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 Superior Court of California
 County of Los Angeles

03/04/2024

David W. Slayton, Executive Officer / Clerk of Court

By: R. Lozano Deputy

Attorneys for Plaintiff CYNTHIA BAZAN,
 on behalf of himself and all others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE

CYNTHIA BAZAN, on behalf of herself
 and all others similarly situated,

Plaintiffs,

v.

SCHOOLSFIRST FEDERAL CREDIT
 UNION, a California entity, form unknown;
 and DOES 1 to 10, inclusive,

Defendants.

CLASS ACTION

Case No. 23STCV30959

FIRST AMENDED COMPLAINT FOR:

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

DEMAND FOR JURY TRIAL

Action filed: December 19, 2023

Trial date: None Set

Plaintiff Cynthia Bazan, an individual on behalf of herself and all others similarly situated (collectively referred to as “Plaintiffs”), hereby files this First Amended Complaint against Defendant SchoolsFirst Federal Credit Union and Does 1 to 10 (collectively referred to as

1 “Defendants”). Plaintiffs are informed and believe, and on the basis of that information and belief,
2 allege as follows:

3 **I.**

4 **INTRODUCTION**

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

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

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

16 **RELEVANT JOB TITLES**

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

22 **SUMMARY OF CLAIMS**

- 23 5. With regard to Defendants’ non-exempt employees, Defendants have:
- 24 a. Failed to pay straight time, minimum, and/or overtime wages for all hours
 - 25 worked;
 - 26 b. Failed to pay all wages due to illegal time rounding;
 - 27 c. Failed to provide all legally-required meal periods;
 - 28 d. Failed to authorize and permit all paid legally-required rest periods;

- e. Failed to reimburse for all work-related expenses;
- f. Failed to timely furnish accurate itemized wage statements;
- g. Derivatively violated Labor Code §§ 201-202;
- h. Independently violated Labor Code §§ 201-202;
- i. Incurred penalties under Labor Code §§ 2698, et seq.; and
- j. Conducted unfair business practices.

II.

PARTIES

PLAINTIFF CYNTHIA BAZAN

6. Plaintiff Cynthia Bazan is an individual over the age of 18 and is now and/or at all times mentioned in this Complaint was a citizen of the State of California.

7. Plaintiff Cynthia Bazan worked for Defendants as a non-exempt employee from approximately July 12, 2021, to January 18, 2023, including in Downey, California, which is in Los Angeles County, California.

8. Plaintiff Cynthia Bazan seeks recovery herein from Defendants because with regard to Plaintiff Cynthia Bazan, while acting for Defendants in her capacity as a non-exempt employee, Defendants have:

- a. Failed to pay straight time, minimum, and/or overtime wages for all hours worked;
- b. Failed to pay all wages due to illegal time rounding;
- c. Failed to provide all legally-required meal periods;
- d. Failed to authorize and permit all paid legally-required rest periods;
- e. Failed to reimburse for all work-related expenses;
- f. Failed to timely furnish accurate itemized wage statements;
- g. Derivatively violated Labor Code §§ 201-202;
- h. Independently violated Labor Code §§ 201-202;
- i. Incurred penalties under Labor Code §§ 2698, et seq.; and
- j. Conducted unfair business practices.

1 DEFENDANT SCHOOLSFIRST FEDERAL CREDIT UNION

2 9. Defendant SchoolsFirst Federal Credit Union is now and/or at all times mentioned
3 in this Complaint was a California business organization, form unknown, and the owner and
4 operator of an industry, business and/or facilities licensed to do business and actually doing
5 business in the State of California.

6 DOES 1 TO 10, INCLUSIVE

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

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

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

14 ALL DEFENDANTS

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

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

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

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

1 IV.

2 **CLASS ACTION ALLEGATIONS**

3 24. Code of Civil Procedure § 382 provides in pertinent part, “[W]hen the question is
4 one of a common or general interest, of many persons, or when the parties are numerous, and it
5 is impracticable to bring them all before the court, one or more may sue or defend for the benefit
6 of all.” Plaintiffs bring this suit as a class action under Code of Civil Procedure § 382.

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

- 9 a. All California citizens employed by Defendants as non-exempt employees (as
10 defined, supra) during the appropriate time period who were subjected to
11 Defendants’ policies and practices regarding the payment of straight time,
12 minimum and/or overtime wages as specifically described herein (hereinafter,
13 the “Wage Class”);
- 14 b. All California citizens employed by Defendants as non-exempt employees (as
15 defined, supra) during the appropriate time period to whom Defendants
16 applied a time rounding policy and practice as specifically described herein
17 (hereinafter, the “Rounding Class”);
- 18 c. All California citizens employed by Defendants as non-exempt employees (as
19 defined, supra) during the appropriate time period who were subjected to
20 Defendants’ policies and practices regarding meal periods as specifically
21 described herein (hereinafter, the “Meal Period Class”);
- 22 d. All California citizens employed by Defendants as non-exempt employees (as
23 defined, supra) during the appropriate time period who were subjected to
24 Defendants’ policies and practices regarding paid rest periods as specifically
25 described herein (hereinafter, the “Rest Period Class”);
- 26 e. All California citizens employed by Defendants as non-exempt employees (as
27 defined, supra) during the appropriate time period who were subjected to
28 Defendants’ policies and practices regarding business expense reimbursement

as specifically described herein (hereinafter, the “Reimbursements 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 itemized wage statements as specifically described herein (hereinafter, the “Wage Statement Class”);

g. All formerly-employed 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 Labor Code § 203 and the payment of final wages as specifically described herein (hereinafter, the “Derivative LC 203 Class”);

h. All formerly-employed 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 Labor Code § 203 and the payment of final wages as specifically described herein (hereinafter, the “Independent LC 203 Class”); and

i. 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, Meal Period Class, Rest Period Class, Reimbursements Class, Wage Statement Class, Derivative LC 203 Class, Independent LC 203 Class, and 17200 Class are hereinafter 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.

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

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

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

- 15 a. California has a public policy that encourages the use of the class action
16 device;
17 b. By establishing a technique whereby the claims of many individuals can be
18 resolved at the same time, the class suit both eliminates the possibility of
19 repetitious litigation and provides small claimants with a method of obtaining
20 redress for claims which would otherwise be too small to warrant individual
21 litigation;
22 c. This case involves large corporate Defendants and a large number of
23 individual Class members with many relatively small claims and common
24 issues of law and fact;
25 d. If each individual member of the Classes was required to file an individual
26 lawsuit, the large corporate Defendants would necessarily gain an
27 unconscionable advantage because Defendants would be able to exploit and
28 overwhelm the limited resources of each individual member of the Classes

1 with Defendants' vastly superior financial and legal resources;

- 2 e. Requiring each individual member of the Classes to pursue an individual
3 remedy would also discourage the assertion of lawful claims by the members
4 of the Classes who would be disinclined to pursue an action against
5 Defendants because of an appreciable and justifiable fear of retaliation and
6 permanent damage to their lives, careers, and well-being;
- 7 f. Proof of a common business practice or factual pattern, of which the members
8 of the Classes experienced, is representative of the Classes herein and will
9 establish the right of each of the members of the Classes to recover on the
10 causes of action alleged herein;
- 11 g. Absent class treatment, the prosecution of separate actions by the individual
12 members of the Classes, even if possible, would likely create:
- 13 i) a substantial risk of each individual plaintiff presenting in separate,
14 duplicative proceedings the same or essentially similar arguments and
15 evidence, including expert testimony;
- 16 ii) a multiplicity of trials conducted at enormous expense to both the
17 judicial system and the litigants;
- 18 iii) inconsistent or varying verdicts or adjudications with respect to the
19 individual members of the Classes against Defendants;
- 20 iv) potentially incompatible standards of conduct for Defendants; and
- 21 v) potentially incompatible legal determinations with respect to individual
22 members of the Classes which would, as a practical matter, be
23 dispositive of the interest of the other members of the Classes who are
24 not parties to the adjudications or which would substantially impair or
25 impede the ability of the members of the Classes to protect their
26 interests.
- 27 h. The claims of the individual members of the Classes are not sufficiently large
28 to warrant vigorous individual prosecution considering all of the concomitant

costs and expenses attendant thereto;

i. Courts seeking to preserve efficiency and other benefits of class actions routinely fashion methods to manage any individual questions; and

j. The Supreme Court of California urges trial courts, which have an obligation to consider the use of innovative procedural tools to certify a manageable class, to be procedurally innovative in managing class actions.

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

a. Typicality: The claims of Plaintiff Cynthia Bazan are typical of the claims 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 Cynthia Bazan:

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;

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- ii) Whether Defendants' time rounding policies and practices are illegal with regard to the members of the Rounding Class;
- iii) 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;
- iv) 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;
- v) Whether Defendants failed to fully reimburse for all work-related expenses incurred by the members of the Reimbursements Class;
- vi) Whether Defendants failed to timely furnish accurate, itemized and legal wage statements to the members of the Wage Statement Class;
- vii) Whether Defendants are derivatively liable under Labor Code § 203 to the members of the Derivative LC 203 Class;
- viii) Whether Defendants are independently liable regarding late checks under Labor Code § 203 to the members of the Independent LC 203 Class;
- ix) Whether Defendants' conduct constitutes unfair business practices within the meaning of Business & Professions Code §§ 17200, et seq.;
- x) Whether the members of the Classes are entitled to compensatory damages, and if so, the means of measuring such damages;
- xi) Whether the members of the Classes are entitled to injunctive relief;
- xii) Whether the members of the Classes are entitled to restitution; and
- xiii) Whether Defendants are liable for attorneys' fees and costs.

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

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V.

CAUSES OF ACTION

FIRST CAUSE OF ACTION

FAILURE TO PAY ALL WAGES

(On Behalf of the Wage Class)

(Against All Defendants)

32. 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.

33. 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.

34. 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.”

35. 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

1 more employees, the minimum wage shall be as follows: “From January 1, 2020, to December
2 31, 2020, inclusive, - thirteen dollars (\$13) per hour.” Under Labor Code § 1182.12(b)(1)(E), for
3 any employer who employs 26 or more employees, the minimum wage shall be as follows:
4 “From January 1, 2021, to December 31, 2021, inclusive, - fourteen dollars (\$14) per hour.”
5 Finally, under Labor Code § 1182.12(b)(1)(F), for any employer who employs 26 or more
6 employees, the minimum wage shall be as follows: “From January 1, 2022, and until adjusted by
7 subdivision (c) - fifteen dollars (\$15) per hour.”

8 36. Labor Code § 1194(a) states, “Notwithstanding any agreement to work for a
9 lesser wage, any employee receiving less than the legal minimum wage or the legal overtime
10 compensation applicable to the employee is entitled to recover in a civil action the unpaid
11 balance of the full amount of this minimum wage or overtime compensation, including interest
12 thereon, reasonable attorney’s fees, and costs of suit.”

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

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

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

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

- 24 a. Administered a uniform company policy and practice as to the pay policies
25 regarding the members of the Wage Class;
- 26 b. Required the members of the Wage Class to spend unpaid time under
27 Defendants’ control for work-related tasks without compensation, including
28 but not limited to:

- i) Work-related tasks at the beginning of their shifts before clocking in;
- ii) Work-related tasks at the end of their shifts after clocking out; and/or
- iii) Use of their personal mobile devices for work-related tasks, including before and/or after their shifts, and/or in the evenings and/or on weekends.

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

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

42. 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, to recovery by Plaintiffs and the members of the Wage Class, in a civil action, of the unpaid balance of the full amount of wages owing, calculated at the appropriate rate.

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

44. Under Labor Code § 1194.2(a) (which provides that in any action under Labor Code § 1194, an employee shall be entitled to recover liquidated damages), the members of the Wage Class seek recovery of liquidated damages on the straight-time portion of uncompensated hours of work (not including the overtime portion thereof) in an amount equal to the wages unlawfully unpaid and interest thereon.

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

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

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

8 **SECOND CAUSE OF ACTION**

9 **FAILURE TO PAY ALL WAGES DUE TO ILLEGAL ROUNDING**

10 **(On Behalf of the Rounding Class)**

11 **(Against All Defendants)**

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

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

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

21 51. Labor Code § 1182.12, effective July 1, 2014, states: "Notwithstanding any other
22 provision of this part, on and after July 1, 2014, the minimum wage for all industries shall be not
23 less than nine dollars (\$9) per hour, and on and after January 1, 2016, the minimum wage for all
24 industries shall be not less than ten dollars (\$10) per hour." Further, under Labor Code §
25 1182.12(b)(1)(A), for any employer who employs 26 or more employees, the minimum wage
26 shall be as follows: "From January 1, 2017, to December 31, 2017, inclusive, - ten dollars and
27 fifty cents (\$10.50) per hour." Under Labor Code § 1182.12(b)(1)(B), for any employer who
28 employs 26 or more employees, the minimum wage shall be as follows: "From January 1, 2018,

1 to December 31, 2018, inclusive, - eleven dollars (\$11) per hour.” Under Labor Code §
2 1182.12(b)(1)(C), for any employer who employs 26 or more employees, the minimum wage
3 shall be as follows: “From January 1, 2019, to December 31, 2019, inclusive, - twelve dollars
4 (\$12) per hour.” Under Labor Code § 1182.12(b)(1)(D), for any employer who employs 26 or
5 more employees, the minimum wage shall be as follows: “From January 1, 2020, to December
6 31, 2020, inclusive, - thirteen dollars (\$13) per hour.” Under Labor Code § 1182.12(b)(1)(E), for
7 any employer who employs 26 or more employees, the minimum wage shall be as follows:
8 “From January 1, 2021, to December 31, 2021, inclusive, - fourteen dollars (\$14) per hour.”
9 Finally, under to Labor Code § 1182.12(b)(1)(F), for any employer who employs 26 or more
10 employees, the minimum wage shall be as follows: “From January 1, 2022, and until adjusted by
11 subdivision (c) - fifteen dollars (\$15) per hour.”

12 52. Labor Code § 1194(a) states: “Notwithstanding any agreement to work for a
13 lesser wage, any employee receiving less than the legal minimum wage or the legal overtime
14 compensation applicable to the employee is entitled to recover in a civil action the unpaid
15 balance of the full amount of this minimum wage or overtime compensation, including interest
16 thereon, reasonable attorney’s fees, and costs of suit.”

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

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

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

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

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- 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. Rounded the actual time worked and recorded by the members of the Rounding Class, usually down, so that during the course of their employment, the members of the Rounding Class were paid far less than they would have been paid had they been paid for actual time rather than “rounded” time.

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

58. 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, to recovery by Plaintiffs and the members of the Rounding Class, in a civil action, of the unpaid balance of the full amount of wages owing, calculated at the appropriate rate.

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

60. Under Labor Code § 1194.2(a) (which provides that in any action under Labor Code § 1194, an employee shall be entitled to recover liquidated damages), the members of the Rounding Class seek recovery of liquidated damages on the straight-time portion of uncompensated hours of work (not including the overtime portion thereof) in an amount equal to

1 the wages unlawfully unpaid and interest thereon.

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

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

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

9 **THIRD CAUSE OF ACTION**

10 **FAILURE TO PROVIDE ALL MEAL PERIODS**

11 **(On Behalf of the Meal Period Class)**

12 **(Against All Defendants)**

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

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

20 66. Labor Code § 512 provides, "An employer may not employ an employee for a
21 work period of more than five hours per day without providing the employee with a meal period
22 of not less than 30 minutes, except that if the total work period per day of the employee is no
23 more than six hours, the meal period may be waived by mutual consent of both the employer and
24 employee. An employer may not employ an employee for a work period of more than 10 hours
25 per day without providing the employee with a second meal period of not less than 30 minutes,
26 except that if the total hours worked is no more than 12 hours, the second meal period may be
27 waived by mutual consent of the employer and the employee only if the first meal period was not
28 waived."

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

4 68. Section 11(C) of the IWC Wage Orders provides that “Unless the employee is
5 relieved of all duty during a 30 minute meal period, the meal period shall be considered an “on
6 duty” meal period and counted as time worked. An “on duty” meal period shall be permitted
7 only when the nature of the work prevents an employee from being relieved of all duty and when
8 by written agreement between the parties an on-the-job paid meal period is agreed to. The
9 written agreement shall state that the employee may, in writing, revoke the agreement at any
10 time.”

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

15 70. On one or more occasions, the members of the Meal Period Class worked over
16 five hours per shift and therefore were entitled to an uninterrupted meal period of not less than
17 30 minutes prior to exceeding five hours of employment.

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

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

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

25 74. As a matter of Defendants’ established company policy, Defendants failed to
26 always comply with the meal period requirements established by Labor Code §§ 226.7, 512, and
27 516 and Section 11 of the IWC Wage Order(s) by failing to always provide the members of the
28 Meal Period Class with a first and in some cases a second legally compliant meal period.

1 75. Under Section 11(B) of the IWC Wage Order(s) and Labor Code § 226.7(c),
2 which states “If an employer fails to provide an employee a meal or rest or recovery period in
3 accordance with a state law, including, but not limited to, an applicable statute or applicable
4 regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and
5 Health Standards Board, or the Division of Occupational Safety and Health, the employer shall
6 pay the employee one additional hour of pay at the employee's regular rate of compensation for
7 each workday that the meal or rest or recovery period is not provided,” the members of the Meal
8 Period Class are entitled to damages in an amount equal to one additional hour of pay at each
9 employee’s regular rate of compensation for each work day that one or more meal periods were
10 not provided to them, in a sum to be proven at trial.

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

13 **FOURTH CAUSE OF ACTION**

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

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

16 **(Against All Defendants)**

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

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

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

27 80. Section 12(A) of the IWC Wage Order(s) states, “Every employer shall authorize
28 and permit all employees to take rest periods, which insofar as practicable shall be in the middle

1 of each work period. The authorized rest period time shall be based on the total hours worked
2 daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof.
3 However, a rest period need not be authorized for employees whose total daily work time is less
4 than three and one-half (3 ½) hours. Authorized rest period time shall be counted as hours
5 worked for which there shall be no deduction from wages.”

6 81. Section 12(B) of the IWC Wage Order(s) states, “If an employer fails to provide
7 an employee a rest period in accordance with the applicable provisions of this order, the
8 employer shall pay the employee one (1) hour of pay at the employee’s regular rate of
9 compensation for each workday that the rest period is not provided.”

10 82. The members of the Rest Period Class sometimes worked over four hours per
11 shift. Further, the members of the Rest Period Class sometimes worked over six hours per shift
12 and in some cases over 10 hours per shift.

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

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

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

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

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FIFTH CAUSE OF ACTION
FAILURE TO FULLY REIMBURSE WORK EXPENSES
(On Behalf of the Reimbursements Class)
(Against All Defendants)

87. 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.

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

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

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

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

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

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

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

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

8 96. Under Labor Code § 2802(c), the members of the Reimbursements Class request
9 that the Court award reasonable attorneys' fees and costs incurred by them in this action.

10 **SIXTH CAUSE OF ACTION**

11 **FAILURE TO TIMELY**

12 **FURNISH ACCURATE ITEMIZED WAGE STATEMENTS**

13 **(On Behalf of the Wage Statement Class)**

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

17 98. Labor Code § 226(a) states in pertinent part, "Every employer shall, semimonthly
18 or at the time of each payment of wages, furnish each of his or her employees, either as a
19 detachable part of the check, draft, or voucher paying the employee's wages, or separately when
20 wages are paid by personal check or cash, an accurate itemized statement in writing showing (1)
21 gross wages earned, (2) total hours worked by the employee... (4) all deductions... (5) net wages
22 earned, (6) the inclusive dates of the period for which the employee is paid... (8) the name and
23 address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during
24 each the pay period and the corresponding number of hours worked at each hourly rate by the
25 employee...."

26 99. Further, the IWC Wage Orders § 7(A) states in pertinent part, "(A) Every
27 employer shall keep accurate information with respect to each employee including the following:
28 (3) Time records showing when the employee begins and ends each work period. Meal periods,

split shift intervals, and total daily hours worked shall also be recorded...(5) Total hours worked in the payroll period and applicable rates of pay....”

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

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

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

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

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

105. Here, the members of Wage Statement Class suffered injury because, due to Defendants’ failure to pay all wages due and owing, Defendants derivatively failed to provide

1 accurate and complete information as required by one or more items listed in Labor Code §
2 226(a)(1)-(9).

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

14 107. The actual injuries suffered by the members of the Wage Statement Class as a
15 result of Defendants' knowing and intentional failure to maintain accurate records for the
16 members of the Wage Statement Class include but are not limited to:

- 17 a. Confusion over whether they received all wages owed them by Defendants;
- 18 b. The difficulty and expense of attempting to reconstruct time and pay records;
- 19 c. Being forced to engage in mathematical computations to analyze whether
20 Defendants' wages in fact compensated for all hours worked;
- 21 d. The inability to accurately calculate wage rates complicated by the fact that
22 wage statement information required by Labor Code § 226 is missing;
- 23 e. That such practice prevents the members of the Wage Statement Class from
24 being able to effectively challenge information on their wage statements;
25 and/or
- 26 f. The difficulty and expense of filing and maintaining this lawsuit, and the
27 discovery required to collect and analyze the very information that California
28 law requires.

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

5 109. Under Labor Code § 226(g), the currently-employed members of the Wage
6 Statement Class are entitled to injunctive relief to ensure Defendants' compliance with Labor
7 Code § 226.

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

10 **SEVENTH CAUSE OF ACTION**

11 **DERIVATIVE VIOLATIONS OF LABOR CODE §§ 201-202**

12 **(On Behalf of the Derivative LC 203 Class)**

13 **(Against All Defendants)**

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

17 112. Labor Code § 203 provides that if an employer willfully fails to pay, without
18 abatement or reduction, in accordance with Labor Code §§ 201 and 202, any wages of an
19 employee who is discharged or who quits, the wages of the employee shall continue at the same
20 rate, for up to 30 days from the due date thereof, until paid or until an action therefor is
21 commenced.

22 113. The members of the Derivative LC 203 Class are no longer employed by
23 Defendants as they were either discharged from or quit Defendants' employ.

24 114. Defendants had a consistent and uniform policy, practice, and procedure of
25 willfully failing to pay the earned wages of Defendants' former employees, as set forth above,
26 according to amendment or proof.

27 115. As set forth above, Defendants willfully failed to pay the members of the
28 Derivative LC 203 Class their entire wages due and owing at the time of their termination or

1 within seventy-two hours of their resignation and failed to pay those sums for up to 30 days
2 thereafter.

3 116. Defendants' willful failure to pay wages to the members of the Derivative LC 203
4 Class violates Labor Code § 203 because Defendants knew or should have known wages were
5 due to the members of the Derivative LC 203 Class, as set forth above, but Defendants failed to
6 pay them.

7 117. Thus, the members of the Derivative LC 203 Class are entitled to recovery under
8 Labor Code § 203.

9 **EIGHTH CAUSE OF ACTION**

10 **INDEPENDENT VIOLATIONS OF LABOR CODE §§ 201-202**

11 **(On Behalf of the Independent LC 203 Class)**

12 **(Against All Defendants)**

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

16 119. Labor Code § 201(a) states in pertinent part, "If an employer discharges an
17 employee, the wages earned and unpaid at the time of discharge are due and payable
18 immediately."

19 120. Labor Code § 202(a) states in pertinent part, "If an employee not having a written
20 contract for a definite period quits his or her employment, his or her wages shall become due and
21 payable not later than 72 hours thereafter, unless the employee has given 72 hours previous
22 notice of his or her intention to quit, in which case the employee is entitled to his or her wages at
23 the time of quitting. Notwithstanding any other provision of law, an employee who quits without
24 providing a 72-hour notice shall be entitled to receive payment by mail if he or she so requests
25 and designates a mailing address. The date of the mailing shall constitute the date of payment for
26 purposes of the requirement to provide payment within 72 hours of the notice of quitting."

27 121. Labor Code § 203 provides that if an employer willfully fails to timely pay,
28 without abatement or reduction, in accordance with Labor Code §§ 201 and 202, any wages of an

1 employee who is discharged or who quits, the wages of the employee shall continue at the same
2 rate, for up to 30 days from the due date thereof, until paid or until an action therefore is
3 commenced.

4 122. The members of the Independent LC 203 Class are no longer employed by
5 Defendants as they were either discharged from or quit Defendants' employ.

6 123. Defendants had a consistent and uniform policy, practice and procedure of
7 willfully failing to timely pay the earned wages of Defendants' former employees, according to
8 amendment or proof.

9 124. For example, on or about January 18, 2023, Defendants terminated the
10 employment of Plaintiff Cynthia Bazan. However, Defendants did not provide final wages to
11 Plaintiff Cynthia Bazan until January 27, 2023, and April 28, 2023, i.e., nine days for the first
12 check and 100 days for the second check after her employment termination, and neither of these
13 checks included waiting time penalties.

14 125. As such, Defendants willfully failed to pay the members of the Independent LC
15 203 Class all wages due and owing at the time of their termination or within seventy-two hours
16 of their resignation.

17 126. Defendants' willful failure to timely pay final wages to the members of the
18 Independent LC 203 Class violates Labor Code §§ 201-202 because Defendants knew or should
19 have known final wages were due to the members of the Independent LC 203 Class by a date
20 certain, but Defendants failed to pay them on a timely basis on or before that deadline.

21 127. Thus, the members of the Independent LC 203 Class are entitled to recovery
22 under to Labor Code § 203.

23 **NINTH CAUSE OF ACTION**

24 **PENALTIES UNDER LABOR CODE § 2699**

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

26 **(Against All Defendants)**

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

1 forth herein.

2 **A. FAILURE TO PROVIDE SUITABLE RESTING FACILITY**

3 129. Labor Code § 1198 requires an employer to comply with the standard conditions
4 of labor for California employees as set forth by the IWC Wage Orders.

5 130. IWC Wage Orders, § 13(B) states in pertinent part, “Suitable resting facilities
6 shall be provided in an area separate from the toilet rooms and shall be available to employees
7 during work hours.”

8 131. Defendants, as a matter of established company policy and procedure, at each and
9 every one of the individual facilities owned and/or operated by Defendants, during the relevant
10 time period:

- 11 a. Administered a uniform company policy and practice as to the suitable resting
12 facilities policies regarding Plaintiff and the other aggrieved employees; and
13 b. Failed to provide Plaintiff and the other aggrieved employees suitable resting
14 facilities separate from the toilet rooms and available to employees during
15 work hours.

16 132. For example, during Plaintiff Bazan’s course of employment as a Member Service
17 Representative employee she did not have access to a break room at the Norwalk location
18 because Defendants did not provide suitable resting facilities to Plaintiff and the aggrieved
19 employees.

20 133. Defendants’ pattern, practice, and uniform administration of corporate policy
21 regarding suitable resting facilities as described herein is unlawful and creates liability for civil
22 penalties for these violations.

23 **B. PENALTIES ASSESSED UNDER LABOR CODE § 2699**

24 134. Under Labor Code § 2699(a) (which provides that any provision of the Labor
25 Code that provides for a civil penalty to be assessed and collected by the LWDA, or any of its
26 departments, divisions, commissions, board agencies or employees, such civil penalties may, as
27 an alternative, be recovered through a civil action brought by an aggrieved employee on behalf
28 of himself or herself and other current or former employees) and Labor Code § 2699(f) (which

1 establishes a civil penalty for violations of all Labor Code provisions except those for which a
2 civil penalty is specifically provided), the aggrieved employees seek recovery of all applicable
3 civil penalties, as follows:

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

- 1 e. As applicable, for civil penalties under Labor Code § 226.3 (in addition to and
2 entirely independent and apart from any other penalty provided in the Labor
3 Code), for each violation of Labor Code § 226(a), in the amount of \$250 for
4 each aggrieved employee per pay period for each violation and \$1,000 for
5 each aggrieved employee per pay period for each subsequent violation;
6 f. As applicable, for any and all additional civil penalties and sums as provided
7 by the Labor Code and/or other relevant statutes.

8 135. In addition, Plaintiff seeks and is entitled to 75% of all penalties obtained under
9 Labor Code § 2699 to be allocated to the LWDA, for education of employers and employees
10 about their rights and responsibilities under the Labor Code, and 25% to Plaintiff and all other
11 similarly situated aggrieved employees.

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

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

21 138. Labor Code § 2699.3(c)(1) states in pertinent part: "A civil action by an aggrieved
22 employee pursuant to subdivision (a) or (f) of Section 2699 alleging a violation of any provision
23 other than those listed in Section 2699.5 or Division 5 (commencing with Section 6300) shall
24 commence only after the following requirements have been met: (1) (A) The aggrieved
25 employee or representative shall give written notice by online filing with the Labor and
26 Workforce Development Agency and by certified mail to the employer of the specific provisions
27 of this code alleged to have been violated, including the facts and theories to support the alleged
28 violation."

1 139. Here, Plaintiffs' civil action alleges violations of provisions listed in Labor Code
2 § 2699.5 and violations of provisions other than those listed in Labor Code § 2699.5. As such,
3 Labor Code § 2699.3(a) and § 2699.3(c) apply to this action.

4 140. On December 19, 2023, Plaintiffs complied with Labor Code § 2699.3(a) and
5 Labor Code § 2699.3(c) in that Plaintiffs gave written notice by online filing with the LWDA
6 and by certified mail to Defendants of the specific provisions of the Labor Code alleged to have
7 been violated, including the facts and theories to support the alleged violations. Attached hereto
8 as Exhibit 1 is Plaintiffs' LWDA letter.

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

15 142. As of February 22, 2024 (65 calendar days after Plaintiffs' December 19, 2023,
16 LWDA letter was filed online), Plaintiffs had not received any notification that the LWDA
17 intended to investigate the alleged violations. As such, Plaintiffs have complied with Labor Code
18 § 2699.3(a) and have been given authorization therefrom to commence a civil action which
19 includes a cause of action under Labor Code § 2699.

20 143. Further, as of January 21, 2024 (33 calendar days after Plaintiffs' December 19,
21 2023, LWDA letter was mailed to Defendants via certified mail), Plaintiffs have not received
22 from Defendants written notice by certified mail that the alleged violations have been cured,
23 including a description of actions taken. As such, Plaintiffs have complied with Labor Code §
24 2699.3(c) and have been given authorization therefrom to commence a civil action which
25 includes a cause of action under Labor Code § 2699.

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TENTH CAUSE OF ACTION
UNFAIR BUSINESS PRACTICES
(On Behalf of the 17200 Class)
(Against All Defendants)

144. 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.

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

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

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

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

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

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

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

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 on the straight-time portion of uncompensated hours of
5 work (not including the overtime portion thereof), as authorized by Labor Code § 1194.2(a);

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

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

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

12 As to the Third Cause of Action for Failure to Provide Meal Periods:

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

15 m. For pre-judgment interest as authorized by Labor Code § 218.6 and Civil Code §
16 3287;

17 As to the Fourth Cause of Action for Failure to Authorize and Permit Paid Rest Periods:

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

20 o. For pre-judgment interest as authorized by Labor Code § 218.6 and Civil Code §
21 3287;

22 As to the Fifth Cause of Action for Unpaid Reimbursements for Work Expenses:

23 p. For recovery of the unpaid balance for all necessary expenditures and losses
24 incurred in direct consequence of the discharge of Defendants' duties;

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

28 ///

1 r. For reasonable attorneys' fees and costs under Labor Code § 2802(c);
2 As to the Sixth Cause of Action for Derivative Failure to Timely Furnish Accurate Itemized
3 Wage Statements:

4 s. For recovery as authorized by Labor Code § 226(e);
5 t. For an award of costs and reasonable attorneys' fees under Labor Code §§
6 226(e)/(g);

7 As to the Seventh Cause of Action for Derivative Violations of Labor Code §§ 201-202:

8 u. For recovery as authorized by Labor Code § 203;

9 As to the Eighth Cause of Action for Independent Violations of Labor Code §§ 201-202:

10 v. For recovery as authorized by Labor Code § 203;

11 As to the Ninth Cause of Action for Penalties Under Labor Code § 2699:

12 w. As applicable, for civil penalties under Labor Code § 2699(f), in addition to and
13 entirely independent and apart from other penalties in the Labor Code and for Labor Code
14 violations without a specific civil penalty, in the amount of \$100 for each aggrieved employee
15 per pay period for each violation, and \$200 for each aggrieved employee per pay period for each
16 subsequent violation;

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

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

21 ii) For each subsequent violation, one hundred dollars (\$100) for each
22 aggrieved underpaid employee for each pay period for which the
23 employee was underpaid;

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

26 i) For any initial violation that is intentionally committed, \$100 for each
27 aggrieved underpaid employee for each pay period for which the employee
28 was underpaid; and

1 ii) For each subsequent violation, regardless of whether the initial violation is
2 intentionally committed, \$250 for each aggrieved underpaid employee for
3 each pay period for which the employee was underpaid;

4 z. As applicable, for civil penalties under Labor Code § 210, in addition to and
5 entirely independent and apart from other penalties in the Labor Code, in the amount of \$100 for
6 each aggrieved employee per pay period for each violation, and \$200 for each aggrieved
7 employee per pay period for each subsequent violation;

8 aa. As applicable, for civil penalties under Labor Code § 226.3, in addition to and
9 entirely independent and apart from other penalties in the Labor Code, in the amount of \$250 for
10 each aggrieved employee per pay period for each violation, and \$1,000 for each aggrieved
11 employee per pay period for each subsequent violation; and

12 bb. For such relief as this Court may deem just and proper;

13 As to the Tenth Cause of Action for Unfair Business Practices:

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

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

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

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

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

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

26 ii. For interest to the extent permitted by law;

27 jj. For an award of attorneys' fees and costs incurred in the investigation, filing and
28 prosecution of this action under Code of Civil Procedure § 1021.5, Business & Professions Code

1 §§ 17200, et seq., Labor Code § 1194 and/or any other applicable provision of law;

2 As to All Causes of Action:

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

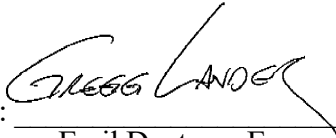
5 **VII.**

6 **DEMAND FOR JURY TRIAL**

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

8 Dated: March 4, 2024

D.LAW, INC.

9
10 By: 

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

EXHIBIT 1

December 19, 2023

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

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

Re: SchoolsFirst Federal Credit Union (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: Cynthia Bazan (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 after their shifts, in the evenings, and/or on weekends. 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 can and did capture actual time worked but ignored employees’ actual time punches and instead rounded their time. 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 and as such, is not fair and neutral on its face. 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 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.

Fourth, 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. 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 penalties under Labor Code §§ 2699(f) and/or 558.

Fifth, 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 of these 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).

Sixth, regarding wage statements, under Labor Code § 226 and the applicable Industrial Wage Order, the Employer is required to include certain information on a paystub. Here, because of the Employer allegedly failed to pay all wages as set forth above, improper wage statements were issued by the Employer to the Employee and other aggrieved employees, the Employer derivatively violated Labor Code § 226, and owes penalties under Labor Code §§ 2699(f) and/or 226.3.

Seventh, regarding waiting time penalties, 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. Because the Employer failed to pay all wages as set forth above, the Employer derivatively violated Labor Code §§ 201-202, and owes penalties under Labor Code §§ 2699(f) and/or 201-203.

Eighth, also regarding waiting time penalties, and in addition to the derivative violations of Labor Code § 203 set forth above, the Employer did not pay the Employee and other separated aggrieved employees all final wages due and owing in a timely manner. For example, the Employee was terminated on January 18, 2023, so her final wages were immediately due. However, the Employer willfully failed to pay the Employee's final wages for over 72 hours, providing checks for final wages on January 27, 2023 and April 28, 2023. Therefore, because the Employer failed to pay all wages as set forth above, the Employer independently violated Labor Code §§ 201-202, and owes penalties under Labor Code §§ 2699(f) and/or 201-203.

Ninth, also regarding waiting time penalties, and in addition to the derivative violations of Labor Code § 203 set forth above, the Employer did not pay the Employee and other separated aggrieved employees all final wages due and owing in a timely manner. For example, the Employer terminated the Employee's employment on or around January 18, 2023, so her final



wages were immediately due and owing. However, the Employer willfully failed to pay the Employee's final wages at that time, providing checks for final wages on January 27, 2023, and April 28, 2023. Therefore, because the Employer failed to pay all wages as set forth above, the Employer independently violated Labor Code §§ 201-202, and owes penalties under Labor Code §§ 2699(f) and/or 201-203.

Tenth, and finally, the Employer failed to provide the Employee and other aggrieved employees a suitable resting facility separate from the toilet rooms and available to employees during work hours, as required by the applicable Industrial Wage Order, § 13. Therefore, the Employer violated Labor Code § 1198 and owes penalties under Labor Code §§ 2699(f).

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(c)(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.

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)
SchoolsFirst Federal Credit Union
c/o Jonathan M. Cohen, Esq.
JOSEPH, COHEN & DEL VECCHIO, PC
1853 Market Street
San Francisco, CA 91403

1 **PROOF OF SERVICE**

2 **STATE OF CALIFORNIA, COUNTY OF LOS ANGELES**

3 I, the undersigned, am over the age of 18 years and not a party to this action. My business
4 address is 1635 Pontius Avenue, Second Floor, Los Angeles, CA 90025-3361, which is located
in Los Angeles County, where the service herein occurred.

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

6 **FIRST AMENDED COMPLAINT**

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

8 *Attorneys for Defendants:*

9 Jonathan M. Cohen, Esq.
10 Robyn C. Callahan, Esq.
JOSEPH, COHEN & DEL VECCHIO, PC
11 1853 Market Street
San Francisco, CA 91403
12 Tel: (415) 817-9200/ Fax: (415) 462-5450
Email: JCohen@jcd.law

13 using the following service method:

14 **X VIA ELECTRONIC MAIL:** Service by electronic mail to parties who have already
15 appeared in this post-January 1, 2019 proceeding was made pursuant to the procedures specified
in California Code of Civil Procedure § 1010.6(b). The electronic mail was sent to electronic
16 service address(es) that has/have been previously confirmed by email.

17 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.

18 Executed on **March 4, 2024**, at Los Angeles, California.

19 

20 **Cindy Rivas**