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JOHNNY WILLIAMS

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

CALVIN PAYNE and JOHNNY WILLIAMS,
individually, and on behalf of others similarly
situated, and on behalf of Aggrieved Employees
pursuant to the California Private Attorneys
General Act,

Plaintiffs,

vs.

PDM STEEL SERVICE CENTERS, INC.; and
DOES 1 through 25, inclusive,

Defendant.

Case No.: 24STCV00942

**FIRST AMENDED CLASS AND
REPRESENTATIVE ACTION
COMPLAINT**

- (1) Violation of Cal. Labor Code §§ 1194, 1197, and 1197.1 (Minimum Wages)
- (2) Violation of Cal. Labor Code §§ 510 and 1198 (Unpaid Overtime)
- (3) Violation of Cal. Labor Code §§ 226.7 and 512(a) (Meal Break Violations)
- (4) Violation of Cal. Labor Code § 226.7 (Rest Break Violations)
- (5) Violation of Cal. Labor Code §§ 204 and 210 (Wages Not Timely Paid During Employment)
- (6) Violation of Cal. Labor Code § 226(a) (Wage Statement Violations)
- (7) Violation of Cal. Labor Code §§ 201, 202, and 203 (Untimely Final Wages)
- (8) Violation of Cal. Labor Code §§ 2800 and 2802 (Failure to Reimburse Necessary Business Expenses)

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**(9) Violation of Cal. Business &
Professions Code §§ 17200, *et seq.***

**(10) Violation of Cal. Labor Code §§ 2698,
et seq. (California Labor Code
Private Attorneys General Act of
2004)**

DEMAND FOR JURY TRIAL

1 Plaintiffs CALVIN PAYNE and JOHNNY WILLIAMS (“Plaintiffs”), individually, and on
2 behalf of other similarly situated employees and aggrieved employees pursuant to the California
3 Private Attorneys General Act (“PAGA”), allege as follows against Defendants PDM STEEL
4 SERVICE CENTERS, INC., and DOES 1 through 25, inclusive (“Defendants”):

5 **INTRODUCTION**

6 1. This is a class action to recover damages on behalf of Plaintiffs and all current and
7 former hourly-paid and/or non-exempt employees who worked for Defendants in the State of
8 California at any time during the period from four years prior to the date of the filing of the original
9 Complaint through final judgment (“Class Members”).

10 2. This is also an enforcement action under PAGA to recover civil penalties on behalf of
11 Plaintiffs, the State of California, and all current and former hourly-paid and/or non-exempt employees
12 who worked for Defendants in the State of California at any time from one year prior to Plaintiffs’
13 submission of written notice of Defendants’ alleged violations of the California Labor Code to the
14 Labor & Workforce Development Agency (“LWDA”) through final judgment (“Aggrieved
15 Employees”).

16 3. Plaintiffs alleges that Defendant hired Plaintiffs, Class Members, and Aggrieved
17 Employees but, among other things, failed to properly pay them all wages owed for all time worked
18 (including minimum wages, straight time wages, and overtime wages), failed to provide them with all
19 meal periods and rest periods and associated premium wages to which they were entitled, failed to
20 timely pay them all wages due during their employment, failed to timely pay them all wages due upon
21 termination of their employment, failed to provide them with accurate itemized wage statements, and
22 failed to reimburse them for necessary business expenses.

23 4. As a result, Defendants violated, *inter alia*, California Labor Code sections 201, 202,
24 203, 204, 210, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802, and the
25 applicable Industrial Welfare Commission (“IWC”) Wage Order. Through this action, Plaintiffs seek
26 to recover all available remedies including but not limited to actual and liquidated damages and
27 attorney’s fees and costs.

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1 **JURISDICTION AND VENUE**

2 5. This is a class action lawsuit brought pursuant to California Code of Civil Procedure
3 section 382 and a PAGA action brought pursuant to California Labor Code sections 2698, *et seq.*

4 6. The monetary damages, restitution, statutory penalties, and other applicable legal and
5 equitable relief sought by Plaintiffs exceed the minimal jurisdiction limits of the Superior Court and
6 will be established according to proof at trial.

7 7. This Court has jurisdiction over this action pursuant to the California Constitution,
8 Article VI, section 10, which grants the superior court “original jurisdiction in all other causes” except
9 those given by statute to other courts. The statutes under which this action is brought do not specify
10 any other basis for jurisdiction.

11 8. This Court has jurisdiction over all Defendants because, upon information and belief,
12 Defendants are either citizens of California, have sufficient minimum contacts in California, and/or
13 otherwise intentionally avail themselves of the California market so as to render the exercise of
14 jurisdiction over them by the California courts consistent with traditional notions of fair play and
15 substantial justice. Further, no federal question is at issue because the claims asserted herein are based
16 solely on California law.

17 9. Venue is proper in this Court because, upon information and belief, Defendants
18 maintain offices, have agents, employ individuals, and/or transact business in the State of California,
19 County of Alameda, including at 5959 Horton Street, Suite 400, Emeryville, California 94608.

20 **THE PARTIES**

21 10. At all times herein mentioned, Plaintiff CALVIN PAYNE is and was an individual
22 residing in the State of California.

23 11. At all times herein mentioned, Plaintiff JOHNNY WILLIAMS is and was an individual
24 residing in the State of California.

25 12. At all times herein mentioned, Defendant PDM STEEL SERVICE CENTERS, INC. is
26 and was an employer organized under the laws of the state of California, who does business in
27 California, with locations throughout the state of California, and whose employees are engaged
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1 throughout Los Angeles County and the State of California, including at 55 South Lake Avenue, Suite
2 500, Pasadena, California, 91101.

3 13. Plaintiffs are unaware of the true names or capacities of the Defendants sued herein
4 under the fictitious names DOES 1 through 25 but will seek leave of this Court to amend the Complaint
5 and serve such fictitiously named Defendants once their names and capacities become known.

6 14. Plaintiffs are informed and believe, and thereon allege, that the acts and omissions
7 alleged herein were performed by, or are attributable to Defendant PDM STEEL SERVICE
8 CENTERS, INC. and/or DOES 1 through 25, each acting as the agent, employee, alter ego, and/or
9 joint ventures of, or working in concert with, each of the other co-Defendant and within the course
10 and scope of such agency, employment, joint venture, or concerted activity with legal authority to act
11 on the others' behalf. The acts of Defendants represent and were in accordance with Defendants'
12 official policies.

13 15. At all relevant times, Defendants were the employers of Plaintiffs within the meaning
14 of all applicable state laws and statutes. Defendants directly or indirectly controlled or affected the
15 working conditions, wages, working hours, and conditions of employment of Plaintiffs so as to make
16 each of said Defendants employers and employers liable under the statutory provisions set forth herein.

17 16. Defendants had the authority to hire and terminate Plaintiffs, Class Members, and
18 Aggrieved Employees, to set work rules and conditions governing Plaintiffs, Class Members, and
19 Aggrieved Employee' employment, and to supervise their daily employment activities.

20 17. Defendants exercised sufficient authority over the terms and conditions of Plaintiffs',
21 Class Members', and Aggrieved Employees' employment for them to be joint employers of
22 Plaintiffs, Class Members, and Aggrieved Employees.

23 18. Defendants directly hired and paid wages to Plaintiffs, Class Members, and
24 Aggrieved Employees.

25 19. Defendants continue to employ hourly paid and/or non-exempt employees within the
26 State of California.

27 20. At all relevant times, Defendants, and each of them, ratified each act or omission
28 complained of herein. At all relevant times, Defendants, and each of them, aided and abetted the acts

1 and omissions of each and all the other Defendants in proximately causing the damages herein alleged.

2 21. Plaintiffs are informed and believe, and thereon allege, that Defendants are in some
3 manner intentionally, negligently, or otherwise responsible for the acts, omissions, occurrences, and
4 transactions alleged herein.

5 **GENERAL ALLEGATIONS**

6 22. Defendants jointly and severally, employed Plaintiff Calvin Payne from approximately
7 August 2018 through approximately March 2023 as a non-exempt, hourly-paid employee. During his
8 employment with Defendants, Plaintiff Payne was employed as a machinery maintenance helper at
9 Defendant's location at 3535 E. Myrtle Street, Stockton, California 95205.

10 23. Defendants jointly and severally, employed Plaintiff Johnny Williams from
11 approximately April 2019 through approximately February 2022 as a non-exempt, hourly-paid
12 employee. During his employment with Defendants, Plaintiff Williams was employed as a machinery
13 maintenance helper at Defendant's location at 3535 E. Myrtle Street, Stockton, California 95205.

14 24. Plaintiffs are informed and believe, and thereon allege, that Defendants engaged in a
15 pattern and practice of wage abuse against their hourly-paid and/or non-exempt employees. As set
16 forth in more detail below, this pattern and practice of wage abuse involved, *inter alia*, requiring
17 Plaintiffs, Class Members, and Aggrieved Employees to work off-the-clock without compensation,
18 failing to properly pay minimum wages or regular rate/straight time wages for all hours worked, failing
19 to properly pay all overtime wages, failing to provide all meal and rest breaks to which they were
20 entitled and failing to pay meal and rest break premiums when due, failing to timely pay wages during
21 employment and upon termination of employment, failing to provide accurate wage statements, failing
22 to reimburse necessary business-related expenses and failing to adhere to other related protections
23 afforded by the California Labor Code and the applicable Industrial Welfare Commission Wage Order.

24 25. Defendants knew or should have known that they had a duty to compensate Plaintiffs,
25 Class Members, and Aggrieved Employees pursuant to California law. Defendants have the financial
26 ability to pay such compensation, but willfully, knowingly, and intentionally failed to do so to increase
27 Defendants' profits.

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CLASS ACTION ALLEGATIONS

26. Plaintiffs bring this lawsuit as a class action on behalf of Plaintiffs and all others similarly situated, as members of a proposed class pursuant to California Code of Civil Procedure section 382. The class satisfies numerosity, commonality, typicality, adequacy, predominance, and superiority requirements under California Code of Civil Procedure section 382.

27. The proposed **Class** is defined as follows:

All current and former hourly-paid and/or non-exempt employees who worked for Defendants in the State of California at any time during the period from four years prior to the date of the filing of the original Complaint through final judgment.

28. Plaintiffs reserve the right to establish additional subclasses as appropriate.

29. There is a well-defined community of interest in this litigation, and the Class is easily ascertainable. While the exact number and identities of Class Members are currently unknown to Plaintiffs, such information can be ascertained through appropriate discovery from records maintained by Defendants and their agents.

30. The Class is so numerous that the individual joinder of all its members is impracticable.

31. Common questions of fact and law exist as to all Class Members, which predominate over any questions affecting only individual members of the Class. The common legal and factual questions which do not vary from Class Member to Class Member, and which may be determined without reference to the individual circumstances of any Class Member include the following:

- i. Whether Defendants have a policy and practice of failing to pay minimum wages to Plaintiffs and the other Class Members for all hours worked;
- ii. Whether Defendants have a policy and practice of failing to pay overtime wages to Plaintiff and the other Class Members for all overtime hours worked;
- iii. Whether Defendants have a policy and practice of failing to provide meal periods to Plaintiffs and the other Class Members;
- iv. Whether Defendants have a policy and practice of failing to provide rest periods to Plaintiffs and the other Class Members;

- v. Whether Defendants failed to pay their hourly-paid and/or non-exempt employees in the State of California for all hours worked, and for all missed, short, late, and/or interrupted meal periods and rest breaks;
- vi. Whether Defendants failed to timely pay all wages due to Plaintiffs and the other Class Members during their employment;
- vii. Whether Defendants' failure to pay wages, without abatement or reduction, in accordance with the California Labor Code, was willful;
- viii. Whether Defendants failed to pay all wages due to Plaintiffs and the other Class Members within the required time upon their discharge or resignation;
- ix. Whether Defendants failed to comply with wage reporting as required by the California Labor Code, including, *inter alia*, section 226;
- x. Whether Defendants failed to reimburse Plaintiffs and the other Class Members for necessary business-related expenses and costs;
- xi. Whether Defendants' conduct was willful or reckless;
- xii. Whether Defendants engaged in unfair business practices in violation of California Business & Professions Code section 17200, *et seq.*;
- xiii. The appropriate amount of damages, restitution, and/or monetary penalties resulting from Defendants' violation of California law; and
- xiv. Whether Plaintiffs and the other Class Members are entitled to compensatory damages pursuant to the California Labor Code.

32. Plaintiffs' claims are typical of the claims of the Class, and Plaintiffs' interests are coincided with and not antagonistic to those of the other Class Members Plaintiffs seek to represent. Plaintiffs will fairly and adequately protect the interests of the members of the Class. Plaintiffs have retained attorneys experienced in the prosecution of class actions and Plaintiffs intend to prosecute this action vigorously.

33. A class action is superior to other available methods for the fair and efficient adjudication of this controversy since individual litigation of the claims of all Class Members is impracticable. Even if every Class Member could afford individual litigation, the court system could

1 not. It would be unduly burdensome on the courts in which individual litigation of numerous cases
2 would proceed. Individualized litigation would also present the potential for varying, inconsistent,
3 and/or contradictory judgments and would magnify the delay and expense to all parties and to the
4 court system resulting from multiple trials of the same factual and legal issues. By contrast, the conduct
5 of this action as a class action presents fewer management difficulties, conserves the resources of the
6 parties and of the court system, and protects the rights of each Class Member.

7 34. Certification of this lawsuit as a class action will advance public policy objectives.
8 Employers of this great state violate employment and labor laws every day. Current employees are
9 often afraid to assert their rights out of fear of direct or indirect retaliation. However, class
10 actions provide the Class Members who are not named in the complaint anonymity that allows for the
11 vindication of their rights.

12 **PAGA ALLEGATIONS**

13 35. PAGA is and was applicable to Defendants' employment of Plaintiff Payne and the
14 Aggrieved Employees.

15 36. PAGA provides that any provision of law under the California Labor Code that
16 provides for a civil penalty, including unpaid wages and premium wages, to be assessed and collected
17 by the LWDA for violations of the California Labor Code may, as an alternative, be recovered through
18 a civil action brought by an aggrieved employee on behalf of themselves and other current or former
19 employees pursuant to procedures outlined in California Labor Code section 2699.3.

20 37. Pursuant to PAGA, a civil action may be brought by an "aggrieved employee," who is
21 any person employed by the alleged violator and against whom one or more of the alleged violations
22 was committed.

23 38. Plaintiff Payne and the other non-exempt employees are "Aggrieved Employees" as
24 defined by California Labor Code section 2699(c) because they are current or former employees of
25 Defendants against whom one or more of the alleged violations were committed.

26 39. Pursuant to California Labor Code sections 2699.3 and 2699.5, an aggrieved employee,
27 including Plaintiff Payne, may pursue a civil action arising under PAGA after the following
28 requirements have been met:

- 1 a. The aggrieved employee shall give written notice by certified mail (hereinafter
2 “Employee’s Notice”) to the LWDA and the employer of the specific provisions of the
3 California Labor Code alleged to have been violated, including the facts and theories
4 to support the alleged violations.
- 5 b. The LWDA shall provide notice (“LWDA Response”) to the employer and the
6 aggrieved employee by certified mail that it does not intend to investigate the alleged
7 violation within sixty (60) calendar days of the postmark date of the Employee’s
8 Notice. Upon receipt of the LWDA Response, or if the LWDA Response is not
9 provided within sixty-five (65) calendar days of the postmark date of the Employee’s
10 Notice, the aggrieved employee may commence a civil action pursuant to California
11 Labor Code section 2699 to recover civil penalties in addition to any other penalties to
12 which the employee may be entitled.

13 40. On January 11, 2024, Plaintiff Payne provided notice by electronic submission to the
14 LWDA and by certified mail to Defendants regarding the specific provisions of the California Labor
15 Code alleged to have been violated, including the facts and theories to support the alleged violations,
16 pursuant to California Labor Code section 2699.3. **A true and correct copy of the Employee’s Notice**
17 **is attached hereto as Exhibit A.**

18 41. Plaintiff Payne did not receive an LWDA Response within sixty-five calendar days of
19 providing the Employee’s Notice.

20 42. Therefore, the administrative prerequisites under California Labor Code section
21 2699.3(a) to recover civil penalties against Defendants, in addition to other remedies for violations of,
22 *inter alia*, California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d),
23 1197, 1197.1, 1198, 2800 and 2802 have been satisfied.

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1 **FIRST CAUSE OF ACTION**

2 **VIOLATION OF CAL. LABOR CODE §§ 1194, 1197, AND 1197.1**

3 **Failure to Pay Minimum Wage**

4 **(Against All Defendants and DOES 1 – 25))**

5 43. Plaintiffs incorporate herein by specific reference, as though fully set forth, the
6 allegations in all preceding paragraphs.

7 44. California Labor Code sections 1194, 1197, and 1197.1 provide that the minimum wage
8 for employees fixed by the Industrial Welfare Commission is the minimum wage to be paid to
9 employees, and the payment of a wage less than the minimum so fixed is unlawful. Plaintiffs and the
10 other Class Members were frequently suffered or permitted to work “off-the-clock”, such that they
11 were not paid minimum wage for all hours worked.

12 45. Such “off-the-clock” work that Plaintiffs and the other Class Members were suffered
13 and/or permitted to work, and for which Plaintiffs and the other Class Members did not receive
14 minimum wage include, *inter alia*:

- 15 a. suffering or permitting Plaintiffs and the class members to perform work for the benefit
16 of Defendants while “off-the-clock” prior to clock in to perform basic work duties or
17 menial tasks, such as donning uniforms in locker rooms, having to wait in the break
18 room for supervisors to provide work instructions, receiving daily work instructions,
19 moving trucks, moving other equipment such as forklifts, moving and retrieving
20 materials and pallets, etc.;
- 21 b. suffering or permitting Plaintiffs and the class members to perform work for the benefit
22 of Defendants while “off-the-clock” during meal periods, including interruptions of
23 meal periods to perform standard work duties or else respond to work-related inquiries;
- 24 c. suffering or permitting Plaintiffs and the class members to perform work for the benefit
25 of Defendants after clocking-out from their shift(s) including typical job duties such as
26 doffing uniforms, moving equipment, forklifts, or trucks, or moving materials;
- 27 d. suffering or permitting Plaintiffs and the class members to perform work for the benefit
28 of Defendants between shifts, including receiving and responding to work-related

1 communications (e.g., calls and texts).

2 46. Accordingly, Defendants regularly failed to pay at least minimum wages to Plaintiffs
3 and the other Class Members for all hours they worked in violation of California Labor Code sections
4 1194, 1197, and 1197.1.

5 47. Defendants knew or should have known that Plaintiffs and the other Class Members
6 were performing such work “off-the-clock” because, among other things, Defendants’ management
7 witnessed, authorized, was made aware of, and/or required Plaintiffs and Class Members to perform
8 such work.

9 48. Defendants’ failure to pay Plaintiffs and the other Class Members the minimum wage
10 as required violates California Labor Code sections 1194, 1197, and 1197.1. Pursuant to those sections,
11 Plaintiffs and the other Class Members are entitled to recover the unpaid balance of their minimum
12 wage compensation, as well as interest, costs, and attorney’s fees.

13 49. Pursuant to California Labor Code section 1194.2, Plaintiffs and the other Class
14 Members are entitled to recover liquidated damages in an amount equal to the wages unlawfully
15 unpaid and interest thereon.

16 **SECOND CAUSE OF ACTION**

17 **VIOLATION OF CAL. LABOR CODE §§ 510 AND 1198**

18 **Unpaid Overtime**

19 **(Against All Defendants and DOES 1 – 25))**

20 50. Plaintiffs incorporate by reference the allegations in all preceding paragraphs.

21 51. California Labor Code section 1198 and the applicable IWC Wage Order provide that
22 it is unlawful to employ persons for extended periods of time without compensating them at a rate of
23 pay either time-and-one-half or two-times that person’s regular rate of pay, depending on the number
24 of hours worked by the person on a daily and/or weekly basis.

25 52. Specifically, the applicable IWC Wage Order provides that Defendants were required
26 to pay Plaintiffs and the other Class Members at the rate of time-and-one-half for all hours worked in
27 excess of eight (8) hours in a day, in excess of forty (40) hours in a week, and/or in excess of the first
28 eight (8) hours worked on the seventh consecutive day in a workweek.

53. The applicable IWC Wage Order further provides that Defendants were required to pay Plaintiffs and the other Class Members overtime compensation at a rate of two (2) times their regular rate of pay for all hours worked in excess of twelve (12) hours in a day and/or for all hours worked in excess of eight (8) hours on the seventh consecutive day in a workweek.

54. California Labor Code section 510 codifies the right to overtime compensation at one-and-one half times the regular hourly rate for hours worked in excess of eight (8) hours in a day, in excess of forty (40) hours in a week, and/or in excess of the first eight (8) hours worked on the seventh consecutive day in a workweek, and to overtime compensation at twice the regular hourly rate for hours worked in excess of twelve (12) hours in a day or in excess of eight (8) hours in a day on the seventh day of work.

55. Plaintiffs and the other Class Members regularly worked in excess of eight (8) hours in a day, in excess of twelve (12) hours in a day, in excess of forty (40) hours in a week, and/or in excess of seven (7) consecutive days in a workweek. However, Defendants did not accurately record Plaintiffs and the other Class Members' actual hours worked and intentionally and willfully failed to pay all overtime wages owed to Plaintiffs and the other Class Members. Defendants' failure to pay correct overtime wages included, *inter alia*: (a) when the combined total of the off-the-clock work discussed *supra* and the on-the-clock work exceed the number of hours that trigger the payment of overtime wages under California Labor Code sections 510 and 1198 and/or the applicable IWC Wage Order; (b) when Defendants intentionally, willfully, and/or negligently mischaracterized overtime as straight time; (c) when Defendants assigned more work than could reasonably be completed in a workday or workweek to Plaintiffs and Class Members, but refused to authorize the overtime necessary for them to complete the assigned work; and (d) when Defendants failed to include all required wages and remuneration when calculating setting the overtime rate. Defendants' failure to pay Plaintiffs and the other Class Members as outlined above violates California Labor Code sections 510 and 1198 and the applicable IWC Wage Order and is therefore unlawful.

56. Pursuant to California Labor Code section 1194, Plaintiffs and the other Class Members are entitled to recover their unpaid overtime compensation, and interest, costs, and attorneys' fees.

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1 **THIRD CAUSE OF ACTION**

2 **VIOLATION OF CAL. LABOR CODE §§ 226.7 AND 512**

3 **Meal Break Violations**

4 **(Against All Defendants and DOES 1 – 25))**

5 57. Plaintiffs incorporate herein by specific reference, as though fully set forth, the
6 allegations in all preceding paragraphs.

7 58. California Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order
8 govern Plaintiffs and the other Class Members' employment by Defendants.

9 59. California Labor Code section 226.7 provides that no employer shall require an
10 employee to work during any meal period mandated by an applicable IWC Order.

11 60. The applicable IWC Wage Order and California Labor Code section 512(a) provide
12 that an employer may not require, cause, or permit an employee to work for a period of more than five
13 (5) hours per day without providing the employee with an uninterrupted meal period of not less than
14 thirty (30) minutes, except that if the total work period per day of the employee is not more than six
15 (6) hours, the meal period may be waived by mutual consent of both the employer and the employee.

16 61. The applicable IWC Wage Order and California Labor Code section 512(a) further
17 provide that an employer may not require, cause, or permit an employee to work a work period of
18 more than ten (10) hours per day without providing the employee with a second uninterrupted meal
19 period of not less than thirty (30) minutes, except if the total hours worked is no more than twelve (12)
20 hours, the second meal period may be waived by mutual consent of the employer and the employee
21 only if the first meal period was not waived.

22 62. Plaintiffs and the other Class Members who were scheduled to work for shifts no longer
23 than six (6) hours, and who did not waive their legally mandated meal periods by mutual consent, were
24 required to work for periods longer than five (5) hours without an uninterrupted meal period of not
25 less than thirty (30) minutes.

26 63. Plaintiffs and the other Class Members who were scheduled to work for shifts in excess
27 of ten (10) hours but no longer than twelve (12) hours, and who did not waive their legally-mandated
28 meal periods by mutual consent, were required to work for periods longer than ten (10) hours without

1 a second uninterrupted meal period of not less than thirty (30) minutes.

2 64. Defendants intentionally and willfully required Plaintiffs and the other Class Members
3 to work during meal periods and failed to compensate Plaintiffs and the other Class Members for work
4 performed during meal periods. This includes, among other things, requiring Plaintiffs and Class
5 Members to work through their lunch breaks, permitting and/or requiring Plaintiffs and Class
6 Members to take late lunch breaks, permitting and/or requiring Plaintiffs and Class Members to take
7 short lunch breaks, interrupting and/or allowing others to interrupt Plaintiffs and Class Members
8 during their lunch breaks, failing to relieve Plaintiffs and Class Members of all duties during their
9 lunch breaks, and restricting Plaintiffs and Class Members from leaving the premises during their
10 lunch breaks.

11 65. Further, because of Defendants' rounding policy, meal breaks were at times incorrectly
12 recorded as compliant, when in reality they were untimely and/or cut short

13 66. During the relevant time period, Defendants failed to pay Plaintiffs and the other Class
14 Members all meal period premiums due pursuant to California Labor Code section 226.7 and 512 and
15 the applicable IWC Wage Order. Defendants failed to include all required wages and remuneration,
16 including non-discretionary commissions, non-discretionary bonuses, and non-discretionary
17 performance pay, when calculating regular rates of pay for meal period premiums and/or merely using
18 straight time pay to calculate regular rates of pay for meal period premiums.

19 67. Defendants' conduct therefore violates the applicable IWC Wage Order and California
20 Labor Code sections 226.7 and 512(a).

21 68. Pursuant to the applicable IWC Wage Order and California Labor Code section
22 226.7(b), Plaintiffs and the other Class Members are entitled to recover from Defendants one
23 additional hour of pay at their regular rate of compensation for each workday that a compliant meal
24 period was not provided as well as interest thereon.

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1 **FOURTH CAUSE OF ACTION**

2 **VIOLATION OF CAL. LABOR CODE § 226.7**

3 **Rest Break Violations**

4 **(Against All Defendants and DOES 1 – 25)**

5 69. Plaintiffs incorporate herein by specific reference, as though fully set forth, the
6 allegations in all preceding paragraphs.

7 70. California Labor Code section 226.7 and the applicable IWC Wage Order govern
8 Plaintiffs and the other Class Members' employment by Defendants.

9 71. California Labor Code section 226.7 provides that no employer shall require an
10 employee to work during any rest period mandated by an applicable order of the California IWC.

11 72. The applicable IWC Wage Order provides that "[e]very employer shall authorize and
12 permit all employees to take rest periods, which insofar as practicable shall be in the middle of each
13 work period" and that the "rest period time shall be based on the total hours worked daily at the rate
14 of ten (10) minutes net rest time per four (4) hours or major fraction thereof" unless the total daily
15 work time is less than three and one-half (3½) hours."

16 73. Defendants routinely required Plaintiffs and the other Class Members to work three
17 and one-half (3 ½) or more hours without authorizing or permitting a compliant ten (10) minute rest
18 period per each four (4) hour period, or major fraction thereof, worked.

19 74. Moreover, Defendants willfully required, suffered, and permitted Plaintiffs and the
20 other Class Members to work during what should have been their rest periods. Defendants also failed
21 to relieve Plaintiffs and the other Class Members of all duties for ten (10) minutes as required for
22 compliant rest breaks.

23 75. As a result, Plaintiffs worked through rest periods, took late rest periods, took
24 interrupted rest periods, and/or took short rest periods, if at all.

25 76. Pursuant to the applicable IWC Wage Order and California Labor Code section
26 226.7(b), Plaintiffs and the other Class Members were entitled to recover from Defendants one (1)
27 additional hour of pay at their regular hourly rate of compensation for each workday that compliant
28 rest period(s) were not provided.

FIFTH CAUSE OF ACTION

VIOLATION OF CAL. LABOR CODE §§ 204 AND 210

Wages Not Timely Paid During Employment

(Against All Defendants and DOES 1 – 25))

77. Plaintiffs incorporate herein by specific reference, as though fully set forth, the allegations in all preceding paragraphs.

78. California Labor Code section 204 provides that all wages earned by any person in any employment between the 1st and 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and 26th day of the month during which the labor was performed.

79. California Labor Code section 204 provides that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month.

80. California Labor Code section 204 provides that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period.

81. As a result of the violations set forth in detail above (failure to pay minimum wages or regular rate/straight time wages, failure to pay overtime, meal break violations and rest break violations, or any other remuneration, wages, pay, or monies as they became due, e.g., accrued gratuities, bonuses, commissions, etc.), Defendants intentionally and willfully failed to timely pay Plaintiffs and the other Class Members all wages due to them within the period permissible under California Labor Code section 204.

82. Plaintiffs and the other Class Members are entitled to recover all available remedies for Defendants' violations of California Labor Code section 204, including statutory penalties pursuant to California Labor Code section 210(b).

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1 **SIXTH CAUSE OF ACTION**

2 **VIOLATION OF CAL. LABOR CODE § 226(a)**

3 **Wage Statement Violations**

4 **(Against All Defendants and DOES 1 – 25))**

5 83. Plaintiffs incorporate herein by specific reference, as though fully set forth, the
6 allegations in all preceding paragraphs.

7 84. At all material times set forth herein, California Labor Code section 226(a) provides
8 that every employer shall furnish each of its employees an accurate itemized wage statement in writing,
9 including, but not limited to, the name and address of the legal entity that is the employer, total hours
10 worked, and all applicable hourly rates.

11 85. As a result of the violations set forth in detail above (failure to pay minimum wages or
12 regular rate/straight time wages, failure to pay overtime, meal break violations and rest break
13 violations, or any other remuneration, wages, pay, or monies as they became due, e.g., accrued
14 gratuities, bonuses, commissions, etc.), Defendants intentionally and willfully failed to provide
15 Plaintiffs and the other Class Members with complete and accurate wage statements. The deficiencies
16 include, among other things, the failure to state all hours worked, the failure to state the actual gross
17 wages earned, the failure to include meal and rest break premiums, and the failure to include correct
18 rates of pay. Accordingly, Defendants violated California Labor Code 226(a).

19 86. As a result of Defendants' violation of California Labor Code section 226(a), Plaintiffs
20 and the other Class Members have suffered injury and damage to their statutorily protected rights.

21 87. Specifically, Plaintiffs and the other Class Members have been injured by Defendants'
22 intentional violation of California Labor Code section 226(a) because they were denied both their legal
23 right to receive, and their protected interest in receiving accurate, itemized wage statements under
24 California Labor Code section 226(a). In addition, because Defendants failed to provide the accurate
25 number of total hours worked on wage statements, Plaintiffs and the other Class Members have been
26 prevented by Defendants from determining if all hours worked were paid and the extent of the
27 underpayment. Plaintiffs have to file this lawsuit, and will further have to conduct discoveries,
28 reconstruct time records, and perform computations in order to analyze whether in fact Plaintiffs and

1 the other Class Members were paid correctly and the extent of the underpayment, thereby causing
2 Plaintiffs to incur expenses and lost time. Plaintiffs would not have had to engage in these efforts and
3 incur these costs had Defendants provided the accurate number of total hours worked. This has also
4 delayed Plaintiffs' ability to demand and recover the underpayment of wages from Defendants.

5 88. Plaintiffs and the other Class Members are entitled to recover from Defendants the
6 greater of their actual damages caused by Defendants' failure to comply with California Labor Code
7 section 226(a), or an aggregate penalty not exceeding four thousand dollars (\$4,000).

8 **SEVENTH CAUSE OF ACTION**

9 **VIOLATION OF CAL. LABOR CODE §§ 201, 202, AND 203**

10 **Untimely Final Wages**

11 **(Against All Defendants and DOES 1 – 25))**

12 89. Plaintiffs incorporate herein by specific reference, as though fully set forth, the
13 allegations in all preceding paragraphs.

14 90. Pursuant to California Labor Code sections 201, 202, and 203, Defendants are required
15 to timely pay all earned and unpaid wages to an employee who is discharged. California Labor Code
16 section 201 mandates that if an employer discharges an employee, the employee's wages accrued and
17 unpaid at the time of discharge are due and payable immediately. California Labor Code section 202
18 mandates that if an employee quits, his or her wages shall become due and payable not later than
19 seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours' notice of
20 his or her intention to quit, in which case the employee is entitled to his or her wages at the time of
21 quitting.

22 91. California Labor Code section 203 provides that if an employer willfully fails to pay,
23 in accordance with California Labor Code sections 201 and 202, any wages of an employee who is
24 discharged or who quits, the wages of the employee shall continue as a penalty from the due date
25 thereof at the same rate until paid or until an action therefore is commenced; but the wages shall not
26 continue for more than thirty (30) days.

27 92. As a result of the violations set forth in detail above (failure to pay overtime, failure to
28 pay minimum wages, meal break violations, and rest break violations), at the time that Plaintiffs' and

1 the other Class Members' employment with Defendants ended, Defendants knowingly and willfully
2 failed to pay them all wages owed to them pursuant to California Labor Code sections 201 and
3 202, including, without limitation, overtime wages, minimum wages, meal period premium wages,
4 and rest period premium wages, and all wages due to Plaintiffs and Class Members as they became
5 due, as required per California Labor Code section 204.

6 93. As a result, Plaintiffs and the other Class Members are entitled to all available
7 statutory penalties, including the waiting time penalties provided in California Labor Code section
8 203, together with interest thereon, as well as other available remedies.

9 **EIGHTH CAUSE OF ACTION**

10 **VIOLATION OF CAL. LABOR CODE §§ 2800 AND 2802**

11 **Failure to Reimburse Necessary Business Expenses**

12 **(Against All Defendants and DOES 1 – 25))**

13 94. Plaintiffs incorporate herein by specific reference, as though fully set forth, the
14 allegations in all preceding paragraphs.

15 95. Pursuant to California Labor Code sections 2800 and 2802, an employer must
16 reimburse its employees for all necessary expenditures incurred by the employee in direct consequence
17 of the discharge of the employee's job duties or in direct consequence of the employee's job duties or
18 in direct consequence of the employee's obedience to the directions of the employer.

19 96. Plaintiffs and the other class members incurred necessary business-related expenses
20 and costs that were not fully reimbursed by Defendants, including, but not limited to the purchase of
21 a personal protective equipment such as steel-toed boots, hand warmers, arm gears, elbow pads, helmet
22 and helmet accessories; purchase of minor tools such as magnet lights, purchase of uniform items,
23 which were deducted from Plaintiffs' and class members' paychecks, use of cell phones and related
24 internet usage for work related purposes, etc.

25 97. Defendants intentionally and willfully failed to reimburse Plaintiffs and the other Class
26 Members for all necessary business-related expenses and costs. Plaintiffs and the other Class Members
27 are entitled to recover from Defendants their business-related expenses and costs incurred during the
28 course and scope of employment, plus interest accrued from the date on which Plaintiffs and the other

1 Class Members incurred the necessary expenditures at the same rate as judgments in civil actions in
2 the State of California.

3 **NINTH CAUSE OF ACTION**

4 **VIOLATION OF CAL. BUSINESS & PROFESSIONS CODE §§ 17200, *ET. SEQ.***

5 **Unfair and Unlawful Business Practices**

6 **(Against All Defendants and DOES 1 – 25)**

7 98. Plaintiffs incorporate herein by specific reference, as though fully set forth, the
8 allegations in all preceding paragraphs.

9 99. Each and every one of Defendants' acts and omissions in violation of the California
10 Labor Code and/or the applicable IWC Wage Order as alleged in this Complaint, including but not
11 limited to Defendants' failure and refusal to pay overtime compensation, Defendants' failure and
12 refusal to pay minimum wages, Defendants' failure and refusal to provide required meal periods and/or
13 pay meal period premiums, Defendants' failure and refusal to provide required rest periods and/or pay
14 the required rest break premiums, Defendants' failure and refusal to timely pay wages at the correct
15 rate during employment, Defendants' failure and refusal to furnish accurate itemized wage statements,
16 Defendants' failure and refusal to reimburse business-related expenses and costs, and Defendants'
17 failure and refusal to timely pay wages upon termination constitutes unfair and unlawful business
18 practices under California Business and Professions Code sections 17200, *et seq.*

19 100. Defendants' violations of California wage and hour laws constitute unfair and unlawful
20 business practices because, among other things, they were done repeatedly over a significant period
21 of time, and in a systematic manner, to the detriment of Plaintiffs and the other Class Members.

22 101. Defendants have avoided payment of overtime wages, minimum wages, meal period
23 premiums, rest period premiums, timely wages at the correct rate of pay, and other benefits as required
24 by the California Labor Code, the California Code of Regulations, and the applicable IWC Wage
25 Order. Further, Defendants have failed to record, report, and pay the correct sums of assessment to the
26 state authorities under the California Labor Code and other applicable regulations.

27 102. As a result of Defendants' unfair and unlawful business practices, Defendants have
28 reaped unfair and illegal profits during Plaintiffs' and the other Class Members' tenure at the expense

1 of Plaintiffs, the other Class Members, and members of the public. Defendants should be made to
2 disgorge their ill-gotten gains and to restore them to Plaintiffs and the other Class Members.

3 103. Defendants' unfair and unlawful business practices entitle Plaintiffs and the other Class
4 Members to seek preliminary and permanent injunctive relief, including but not limited to orders that
5 Defendants account for, disgorge, and restore to Plaintiffs and the other Class Members the wages and
6 other compensation unlawfully withheld from them. Plaintiffs and the other Class Members are
7 entitled to restitution of all monies to be disgorged from Defendants in an amount according to proof
8 at the time of trial.

9 **TENTH CAUSE OF ACTION**

10 **VIOLATION OF CAL. LABOR CODE §§ 2699, *ET SEQ.***

11 **California Labor Code Private Attorneys General Act of 2004**

12 **(Against All Defendants and DOES 1 – 25))**

13 104. Plaintiffs incorporate herein by specific reference, as though fully set forth, the
14 allegations in all preceding paragraphs.

15 105. Plaintiff Payne brings this action on a representative basis on behalf of other Aggrieved
16 Employees and the State of California, in Plaintiff Payne's capacity as a private attorney general
17 pursuant to the Private Attorneys General Act of 2004, California Labor Code § 2698, *et seq.*

18 106. PAGA expressly provides for a private right of action to recover civil penalties for
19 violations of the Labor Code as follows: "*Notwithstanding any other provision of law, any provision*
20 *of this code that provides for a civil penalty to be assessed and collected by the Labor and Workforce*
21 *Development Agency or any of its departments, divisions, commissions, boards, agencies, or*
22 *employees, for a violation of this code, may, as an alternative, be recovered through a civil action*
23 *brought by an aggrieved employee on behalf of himself or herself and other current or former*
24 *employees pursuant to the procedures specified in Section 2699.3.*" Cal. Lab. Code § 2699(a).

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

28 108. Plaintiff Payne and the other hourly-paid and/or non-exempt employees are "Aggrieved

Employees” as defined by California Labor Code section 2699(c) in that they are all current or former employees of Defendants, and one or more of the alleged violations were committed against them.

109. Defendants’ conduct, as alleged herein, violates numerous sections of the California Labor Code, including, but not limited to, the following:

- a. Violation of California Labor Code sections 510 and 1198 for failure to pay overtime wages, as set forth more fully above;
- b. Violation of California Labor Code sections 1194, 1197, and 1197.1 for failure to pay minimum wages, as set forth more fully above;
- c. Violation of California Labor Code sections 226.7 and 512(a) for failure to provide legally required meal periods, as set forth more fully above;
- d. Violation of California Labor Code sections 226.7 and 512(a) for failure to pay required meal period premiums, as set forth more fully above;
- e. Violation of California Labor Code section 226.7 for failure to provide legally required rest periods, as set forth more fully above;
- f. Violation of California Labor Code section 226.7 for failure to pay required rest period premiums, as set forth more fully above;
- g. Violation of California Labor Code section 204 and 210 for failure to timely pay wages to Plaintiffs and Aggrieved Employees during employment, as set forth more fully above;
- h. Violation of California Labor Code sections 201, 202, and 203 for failure to pay all wages at time of discharge from employment, as set forth more fully above;
- i. Violation of California Labor Code section 226(a) for failure to provide accurate wage statements to Plaintiff Payne and Aggrieved Employees, as set forth more fully above;
- j. Violation of California Labor Code section 1174(d) for failure to keep complete and accurate payroll records relating to Plaintiff Payne and Aggrieved Employees; and
- k. Violation of California Labor Code sections 2800 and 2802 for failure to reimburse Plaintiff Payne and Aggrieved Employees for necessary business-related expenses, as set forth more fully above.

110. Pursuant to PAGA, and in particular California Labor Code sections 2699(a), 2699.3, and 2699.5, Plaintiff Payne, acting in the public interest as a private attorney general, seeks assessment and collection of civil penalties for himself, all Aggrieved Employees, and the State of California against Defendants for violations of California Labor Code sections set forth herein, including penalties under California Labor Code sections 2699, 558, 210, 1197.1, 226, 226.3, 1174.5, and 1197.1, penalties under the applicable IWC Wage Order, and any and all additional penalties and remedies as provided by the California Labor Code and/or other statutes.

111. Pursuant to California Labor Code section 2699(i), civil penalties recovered by Aggrieved Employees shall be distributed as follows: seventy-five percent (75%) to the LWDA for the enforcement of labor laws and education of employers and employees about their rights and responsibilities and twenty-five (25%) to the Aggrieved Employees.

112. Plaintiff Payne retained counsel to file this court action, and to assess and collect the civil penalties owed by Defendants. Plaintiff Payne therefore seeks an award of reasonable attorney's fees and costs pursuant to California Labor Code sections 210, 218.5, and 2699(g)(1), and any other applicable statute.

PRAYER FOR RELIEF

Plaintiffs, on behalf of all other similarly situated employees and aggrieved employees pursuant to PAGA, prays for relief and judgment against Defendants, jointly and severally, as follows:

Class Certification

1. That this action be certified as a class action as to the first nine causes of action;
2. That Plaintiffs be appointed as the representative of the Class as to the first nine causes of action;
3. That counsel for Plaintiffs be appointed as Class Counsel; and
4. That Defendants provide Class Counsel with the names and most current/last known contact information (addresses, e-mails, and telephone numbers) of all Class Members.

As to the First Cause of Action

5. That the Court declares, adjudge, and decrees that Defendants violated California Labor Code sections 1194, 1197, and 1197.1 by willfully failing to pay minimum wages to Plaintiffs and the

other Class Members;

6. For general unpaid wages and such general and special damages as may be appropriate;

7. For statutory wage penalties pursuant to California Labor Code section 1197.1 for Plaintiffs and the other Class Members in the amount as may be established according to proof at trial;

8. For pre-judgment interest on any unpaid compensation from the date such amounts were due;

9. For reasonable attorneys' fees and costs of suit incurred herein pursuant to California Labor Code section 1194(a);

10. For liquidated damages pursuant to California Labor Code section 1194.2; and

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

As to the Second Cause of Action

12. That the Court declare, adjudge, and decree that Defendants violated California Labor Code sections 510 and 1198 and the applicable IWC Wage Order by willfully failing to pay all overtime wages due to Plaintiffs and the other Class Members;

13. For general unpaid wages at overtime wage rates and such general and special damages as may be appropriate;

14. For pre-judgment interest on any unpaid overtime compensation commencing from the date such amounts were due;

15. For reasonable attorneys' fees and costs of suit incurred herein pursuant to California Labor Code section 1194(a); and

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

As to the Third Cause of Action

17. That the Court declare, adjudge, and decree that Defendants violated California Labor Code sections 226.7 and 512 and the applicable IWC Wage Order by willfully failing to provide all meal periods (including second meal periods) to Plaintiffs and the other Class Members;

18. That the Court make an award to Plaintiffs and the other class members of one (1) hour of pay at each employee's regular rate of compensation for each workday that a meal period was not provided;

- 1 19. For all actual, consequential, and incidental losses and damages, according to proof;
2 20. For premium wages pursuant to California Labor Code section 226.7(c)
3 21. For pre-judgment interest on any unpaid wages from the date such amounts were due;
4 22. For reasonable attorneys' fees and costs of suits incurred herein; and
5 23. For such other and further relief as the Court may deem just and proper.

6 **As to the Fourth Cause Action**

7 24. That the Court declare, adjudge, and decree that Defendants violated California Labor
8 Code section 226.7 and the applicable IWC Wage Order by willfully failing to provide all rest periods
9 to Plaintiffs and the other Class Members;

10 25. That the Court make an award to Plaintiffs and the other class members of one (1) hour
11 of pay at each employee's regular rate of compensation for each workday that a rest period was not
12 provided

- 13 26. For all actual, consequential, and incidental losses and damages, according to proof;
14 27. For premium wages pursuant to California Labor Code section 226.7(c);
15 28. For pre-judgment interest on any unpaid wages from the date such amounts were due;
16 29. For such other and further relief as the Court may deem just and proper.

17 **As to the Fifth Cause of Action**

18 30. That the Court declares, adjudges and decrees that Defendants violated California
19 Labor Code section 204 by willfully failing to pay all compensation owed at the time required by
20 California Labor Code section 204 to Plaintiffs and the Class;

- 21 31. For statutory penalties pursuant to California Labor Code section 210; and
22 32. For such other and further relief as the Court deems just and proper.

23 **As to the Sixth Cause of Action**

24 33. That the Court declares, adjudge and decrees that Defendants violated the record
25 keeping provisions of California Labor Code section 226(a) and applicable IWC Wage Orders as to
26 Plaintiffs and the other class members, and willfully failed to provide accurate itemized wage
27 statements thereto;

- 28 34. For actual, consequential, and incidental losses and damages, according to proof;

- 1 35. For statutory penalties pursuant to California Labor Code section 226(e);
2 36. For injunctive relief to ensure compliance with this section, pursuant to
3 California Labor Code section 226(h); and
4 37. For such other and further relief as the Court may deem just and proper.

5 **As to the Seventh Cause of Action**

6 38. That the Court declares, adjudges, and decrees that Defendants violated California
7 Labor Code sections 201, 202, and 203 by willfully failing to pay all compensation owed at the time
8 of termination of the employment of Plaintiffs and the other Class Members no longer employed by
9 Defendants;

10 39. For all actual, consequential, and incidental losses and damages, according to proof;

11 40. For statutory wage penalties pursuant to California Labor Code section 203 for
12 Plaintiffs and the other Class Members who have left Defendants' employ;

13 41. For pre-judgment interest on any unpaid compensation from the date such amounts were
14 due;

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

16 **As to the Eighth Cause of Action**

17 43. That the Court declares, adjudges, and decrees that Defendants violated California
18 Labor Code sections 2800 and 2802 by willfully failing to reimburse Plaintiffs and the other Class
19 Members for all necessary business-related expenses as required by California Labor Code sections
20 2800 and 2802;

21 44. For actual, consequential, and incidental losses and damages, according to proof;

22 45. For the imposition of civil penalties and/or statutory penalties;

23 46. For punitive damages and/or exemplary damages according to proof at trial;

24 47. For reasonable attorneys' fees and costs of suits incurred herein; and

25 48. For such other and further relief as the Court may deem just and proper.

26 **As to the Ninth Cause of Action**

27 49. That the Court declare, adjudge, and decree that Defendants violated the following
28 California Labor Code sections as to Plaintiffs and the other Class Members: 1194, 1197, and 1197.1

(by failing to pay minimum wages); 510 and 1198 (by failing to pay overtime wages); 226.7 and 512(a) (by failing to provide meal and rest periods or compensation in lieu thereof); 204 (by failing to timely pay wages during employment); 226(a) (by failing to provide accurate wage statements); 201, 202, and 203 (by failing to pay all wages owed upon termination); and 2800 and 2802 (by failing to reimburse business-related expenses);

50. For restitution of unpaid wages to Plaintiffs and all the other Class Members and all pre-judgment interest from the day such amounts were due and payable;

51. For the appointment of a receiver to receive, manage, and distribute any and all funds disgorged from Defendants and determined to have been wrongfully acquired by Defendants as a result of violation of California Business and Professions Code sections 17200, *et seq.*;

52. For reasonable attorneys' fees and costs of suit incurred herein pursuant to California Code of Civil Procedure section 1021.5; and

53. For injunctive relief to ensure compliance with this section, pursuant to California Business and Professions Code sections 17200, *et seq.*

As to the Tenth Cause of Action

54. For the imposition of civil penalties pursuant to California Labor Code sections 2699, 210, 558, 226, 226.3, 1174.5, and 1197.1 and all other penalties allowed by the California Labor Code and/or other applicable statutes;

52. For statutory attorneys' fees and costs pursuant to sections 210, 218.5, and 2699(g)(1) of the California Labor Code; and

56. For such other and further relief as the Court may deem proper.

Dated: June 23, 2026

BLACKSTONE LAW, APC

By: A. Blanchard
Annabel Blanchard, Esq.

Attorneys for Plaintiffs,
CALVIN PAYNE and JOHNNY WILLIAMS

1 **DEMAND FOR JURY TRIAL**

2 Plaintiffs hereby demand a jury trial with respect to all issues triable of right by jury.

3
4 Dated: June 23, 2026

BLACKSTONE LAW, APC

5
6 By: A. Blanchard
Annabel Blanchard, Esq.

7 Attorneys for Plaintiffs,
8 CALVIN PAYNE and JOHNNY WILLIAMS
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EXHIBIT A

January 11, 2024

PAGA Claim Notice Via Online Electronic Submission

California Labor & Workforce Development Agency

800 Capitol Mall, Suite 5000 (MIC-55)

Sacramento, CA 95814

<https://www.dir.ca.gov/Private-Attorneys-General-Act/Private-Attorneys-General-Act.html>

RE: *Calvin Payne v. PDM Steel Service Centers, Inc.*

Dear Representative:

This office represents Calvin Payne (“Claimant”) with respect to his claims under the California Labor Code against PDM Steel Service Centers, Inc. (including any and all affiliates, subsidiaries, parents, directors, and officers thereof) (collectively referred to herein as “Employer”). This letter is being sent simultaneously to Employer by certified mail.

Employer employed Claimant from approximately August 2018 through approximately March 2023 as a non-exempt, hourly-paid employee. During his employment with Employer, Claimant was employed as a machinery maintenance helper at Employer’s location at 3535 E. Myrtle Street, Stockton, CA 95205. Employer is a steel manufacturer and distributor and maintains employees throughout the state of California.

Claimant intends to bring a representative action seeking penalties for violations of the California Labor Code which are recoverable under the Labor Code Private Attorneys General Act of 2004, California Labor Code section 2698, *et seq.* (“PAGA”). Claimant is seeking penalties on behalf of Claimant and in a representative capacity on behalf of the State of California and all current and former hourly-paid and/or non-exempt employees who worked for Employer in the State of California during the relevant statutory period (“Aggrieved Employees”). This letter is being sent in compliance with California Labor Code section 2699.3 and shall serve as Claimant’s notice of the provisions of the California Labor Code alleged to have been violated, including the facts and theories in support thereof.

As detailed below, Employer violated several of California’s wage and hour laws during Claimant’s employment, including but not limited to California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, 2802, and the Industrial Welfare Commission Wage Orders (“IWC Wage Orders”). The claims made on behalf of Claimant

and Aggrieved Employees are based upon the following facts and theories:

1. FAILURE TO PAY FOR ALL TIME WORKED AT CORRECT RATES OF PAY, INCLUDING MINIMUM WAGES, STRAIGHT TIME WAGES, AND OVERTIME COMPENSATION

Employer engaged in numerous unlawful practices which resulted in the failure to pay Claimant and other Aggrieved Employees for all time worked at the correct rates of pay, including minimum wages, straight time/regular rate wages, and overtime compensation.

California Labor Code sections 1194, 1197, and 1197.1 and IWC Wage Orders require employers to pay at least the legal minimum wage to their employees. California Labor Code sections 510 and 1198 and IWC Wage Orders further require employers to pay no less than one and one-half times the regular rate of pay of the employee for hours worked in excess of eight (8) hours in one workday, for hours worked in excess of forty (40) hours in one workweek, and for the first eight (8) hours worked on the seventh day of work in any one workweek, and to pay no less than twice the regular rate of pay of the employee for hours worked in excess of twelve (12) hours in one workday and for any work in excess of eight (8) hours on any seventh day of a workweek.

Throughout the relevant time period, Employer required Claimant and other Aggrieved Employees to perform work off-the-clock. Employer failed to compensate Claimant and other Aggrieved Employees for any of this off-the-clock work, in violation of California law. In addition, Employer utilized time rounding practices that resulted in the systematic underpayment of wages (including minimum wages, regular rate/straight time wages and overtime wages) to Claimant and Aggrieved Employees.

Employer also failed to accurately record the actual time worked by Claimant and Aggrieved Employees. Moreover, the uncompensated work described herein was often performed when Claimant and other Aggrieved Employees had already worked eight (8) hours in a day and/or forty (40) hours in week resulting in a failure to pay overtime compensation. Finally, Employer failed to pay overtime to Claimant and Aggrieved Employees for all overtime hours worked based on regular rates of pay correctly calculated to include all applicable remuneration, including non-discretionary commissions, non-discretionary bonuses, and non-discretionary performance pay.

As a result of the foregoing practices, Employer failed to pay Claimant and other Aggrieved Employees for all wages earned at the correct rates of pay, including minimum wages, straight time/regular rate wages, and overtime compensation. Accordingly, Employer violated IWC Wage Orders and California Labor Code sections 204, 510, 1194, 1197, 1197.1 and 1198.

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to paragraph of the applicable IWC Wage Orders; penalties pursuant to California Labor Code sections 558, 1197.1, and 1199; and attorneys' fees and costs.

2. FAILURE TO PROVIDE MEAL PERIODS AND PAY MEAL PERIOD PREMIUMS

California law requires employers to provide employees with an opportunity to take an uninterrupted meal period of no less than thirty (30) minutes before the end of the fifth hour of work when an employee works more than five (5) hours in a day. Cal. Lab. Code §§ 226.7, 512(a). A second meal period of no less than thirty (30) minutes must be provided before the end of the tenth hour of work when an employee works more than ten (10) hours in a day. Cal. Lab. Code §§ 226.7, 512(a). When an employer fails to provide a meal or rest period, an hour of pay at the employee's regular rate of compensation is owed to the employee. Cal. Lab. Code § 226.7(c).

During the relevant time period, Employer failed to provide Claimant and other Aggrieved Employees with legally compliant 30-minute meal periods. Claimant and other Aggrieved Employees were required by Employer to work more than five (5) hours per day but were not provided with uninterrupted 30-minute meal periods. Further, Claimant and other Aggrieved Employees were not provided with a second uninterrupted 30-minute meal period when they worked over ten (10) hours per day. Employer regularly required Claimant and other Aggrieved Employees to work through their first and second meal periods, to take their first meal period after their fifth (5th) hour of work, and/or to take their second meal periods after their tenth (10th) hour of work. Meal periods, when provided, were oftentimes interrupted or cut short.

Employer's policies, practices, and procedures were responsible for the violations alleged above and prevented Claimant and other Aggrieved Employees from taking timely, complete and duty-free meal periods because, amongst other reasons: (1) Employer did not have legally-compliant policies regarding the provision and timing of meal periods or systematically disregarded its own purported meal period policies; (2) Employer's management at various levels failed and refused to implement and enforce legally compliant meal period policies and practices; (3) Employer failed to adequately inform and train Claimant and other Aggrieved Employees regarding their right to take timely, uninterrupted, and duty-free meal periods; (4) Employer failed to adequately inform and train Claimant and other Aggrieved Employees about their right to premium wages for non-compliant meal periods; (5) Employer failed to ensure that there was adequate staffing to allow Claimant and other Aggrieved Employees to take timely, uninterrupted, and duty-free meal periods; (6) Employer required Claimant and other Aggrieved Employees to respond to work-related requests at all times, including during meal periods; and (7) Employer's policy and culture prevented Claimant and other Aggrieved Employees from taking timely, uninterrupted, and duty-free meal periods because of the priority placed on maximizing profits over employees' right to receive timely, uninterrupted, and duty-free meal periods.

Claimant and other Aggrieved Employees did not receive an extra hour of wages at their regular rate of pay for the meal periods which were not provided to them in compliance with California law. Accordingly, Employer violated the applicable IWC Wage Orders and California Labor Code sections 226.7, 512(a) and 1198.

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to penalties paragraph of the applicable IWC Wage Orders; penalties pursuant to California Labor Code sections 558 and 1199; and attorneys' fees and costs.

3. FAILURE TO AUTHORIZE AND PERMIT REST PERIODS AND PAY REST PERIOD PREMIUMS

California law requires employers to authorize and permit employees to take an uninterrupted rest period of no less than ten (10) minutes rest for every four (4) hours, or major fraction thereof, worked. Cal. Lab. Code § 226.7. When an employer fails to authorize and permit a rest period, an hour of pay at the employee's regular rate of compensation is owed to the employee. Cal. Lab. Code § 226.7(c).

Employer failed to authorize and permit Claimant and other Aggrieved Employees to take legally compliant 10-minute rest periods. Employer required Claimant and other Aggrieved Employees to work through rest periods. Claimant and Aggrieved Employees were not provided with uninterrupted, duty-free rest periods when they worked more than four (4) hours or a major fraction thereof. Further, Claimant and other Aggrieved Employees were not provided with a second uninterrupted, duty-free rest period when they worked more than six (6) hours in a day, or a third uninterrupted, duty-free rest period after working more than ten (10) hours in day. In the rare event that a rest period was taken, it was frequently interrupted or cut short. Moreover, Claimant and other Aggrieved Employees were not completely relieved of duty as required by *Augustus v. ABM Security Services, Inc.*, 2 Cal.5th 257 (2016).

Employer's policies, practices, and procedures were responsible for the violations alleged above and prevented Claimant and other Aggrieved Employees from taking timely and complete rest periods because, amongst other reasons: (1) Employer did not have legally-compliant policies regarding the provision and timing of rest periods or systematically disregarded its own purported rest period policies; (2) Employer's management at various levels failed and refused to implement and enforce legally compliant rest period policies and practices; (3) Employer failed to adequately inform and train Claimant and other Aggrieved Employees regarding their right to take timely, uninterrupted, and duty-free rest periods; (4) Employer failed to adequately inform and train Claimant and other Aggrieved Employees about their right to premium wages for non-compliant rest periods; (5) Employer failed to ensure that there was adequate staffing to allow Claimant and other Aggrieved Employees to take timely, uninterrupted, and duty-free rest periods; (6) Employer required Claimant and other Aggrieved Employees to respond to work-related requests at all times, including during rest periods; and (7) Employer's policy and culture prevented Claimant and other Aggrieved Employees from taking timely, uninterrupted, and duty-free rest periods because of the priority placed on completing job requirements over employees' right to receive rest periods.

Claimant and other Aggrieved Employees did not receive an extra hour of wages at their

regular rate of pay for the rest periods which were not provided to them in compliance with California law. Accordingly, Employer violated the applicable IWC Wage Orders and California Labor Code sections 226.7, and 1198.

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to paragraph of the applicable IWC Wage Orders; Labor Code sections 558 and 1199 penalties; and attorneys' fees and costs.

4. FAILURE TO TIMELY PAY WAGES DURING EMPLOYMENT

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. During the relevant time period, Employer failed to timely pay all wages earned because Claimant and other Aggrieved Employees were not paid all the wages they were owed including, *inter alia*, straight time/regular rate wages, minimum wages, overtime wages, meal and rest period premiums, or any other wages as they came due (*e.g.*, gratuities, bonuses, commissions, etc.). Accordingly, Employer violated California Labor Code section 204(a).

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to California Labor Code sections 210 and 1199; and attorneys' fees and costs.

5. FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS

California Labor Code section 226(a) requires an employer semimonthly or at the time of each payment of wages to furnish wage statements to its employees setting forth, *inter alia*, (1) gross wages earned, (2) total hours worked by the employee, (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, and (8) the name and address of the legal entity that is the employer.

As a result of the practices described herein, the wage statements provided to Claimant and other Aggrieved Employees failed to include the actual hours worked (including time spent working off-the-clock), the actual gross wages earned (including wages owed for time spent working off the

clock and meal and rest period premiums), and the correct rates of pay. The wage statements provided to Claimant and other Aggrieved Employees also failed to include the name of the legal entity that employed Claimant and the Aggrieved Employees. Accordingly, Employer violated California Labor Code section 226(a).

Claimant and Aggrieved Employees will therefore seek PAGA default penalties; penalties pursuant to California Labor Code section 226.3; and attorneys' fees and costs.

6. FAILURE TO MAINTAIN ACCURATE RECORDS

California Labor Code section 1174(d) requires an employer to keep, 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 and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept with rules established for this purpose by the commission, but in any case, shall be kept on file for not less than two years. During the relevant time period, Employer failed to maintain accurate records relating to Claimant and other Aggrieved Employees' work periods, meal periods, total daily hours worked, and total hours worked per payroll period. Accordingly, Employer violated the applicable IWC Wage Orders and California Labor Code sections 1198.5 and 1174(d).

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to penalties paragraph of the applicable IWC Wage Orders; California Labor Code section 1174.5 penalties; and attorneys' fees and costs.

7. FAILURE TO REIMBURSE NECESSARY EXPENDITURES

California Labor Code sections 2800 and 2802 require an employer to reimburse its employees for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. The IWC Wage Orders require employers to provide employees with the tools or equipment necessary for the performance of their job. During the relevant time period, Claimant and Aggrieved Employees incurred necessary business-related expenses and costs that were not fully reimbursed by Employer. These costs include but are not limited to the usage of personal cell phones and related internet usage for work-related purposes.

Accordingly, Employer violated the IWC Orders and California Labor Code sections 2800 and 2802. Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to penalties paragraph of the applicable IWC Wage Orders; and attorneys' fees and costs.

8. FAILURE TO TIMELY PAY ALL WAGES UPON TERMINATION OF EMPLOYMENT

California Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and if an employee quits his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours' notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

During the relevant time period, upon the termination of employment (including but not limited to when they were temporarily laid off, laid off, discharged, and/or resigned), Aggrieved Employees were not paid all wages due to them within twenty-four (24) hours or even within seventy-two (72) hours for those who resigned. Specifically, as a result of Employer's practices of requiring Aggrieved Employees to work off-the-clock without compensation, failing to pay proper overtime compensation, unlawful rounding practices, failure to properly calculate regular rates, and failure to accurately record all hours actually worked, Employer failed to pay Aggrieved Employees for all regular rate/straight time wages, minimum wages and overtime compensation owed to them upon termination of their employment. Employer also failed to pay Aggrieved Employees for meal period premiums and rest period premiums they were owed, amongst any other wages due (*e.g.*, gratuities, bonuses, commissions, etc.). Accordingly, Employer violated California Labor Code sections 201 and 202.

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to California Labor Code sections 203 and 1199; and attorneys' fees and costs.

9. EMPLOYER'S OTHER VIOLATIONS OF THE CALIFORNIA LABOR CODE

Finally, pursuant to *Huff v. Securitas Security Services USA, Inc.* (2018) 25 Cal.App.5th 745 ("*Huff*"), as an Aggrieved Employee, Claimant has standing, and intends, on behalf of LWDA, to pursue civil penalties against Employer for any and all other Labor Code violations committed by Employer. In *Huff*, the California Court of Appeals held that an employee alleging a single violation of the Labor Code under PAGA may also bring PAGA claims against Employer for all other alleged Labor Code violations, even those suffered by other employees of the same employer. According to the *Huff* decision, Claimant, as an "aggrieved" employee affected by at least one Labor Code violation may, and hereby does, pursue penalties on behalf of LWDA for unrelated Labor Code violations by Employer.

Employer is in direct violation of numerous California wage and hour laws including but not limited to said sections stated above. We hereby provide notice under the California Labor Code Private Attorneys General Act of 2004, California Labor Code Sections 2698, *et seq.*, and specifically ask for an investigation, or if the agency does not intend to investigate the alleged

violations, a letter confirming the same so that we may allege a cause of action under PAGA against Employer for the violations discussed in this letter.

This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3. By law, an employee alleging a violation of one of the above referenced sections must notify his or her employer and the Labor and Workforce Development Agency (LWDA) before he or she can invoke the provisions of Sections 2699, *et seq.*, by seeking redress in court. Cal. Lab. Code § 2699.3(a)(1). The LWDA must then notify the employer and the employee within 60 calendar days regarding whether it intends to investigate the alleged violation. Cal. Lab. Code § 2699.3(a)(2)(B). If the LWDA advises it will not investigate, or if no notice is provided within 65 calendar days, the employee may file a lawsuit invoking the provisions under Labor Code § 2699. Cal. Lab. Code § 2699.3(a)(2)(A). It is Claimant's intention to file a civil complaint and to bring the appropriate claims under California Labor Code § 2699 on behalf of themselves, the State of California and all Aggrieved Employees should your office not address Employer's alleged violations within this time.

If you have any questions or require additional information, please do not hesitate to contact my office. Thank you for your attention to this matter.

BLACKSTONE LAW

Alexander Spellman
Alexander K. Spellman, Esq.

cc: By U.S. Certified Mail, Return Receipt Requested

PDM Steel Service Centers, Inc
16100 N. 71st Street, Suite 400
Scottsdale, AZ 85254

PDM Steel Service Centers, Inc
Attn: C T Corporation System
Agent for Service of Process
330 N Brand Blvd, Suite 700
Glendale, CA 91203

PROOF OF SERVICE

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I, Bany Funez, certify and declare as follows:

I am over eighteen years of age and not a party to the within action; my business address is 8383 Wilshire Blvd, Suite 745, Beverly Hills, California 90211. On June 23, 2026, I served a copy of the following document(s):

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

on the interested parties as follows:

Spencer C. Skeen
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Cameron O. Flynn
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OGLETREE, DEAKINS, NASH,
SMOAK & STEWART, P.C.
4660 La Jolla Village Drive, Suite 900
San Diego, CA 92122
Telephone: 858-652-3100
Facsimile: 858-652-3101

Attorneys for Defendant PDM STEEL SERVICE
CENTERS, INC.

☒ **BY ELECTRONIC SERVICE (CASE ANYWHERE):** I caused said document(s) to be sent to the addressee(s) listed above via Case Anywhere. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

☒ **BY ONLINE SUBMISSION:** The above-referenced documents were transmitted to the California Labor and Workforce Development Agency through the online system established for the submission of notices and documents, in conformity with California Labor Code section 2699(I). I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

☒ **STATE:** I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on June 23, 2026 at Beverly Hills, California.

/s/ Bany Funez
Bany Funez