages to the Employee and other aggrieved employees within the time periods required by Labor Code § 204. As such, the Employer violated Labor Code § 204 and owes penalties under Labor Code §§ 210 and/or 2699(f).

Twelfth, the Employer failed to always provide the Employee and other aggrieved employees with paid sick days paid at the regular rate of pay. The Employer paid the Employee and other aggrieved employees certain forms of non-discretionary pay, including but not limited to bonuses, commissions, and/or incentive pay. However, the Employer did not include all forms of remuneration in the sick pay rate in violation of Labor Code § 246(l) and owes penalties under Labor Code §§ 2699(a)/(f), 248.5, and/or 558.

Thirteenth, and finally, Labor Code § 1174(d) states that the Employer must "[k]eep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by ... employees employed at the respective plants or establishments...." Here, the Employer did not comply with Labor Code § 1174 with regard to the Employee and other aggrieved employees. The Employer did not have a policy regarding the Employee and other aggrieved employees recording the hours when they actually took meal periods nor did the Employer accurately record such hours. Therefore, because of the Employer's violations of Labor Code § 1174(d) the Employer owes penalties under Labor Code §§ 2699(f) and/or 1174.5.

Under Labor Code § 2699.3(a)(2)(A), please advise within 65 calendar days of the postmark date of this notice whether the LWDA intends to investigate these alleged violations.

Further, under Labor Code § 2699.3©(2)(A), the Employer may cure the alleged violations within 33 calendar days of the postmark date of this notice and within that period, give notice by certified mail if the alleged violation is cured, including a description of actions taken.

In addition, this letter clearly sets forth the Employee's grievances and proposed remedies, under the Labor Code, PAGA, and otherwise, as set forth above. The Employee would like to engage in reasonable efforts to settle this dispute before filing a civil action against the Employer. The Employee gives the Employer the opportunity, prior to the expiration of the deadline for the LWDA to investigate, to meet the Employee's demands and settle this dispute.

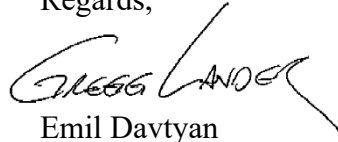


PAGA Administrator
Re: Rex and Margaret Fortune School of Education
December 22, 2023
Page 4

We understand that if we do not receive a response within 65 calendar days of the postmark and filing date of this notice that the LWDA intends to investigate these allegations and/or a notice from the Employer that the alleged violations are cured, and/or if the alleged violations are not cured, then the Employee may immediately thereafter commence a civil action against the Employer under Labor Code § 2699.

Thank you for your consideration.

Regards,



Emil Davtyan
Gregg Lander
Vanessa M. Ruggles

cc: (via Certified Mail)

Rex and Margaret Fortune School of Education
2890 Gateway Oaks Drive, Suite 100
Sacramento, CA 95833

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 1635 Pontius Avenue, Second Floor, Los Angeles, CA 90025-3361, 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 COMPLAINT

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

Agent for Service of Process for Defendant Rex and Margaret Fortune School of Education:

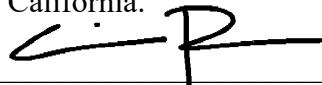
Paul C. Minney, Esq.
William J. Trinkle, Esq.
YOUNG, MINNEY & CORR, LLP
655 University Avenue, Suite 150
Sacramento, CA 95825
Tel.: (916) 646-1400 / Fax: (916) 646-1300
Emails: PMinney@ymclegal.com
WJtrinkle@ymclegal.com

using the following service method:

X VIA MAIL: I caused the document(s) to be served to be deposited at: 1635 Pontius Avenue, Second Floor, Los Angeles, California, which is a mailbox or other like facility regularly maintained by the United States Postal Service, in a sealed envelope, with postage paid, addressed to the person(s) on whom the document(s) is/are to be served, at the office address as last given by that/those person(s), otherwise at that/those person(s)' place(s) of residence. I am aware that on motion of any party served, service is presumed invalid if the postal cancellation date or postage meter date is more than one (1) day after the date of deposit for mailing stated herein.

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 **February 26, 2024**, at Los Angeles, California.



Cindy Rivas