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

APRIL CRUMP, as an aggrieved
employee pursuant to the Private
Attorneys General Act ("PAGA"), on
behalf of the State of California and
other non-party Aggrieved
Employees,

Plaintiff,

vs.

RMI INTERNATIONAL, INC., a
California corporation; and DOES 1
through 10, inclusive,

Defendants.

Case No.: **24STCV08693**

**COMPLAINT – PAGA ENFORCEMENT
ACTION**

(1) Claim for Civil Penalties for Violations of
California Labor Code, Pursuant to PAGA,
§§ 2698, *et seq.*

Jury Trial Demanded

1 Plaintiff April Crump, as an aggrieved employee and on behalf of the State of
2 California and all other non-party Aggrieved Employees, alleges as follows:

3 **JURISDICTION AND VENUE**

4 1. This is an enforcement action under the Labor Code Private Attorneys General
5 Act of 2004, California Labor Code sections 2698, *et seq.* (“PAGA”) to recover civil penalties
6 and any other available relief on behalf of Plaintiff, the State of California, and other current
7 and former employees who worked for Defendants in California as a non-exempt, hourly paid
8 employee and received at least one wage statement and against whom one or more violations
9 of any provision in Division 2 Part 2 Chapter 1 of the Labor Code or any provision regulating
10 hours and days of work in the applicable Industrial Welfare Commission (“IWC”) Wage
11 Order were committed, as set forth in this complaint, at any time between one year prior to the
12 filing of the pre-filing written notice to the Labor and Workforce Development Agency
13 (“LWDA”) in this case on February 2, 2024, until judgment (“non-party Aggrieved
14 Employees”). Plaintiff’s share of civil penalties sought in this action does not exceed
15 \$75,000.

16 2. This Court has jurisdiction over this action pursuant to the California
17 Constitution, Article VI, section 10. The statute under which this action is brought does not
18 specify any other basis for jurisdiction.

19 3. This Court has jurisdiction over all Defendants because, on information and
20 belief, Defendants are either citizens of California, have sufficient minimum contacts in
21 California, or otherwise intentionally avail themselves of the California market so as to render
22 the exercise of jurisdiction over them by the California courts consistent with traditional
23 notions of fair play and substantial justice. There is no basis for federal diversity jurisdiction
24 in this action given that the State of California, as the real party in interest in this action, is not
25 a “citizen” for purposes of satisfying diversity jurisdiction. *Urbino v. Orkin Servs. of Cal.*,
26 726 F.3d 1118, 1123 (9th Cir. Cal. 2013). *Urbino* also holds that civil penalties cannot be
27 aggregated to satisfy the amount in controversy requirement for federal diversity jurisdiction
28 in this action, and that diversity jurisdiction cannot be established when Plaintiff’s share of the

1 civil penalties attributable to violations personally suffered are less than \$75,000. *Id.* at 1122.

2 4. Venue is proper in this Court, because Defendants filed Statement of Information
3 forms with the California Secretary of State designating a principal place of business in
4 Paramount, County of Los Angeles, in accordance with California Corporations Code section
5 2105(a)(3). Cal. Code Civ. P. § 395.5. Venue is also proper in this Court because Defendants
6 employ persons in this county, and employed Plaintiff in this county, and thus a substantial
7 portion of the transactions and occurrences related to this action occurred in this county.

8 5. California Labor Code sections 2698, *et seq.*, the “Labor Code Private
9 Attorneys General Act of 2004” (“PAGA”), authorize aggrieved employees to sue as private
10 attorneys general their current or former employers for various civil penalties for violations of
11 various provisions in the California Labor Code.

12 THE PARTIES

13 6. Plaintiff April Crump is a resident of Los Angeles, in Los Angeles County,
14 California. Defendants employed Plaintiff as an hourly paid, non-exempt Transit Ambassador
15 from approximately October 2022 to May 2023 in their Los Angeles, California service area.
16 Plaintiff typically worked eight (8) hours per day and five (5) days per week. At the time
17 Plaintiff’s employment with Defendants ended, she was compensated approximately \$24.35
18 per hour. Plaintiff’s primary job duties included, without limitation, providing customer
19 service and security on Los Angeles Metro train and bus lines.

20 7. On information and belief, Defendants required some employees, including
21 Plaintiff, to execute an arbitration agreement at the time of their hire or during their
22 employment. On further information and belief, Defendants’ arbitration agreement was and is
23 both procedurally and substantively unconscionable. Specifically, Defendants presented
24 employees with an “RMI Arbitration Agreement” (“Arbitration Agreement”) during the
25 onboarding process, which had to be reviewed and acknowledged immediately. Specifically,
26 the Arbitration Agreement was one of several documents presented to new employees for
27 signature during the onboarding process, including a Confidentiality And Non-Disclosure
28 Agreement, 120 Day Introductory Acknowledgement, and Memorandum of Understanding

1 Regarding Employment Relationship, among other documents. Also, employees did not have
2 a meaningful opportunity to negotiate the terms of the Arbitration Agreement. Rather, it was
3 provided to Defendants' employees for them to sign on a take-it or leave-it basis, along with
4 all of the other onboarding documents. Further, Defendants did not set forth in the agreement
5 or otherwise provide employees with the rules which will govern the arbitration, instead
6 forcing employees to seek this information out on their own: ("Arbitration shall be conducted
7 pursuant to the Employment Arbitration Rules of the American Arbitration Association
8 ("AAA Rules"). . . . Employee may obtain a copy of the AAA Rules by contacting the
9 Company or the AAA, or by accessing the AAA website at www.adr.org/Rules.")

10 8. RMI INTERNATIONAL, INC. was and is, upon information and belief, a
11 California corporation, and at all times hereinafter mentioned, an employer whose employees
12 are engaged throughout this county, and the State of California.

13 9. Plaintiff is unaware of the true names or capacities of the Defendants sued
14 herein under the fictitious names DOES 1 through 10, but will seek leave of this Court to
15 amend the complaint and serve such fictitiously named Defendants once their names and
16 capacities become known.

17 10. Plaintiff is informed and believes, and thereon alleges, that DOES 1 through 10
18 were the partners, agents, owners, or managers of RMI INTERNATIONAL, INC. at all
19 relevant times.

20 11. Plaintiff is informed and believes, and thereon alleges, that each and all of the
21 acts and omissions alleged herein was performed by, or is attributable to, RMI
22 INTERNATIONAL, INC. and/or DOES 1 through 10 (collectively, "Defendants" or "RMI"),
23 each acting as the agent, employee, alter ego, and/or joint venturer of, or working in concert
24 with, each of the other co-Defendants and was acting within the course and scope of such
25 agency, employment, joint venture, or concerted activity with legal authority to act on the
26 others' behalf. The acts of any and all Defendants were in accordance with, and represent, the
27 official policy of Defendants.

28 12. At all relevant times, Defendants, and each of them, ratified each and every act

1 or omission complained of herein. At all relevant times, Defendants, and each of them, aided
2 and abetted the acts and omissions of each and all the other Defendants in proximately causing
3 the damages herein alleged.

4 13. Plaintiff is informed and believes, and thereon alleges, that each of said
5 Defendants is in some manner intentionally, negligently, or otherwise responsible for the acts,
6 omissions, occurrences, and transactions alleged herein.

7 **PAGA REPRESENTATIVE ALLEGATIONS**

8 14. Defendants offer security consulting, physical security, and executive
9 protection services. Upon information and belief, Defendants maintain a single, centralized
10 Human Resources (HR) department at their corporate headquarters in Paramount, California,
11 for all non-exempt, hourly paid employees working for Defendants in California, which is
12 responsible for the recruiting and hiring of new employees, and communicating and
13 implementing Defendants' company-wide policies, including timekeeping policies and meal
14 and rest period policies, to employees throughout California.

15 15. In particular, Plaintiff and other non-party Aggrieved Employees, on
16 information and belief, received the same standardized documents and/or written policies.
17 Upon information and belief, the usage of standardized documents and/or written policies,
18 including new-hire documents, indicate that Defendants dictated policies at the corporate level
19 and implemented them company-wide, regardless of their employees' assigned locations or
20 positions. Upon information and belief, Defendants set forth uniform policies and procedures
21 in several documents provided at an employee's time of hire.

22 16. Upon information and belief, Defendants maintain a centralized Payroll
23 department at their corporate headquarters in Paramount, California, which processes payroll
24 for all non-exempt, hourly paid employees working for Defendants at their various locations
25 and jobsites in California, including Plaintiff and other non-party Aggrieved Employees.
26 Based upon information and belief, Defendants issue the same formatted wage statements to
27 all non-exempt, hourly paid employees in California, irrespective of their work locations.
28 Upon information and belief, Defendants process payroll for departing employees in the same

manner throughout the State of California, regardless of the manner in which each employee's employment ends.

17. Defendants continue to employ non-exempt or hourly paid employees in California.

18. Plaintiff is informed and believes, and thereon alleges, that at all times herein mentioned, Defendants were advised by skilled lawyers and other professionals, employees and advisors knowledgeable about California labor and wage law, employment and personnel practices, and about the requirements of California law.

19. Plaintiff is informed and believes, and thereon alleges, that Plaintiff and other non-party Aggrieved Employees were not paid for all hours worked because all hours worked were not recorded.

20. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or should have known that Plaintiff and other non-party Aggrieved Employees were entitled to receive certain wages for overtime compensation and that they were not receiving certain wages for overtime compensation.

21. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or should have known that other non-party Aggrieved Employees were entitled to be paid at a regular rate of pay, and corresponding rates of pay for overtime wages and/or meal and rest period premiums, that included as eligible income all remuneration required by law, including but not limited to, all income derived from incentive pay, nondiscretionary bonuses, and/or other forms of compensation, but failed to include all forms of remuneration in calculating the regular rate of pay for other non-party Aggrieved Employees.

22. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or should have known that Plaintiff and other non-party Aggrieved Employees were entitled to receive at least minimum wages for compensation and that they were not receiving at least minimum wages for work that was required to be done off-the-clock. In violation of the California Labor Code, Plaintiff and other non-party Aggrieved Employees were not paid at least minimum wages for work done off-the-clock.

1 23. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
2 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
3 meal periods in accordance with the California Labor Code and applicable IWC Wage Order
4 or payment of one (1) additional hour of pay at their regular rates of pay when they were not
5 provided with timely, uninterrupted, thirty (30) minute meal periods and that Plaintiff and
6 other non-party Aggrieved Employees were not provided with all meal periods or payment of
7 one (1) additional hour of pay at their regular rates of pay when they did not receive a timely,
8 uninterrupted, thirty (30) minute meal period.

9 24. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
10 should have known that other non-party Aggrieved Employees were entitled to rest periods in
11 accordance with the California Labor Code and applicable IWC Wage Order or payment of
12 one (1) additional hour of pay at their regular rates of pay when they were not authorized and
13 permitted to take a compliant rest period and that other non-party Aggrieved Employees were
14 not authorized and permitted to take compliant rest periods or provided with payment of one
15 (1) additional hour of pay at their regular rates of pay when they were not authorized and
16 permitted to take a compliant rest period.

17 25. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
18 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
19 receive complete and accurate wage statements in accordance with California law. In
20 violation of the California Labor Code, Plaintiff and other non-party Aggrieved Employees
21 were not provided complete and accurate wage statements.

22 26. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
23 should have known that they had a duty to maintain accurate and complete payroll records in
24 accordance with the Labor Code and applicable IWC Wage Order, but willfully, knowingly,
25 and intentionally failed to do so.

26 27. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
27 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
28 timely payment of wages during their employment. In violation of the California Labor Code,

1 Plaintiff and other non-party Aggrieved Employees did not receive payment of all wages,
2 including, but not limited to, overtime wages, minimum wages, meal and/or rest period
3 premiums, and/or sick leave pay, within permissible time periods.

4 28. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
5 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
6 timely payment of all wages earned upon termination of employment. In violation of the
7 California Labor Code, Plaintiff and other non-party Aggrieved Employees did not receive
8 payment of all wages due, including, but not limited to, overtime wages, minimum wages,
9 meal and/or rest period premiums, and/or sick leave pay, within permissible time periods.

10 29. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
11 should have known that other non-party Aggrieved Employees were entitled to receive sick
12 leave benefits to be paid at a regular rate of pay, that included, as eligible income, all income
13 derived from incentive pay, nondiscretionary bonuses, and/or other forms of compensation. In
14 violation of the California Labor Code, Defendants failed to include all forms of remuneration
15 in calculating the regular rate of pay for sick leave pay.

16 30. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
17 should have known that other non-party Aggrieved Employees were entitled to receive
18 reimbursement for all business-related expenses and costs they incurred during the course and
19 scope of their employment and that they did not receive reimbursement of applicable
20 business-related expenses and costs incurred.

21 31. Plaintiff is informed and believes, and thereon alleges, that at all times herein
22 mentioned, Defendants knew or should have known that Defendants had a duty to provide
23 Plaintiff and other non-party Aggrieved Employees with written notice of the material terms
24 of their employment with Defendants as required by the California Wage Theft Prevention
25 Act, but failed to do so.

26 32. Plaintiff is informed and believes, and thereon alleges, that at all times herein
27 mentioned, Defendants knew or should have known that they had a duty to compensate
28 Plaintiff and other non-party Aggrieved Employees for all hours worked, and that Defendants

1 had the financial ability to pay such compensation, but willfully, knowingly, and intentionally
2 failed to do so, and falsely represented to Plaintiff and other non-party Aggrieved Employees
3 that they were properly denied wages, all in order to increase Defendants' profits.

4 33. At all times herein set forth, PAGA provides that any provision of law under
5 the Labor Code and applicable IWC Wage Order that provides for a civil penalty to be
6 assessed and collected by the LWDA for violations of the California Labor Code and
7 applicable IWC Wage Order may, as an alternative, be recovered by aggrieved employees in a
8 civil action brought on behalf of themselves and other current or former employees pursuant
9 to procedures outlined in California Labor Code section 2699.3.

10 34. PAGA defines an "aggrieved employee" in Labor Code section 2699(c) as "any
11 person who was employed by the alleged violator and against whom one or more of the
12 alleged violations was committed."

13 35. Plaintiff and other current and former employees of Defendants are "aggrieved
14 employees" as defined by Labor Code section 2699(c) in that they are all Defendants' current
15 or former employees and one or more of the alleged violations were committed against them.

16 36. Pursuant to California Labor Code sections 2699.3 and 2699.5, an aggrieved
17 employee, including Plaintiff, may pursue a civil action arising under PAGA after the
18 following requirements have been met:

- 19 (a) The aggrieved employee shall give written notice by online filing
20 (hereinafter "Employee's Notice") to the LWDA and by certified mail
21 to the employer of the specific provisions of the California Labor Code
22 alleged to have been violated, including the facts and theories to support
23 the alleged violations.
- 24 (b) An aggrieved employee's notice filed with the LWDA pursuant to
25 2699.3(a) and any employer response to that notice shall be
26 accompanied by a filing fee of seventy-five dollars (\$75).
- 27 (c) The LWDA shall provide notice (hereinafter "LWDA Notice") to the
28 employer and the aggrieved employee by certified mail that it does not

1 intend to investigate the alleged violation within sixty (60) calendar
2 days of the postmark date of the Employee's Notice. Upon receipt of
3 the LWDA Notice, or if the LWDA Notice is not provided within sixty-
4 five (65) calendar days of the postmark date of the Employee's Notice,
5 the aggrieved employee may commence a civil action pursuant to
6 California Labor Code section 2699 to recover civil penalties in addition
7 to any other penalties to which the employee may be entitled.

8 37. Pursuant to California Labor Code section 2699.3(c), aggrieved employees,
9 through Plaintiff, may pursue a civil action arising under PAGA for violations of any
10 provision other than those listed in Section 2699.5 after the following requirements have been
11 met:

- 12 (a) The aggrieved employee or representative shall give written notice by
13 online filing to the LWDA and by certified mail to the employer of the
14 specific provisions of the California Labor Code alleged to have been
15 violated (other than those listed in Section 2699.5), including the facts
16 and theories to support the alleged violation.
- 17 (b) An aggrieved employee's notice filed with the LWDA pursuant to
18 2699.3(c) and any employer response to that notice shall be
19 accompanied by a filing fee of seventy-five dollars (\$75).
- 20 (c) The employer may cure the alleged violation within thirty-three (33)
21 calendar days of the postmark date of the notice. The employer shall
22 give written notice by certified mail within that period of time to the
23 aggrieved employee or representative and the agency if the alleged
24 violation is cured, including a description of actions taken, and no civil
25 action pursuant to Section 2699 may commence. If the alleged violation
26 is not cured within the 33-day period, the employee may commence a
27 civil action pursuant to Section 2699.

28 38. On February 2, 2024, Plaintiff provided written notice by online filing to the

1 LWDA and by certified mail to Defendants of the specific provisions of the California Labor
2 Code alleged to have been violated, including facts and theories to support the alleged
3 violations, in accordance with California Labor Code section 2699.3. Plaintiff's written
4 notice was accompanied with the applicable filing fee of seventy-five dollars (\$75). The
5 LWDA PAGA Administrator has confirmed receipt of Plaintiff's written notice and assigned
6 Plaintiff PAGA Case Number LWDA-CM-1008818-24. A true and correct copy of Plaintiff's
7 written notice to the LWDA and Defendants is attached hereto as "Exhibit 1."

8 39. As of the filing date of this complaint, over 65 days have passed since Plaintiff
9 sent the written notice described above, and the LWDA has not responded that it intends to
10 investigate Plaintiff's claims, and Defendants have not cured the violations.

11 40. Thus, Plaintiff has satisfied the administrative prerequisites under California
12 Labor Code sections 2699.3(a) and 2699.3(c) to recover civil penalties against Defendants for
13 violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 246, 510, 512(a),
14 516, 1174(d), 1182.12, 1194, 1197, 1198, 2802, and 2810.5.

15 41. Labor Code section 558(a) provides "[a]ny employer or other person acting on
16 behalf of an employer who violates, or causes to be violated, a section of this chapter or any
17 provision regulating hours and days of work in any order of the Industrial Welfare
18 Commission shall be subject to a civil penalty as follows: (1) For any initial violation, fifty
19 dollars (\$50) for each underpaid employee for each pay period for which the employee was
20 underpaid (2) For each subsequent violation, one hundred dollars (\$100) for each
21 underpaid employee for each pay period for which the employee was underpaid" Labor
22 Code section 558(c) provides "[t]he civil penalties provided for in this section are in addition
23 to any other civil or criminal penalty provided by law." Plaintiff, acting in the public interest
24 as a private attorney general, seeks assessment and collection of civil penalties under Labor
25 Code section 558 for herself, all other non-party Aggrieved Employees, and the State of
26 California against Defendants for violations of Labor Code sections 510, 512(a), 516, and
27 1198, and the applicable IWC Wage Order. Plaintiff, acting in the public interest as a private
28 attorney general, does not seek the recovery of unpaid wages under Labor Code section 558

1 from Defendants for violations of Labor Code sections 510, 512(a), 516, and 1198, and the
2 applicable IWC Wage Order.

3 42. Defendants, at all times relevant to this complaint, were employers or persons
4 acting on behalf of an employer(s) who violated Plaintiff's and other non-party Aggrieved
5 Employees' rights by violating various sections of the California Labor Code as set forth
6 above.

7 43. As set forth below, Defendants have violated numerous provisions of both the
8 Labor Code sections regulating hours and days of work as well as the applicable IWC Wage
9 Order.

10 44. Pursuant to PAGA, and in particular, California Labor Code sections 2699(a),
11 2699.3(a), 2699.3(c), 2699.5, and section 558, Plaintiff, acting in the public interest as a
12 private attorney general, seeks assessment and collection of civil penalties for herself, all other
13 non-party Aggrieved Employees, and the State of California against Defendants for violations
14 of California Labor Code sections 201, 202, 204, 226(a), 226.7, 246, 510, 512(a), 516,
15 1174(d), 1182.12, 1194, 1197, 1198, 2802, and 2810.5.

16 **FIRST CAUSE OF ACTION**

17 **For Civil Penalties, Pursuant to California Labor Code §§ 2698, *et seq.***

18 **(Against all Defendants)**

19 45. Plaintiff incorporates by reference and re-alleges as if fully stated herein each
20 and every allegation set forth above.

21 46. California Labor Code §§ 2698, *et seq.* ("PAGA") permits Plaintiff to recover
22 civil penalties for the violation(s) of the Labor Code sections enumerated in Labor Code
23 section 2699.5. Section 2699.5 enumerates Labor Code sections 201, 202, 204, 226(a), 226.7,
24 510, 512(a), 1174(d), 1194, 1197, 1198, and 2802. Labor Code section 2699.3(c) permits
25 aggrieved employees, including Plaintiff, to recover civil penalties for violations of those
26 Labor Code sections not found in section 2699.5, including sections 246, 516, 1182.12, and
27 2810.5.

28 47. Defendants' conduct, as alleged herein, violates numerous sections of the

1 California Labor Code, including, but not limited to, the following:

- 2 (a) Violation of Labor Code sections 510 and 1198, and the applicable IWC
3 Wage Order for Defendants' failure to compensate Plaintiff and other
4 non-party Aggrieved Employees with all required overtime pay, as set
5 forth below;
- 6 (b) Violation of Labor Code sections 226.7, 510, and 1198, and the
7 applicable IWC Wage Order for Defendants' failure to include all forms
8 of remuneration in the regular rate of pay as required by law for
9 purposes of paying overtime wages and/or meal and rest period
10 premiums to other non-party Aggrieved Employees, as set forth below;
- 11 (c) Violation of Labor Code sections 1182.12, 1194, 1197, and 1198, and
12 the applicable IWC Wage Order for Defendants' failure to compensate
13 Plaintiff and other non-party Aggrieved Employees with at least
14 minimum wages for all hours worked, as set forth below;
- 15 (d) Violation of Labor Code sections 226.7, 512(a), 516, and 1198, and the
16 applicable IWC Wage Order for Defendants' failure to provide Plaintiff
17 and other non-party Aggrieved Employees with meal periods, as set
18 forth below;
- 19 (e) Violation of Labor Code sections 226.7, 516, and 1198, and the
20 applicable IWC Wage Order for Defendants' failure to authorize and
21 permit other non-party Aggrieved Employees to take rest periods, as set
22 forth below;
- 23 (f) Violation of Labor Code sections 226(a) and 1198, and the applicable
24 IWC Wage Order for failure to provide accurate and complete wage
25 statements to Plaintiff and other non-party Aggrieved Employees, as set
26 forth below;
- 27 (g) Violation of Labor Code sections 1174(d) and 1198, and the applicable
28 IWC Wage Order for failure to maintain payroll records, as set forth

below;

- (h) Violation of Labor Code sections 204 for failure to pay all earned wages during employment, as set forth below;
- (i) Violation of Labor Code section 201 and 202 for failure to pay all earned wages upon termination, as set forth below;
- (j) Violation of Labor Code sections 246 for failure to properly calculate the sick leave paid to other non-party Aggrieved Employees, as set forth below;
- (k) Violation of Labor Code sections 2802 for failure to reimburse other non-party Aggrieved Employees for all business expenses necessarily incurred, as set forth below; and
- (l) Violation of Labor Code section 2810.5 for failure to provide notice of material terms of employment, as set forth below.

FAILURE TO PAY OVERTIME

VIOLATION OF LABOR CODE SECTIONS 510 AND 1198

48. Labor Code section 1198 makes it illegal to employ an employee under conditions of labor that are prohibited by the applicable IWC Wage Order. California Labor Code section 1198 requires that “. . . the standard conditions of labor fixed by the commission shall be the . . . standard conditions of labor for employees. The employment of any employee . . . under conditions of labor prohibited by the order is unlawful.”

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

50. Specifically, the applicable IWC Wage Order provides that Defendants are and were required to pay Plaintiff and other non-party Aggrieved Employees working more than eight (8) hours in a day or more than forty (40) hours in a workweek, at the rate of time and one-half (1 ½) for all hours worked in excess of eight (8) hours in a day or more than forty

1 (40) hours in a workweek.

2 51. The applicable IWC Wage Order further provides that Defendants are and were
3 required to pay Plaintiff and other non-party Aggrieved Employees working more than twelve
4 (12) hours in a day, overtime compensation at a rate of two (2) times their regular rate of pay.
5 An employee's regular rate of pay includes all remuneration for employment paid to, or on
6 behalf of, the employee, including nondiscretionary bonuses and incentive pay.

7 52. California Labor Code section 510 codifies the right to overtime compensation
8 at one and one-half (1 ½) times the regular rate of pay for hours worked in excess of eight (8)
9 hours in a day or forty (40) hours in a week or for the first eight (8) hours worked on the
10 seventh (7th) day of work, and to overtime compensation at twice the employee's regular rate
11 of pay for hours worked in excess of twelve (12) hours in a day or in excess of eight (8) hours
12 in a day on the seventh (7th) day of work.

13 53. During the relevant time period, Defendants willfully failed to pay all overtime
14 wages owed to Plaintiff and other non-party Aggrieved Employees. During the relevant time
15 period, Plaintiff and other non-party Aggrieved Employees were not paid overtime premiums
16 for all of the hours they worked in excess of eight (8) hours in a day, in excess of twelve (12)
17 hours in a day, and/or in excess of forty (40) hours in a week, because all hours worked were
18 not recorded.

19 54. First, during the relevant time period, Defendants had, and continue to have, a
20 company-wide policy and/or practice of improperly rounding employees' clock-in and/or
21 clock-out times in their timekeeping system to the start and/or end of their scheduled hours
22 worked, rather than their actual hours worked. Moreover, on information and belief,
23 Defendants' timekeeping system rounded employees' clock-in and clock-out duration times to
24 the nearest quarter (0.25) of an hour. Defendants' rounding policy resulted in the failure to
25 compensate Plaintiff and other non-party Aggrieved Employees fully for all hours worked,
26 causing Plaintiff and other non-party Aggrieved Employees to not be paid overtime wages for
27 all of the overtime hours they actually worked. Upon information and belief, Defendants'
28 policy of rounding was, and continues to be, unfair and has, over time, resulted in the

1 underpayment of wages to Plaintiff and other non-party Aggrieved Employees. To the extent
2 Defendants' rounding policy has taken away time worked that was eligible for overtime,
3 Plaintiff and other non-party Aggrieved Employees were denied overtime pay for all hours
4 worked.

5 55. Alternatively, Defendants had, and continue to have, a company-wide policy
6 and/or practice of failing to correctly record hours worked by their employees. Instead, on
7 information and belief, Defendants' policy and/or practice is to simply pay employees,
8 including Plaintiff and other non-party Aggrieved Employees, for the hours they are scheduled
9 to work (*see infra*). Because Defendants failed to accurately record their actual hours worked,
10 Plaintiff and other non-party Aggrieved Employees were not paid for all hours worked before or
11 after their scheduled shifts.

12 56. Second, during the relevant time period, Defendants had, and continue to have, a
13 company-wide policy and/or practice of requiring Plaintiff and/or other non-party Aggrieved
14 Employees to perform tasks off-the-clock after their scheduled shifts. For example, about every
15 other week, Plaintiff was required to clock out at her scheduled shift end-time and wait
16 approximately 10 to 20 minutes for her supervisors to arrive to release her before she was
17 allowed to go home. As a further example, on information and belief, Defendants' managers
18 contacted other non-party Aggrieved Employees on their personal cellular phones about work-
19 related matters after they had already clocked out of work, but did not compensate them for this
20 time. On information and belief, other non-party Aggrieved Employees were also required to
21 complete reports while off-the-clock. Thus, Defendants failed to track the time Plaintiff and
22 other non-party Aggrieved Employees spent working outside of their scheduled shifts, and
23 Plaintiff and other non-party Aggrieved Employees received no compensation for this time.

24 57. Third, on information and belief, Defendants had, and continue to have,
25 company-wide policies and/or practices of understaffing while assigning heavy workloads.
26 Defendants' policies and/or practices resulted in a failure to provide Plaintiff and other non-
27 party Aggrieved Employees with adequate meal period coverage, and thus, Plaintiff and other
28 non-party Aggrieved Employees were not always afforded uninterrupted 30-minute meal

1 periods during shifts when they were entitled to receive a meal period. Defendants also had a
2 practice of failing to adhere to a schedule for meal periods, which, in conjunction with the
3 assignment of heavy workloads, further caused Plaintiff and other non-party Aggrieved
4 Employees to not be relieved of their duties for compliant meal periods. For example, Plaintiff
5 could not take meal periods on days when she had to train new employees, due to a lack of
6 coverage. Thus, Plaintiff and other non-party Aggrieved Employees worked through their meal
7 periods in order to complete their assigned workloads. Defendants did not pay Plaintiff and
8 other non-party Aggrieved Employees for the time they continued to perform tasks during meal
9 periods.

10 58. Fourth, during the relevant time period, on information and belief, Defendants
11 implemented a company-wide policy and/or practice of automatically deducting meal periods
12 from Plaintiff's and other non-party Aggrieved Employees' time records, instead of allowing
13 employees to clock in and out for meal periods. As a result of this policy, Defendants falsified
14 and deducted meal periods from Plaintiff's and other non-party Aggrieved Employees' time
15 records even when meal periods were missed, short, and/or interrupted. Alternatively, because
16 Defendants frowned upon employees accruing meal period penalties, Defendants' managers
17 pressured Plaintiff and other non-party Aggrieved Employees to clock out for meal periods,
18 upon threat of discipline, to reflect compliant meal periods, regardless of whether they had
19 received a compliant meal period or not, in order to strictly limit meal penalties that Defendants
20 would otherwise owe. Thus, Defendants did not record all hours worked during meal periods,
21 and Plaintiff and other non-party Aggrieved Employees performed work during meal periods for
22 which they were not paid.

23 59. Defendants knew or should have known that, as a result of these company-wide
24 practices and/or policies, Plaintiff and other non-party Aggrieved Employees were performing
25 their assigned duties off-the-clock before and after their shifts and during meal periods, and
26 were suffered or permitted to perform work for which they were not paid. Because Plaintiff
27 and other non-party Aggrieved Employees regularly worked shifts of eight (8) hours a day or
28 more, or forty (40) hours a week or more, some of this off-the-clock work qualified for

overtime premium pay. Therefore, Plaintiff and other non-party Aggrieved Employees were not paid overtime wages for all of the overtime hours they actually worked.

60. Furthermore, Defendants did not pay other non-party Aggrieved Employees the correct overtime rate for the recorded overtime hours that they generated. In addition to an hourly wage, Defendants paid other non-party Aggrieved Employees incentive pay, nondiscretionary bonuses, and/or other forms of remuneration. However, in violation of the California Labor Code, Defendants failed to incorporate all compensation, including incentive pay, nondiscretionary bonuses, and/or other forms of remuneration, into the calculation of the regular rate of pay for purposes of calculating the overtime wage rate. Therefore, during times when other non-party Aggrieved Employees worked overtime and received these other forms of pay, Defendants failed to pay all overtime wages by paying a lower overtime rate than required.

61. Defendants' failure to pay Plaintiff and other non-party Aggrieved Employees the balance of overtime compensation as required by California law, violates the provisions of California Labor Code sections 510 and 1198. Plaintiff and other non-party Aggrieved Employees are therefore entitled to recover civil penalties pursuant to Labor Code sections 558 and/or 2699(a), (f), and (g).

FAILURE TO PAY MINIMUM WAGES

VIOLATION OF LABOR CODE SECTIONS 1182.12, 1194, 1197, AND 1198

62. At all relevant times, California Labor Code sections 1182.12, 1194, 1197, and 1198 provide that the minimum wage for employees fixed by the IWC is the minimum wage to be paid to employees, and the payment of a wage less than the minimum so fixed is unlawful. Compensable work time is defined IWC Wage Order No. 4-2001 as "the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so." Cal. Code Regs. tit. 8, § 11040(2)(K) (defining "Hours Worked").

63. As stated above, due to Defendants' company-wide policy and/or practice of rounding Plaintiff's and other non-party Aggrieved Employees' hourly clock-in and clock-out

1 times in their timekeeping system to the start and/or end of their scheduled shift times and/or to
2 the nearest quarter hour, resulting in the failure to compensate them for all hours worked.
3 Alternatively, Defendants had a company-wide policy and/or practice of only paying Plaintiff
4 and other non-party Aggrieved Employees for their scheduled shifts, rather than their actual
5 hours worked, because Defendants failed to track hours worked outside of their scheduled shifts.

6 64. Moreover, during the relevant time period, Defendants had, and continue to have,
7 a company-wide policy and/or practice of requiring Plaintiff and other non-party Aggrieved
8 Employees to perform various work-related tasks while off-the-clock, including waiting for
9 supervisors to release them, discussing work-related matters on the phone with management,
10 and/or completing work-related reports. Thus, Defendants failed to track this time Plaintiff and
11 other non-party Aggrieved Employees spent working off-the-clock or outside of their scheduled
12 shifts, and Plaintiff and other non-party Aggrieved Employees received no compensation for
13 this time.

14 65. Also, as set forth above, due to Defendants' uniform practices of understaffing,
15 assigning heavy workloads, and failing to adhere to a schedule for meal periods, Plaintiff and
16 other non-party Aggrieved Employees were impeded from taking all uninterrupted meal
17 periods to which they were entitled and were required to work off-the-clock during meal
18 periods, have their meal periods interrupted, and/or were otherwise not relieved of all duties
19 during unpaid meal periods. Moreover, as stated above, on information and belief, during the
20 relevant time period, Defendants implemented a company-wide policy and/or practice of
21 automatically deducting meal periods from Plaintiff's and other non-party Aggrieved
22 Employees' time records, even when meal periods were missed, short, and/or interrupted.
23 Alternatively, as stated, because Defendants frowned upon employees accruing meal period
24 penalties, Defendants' managers pressured employees to clock out for meal periods, on threat of
25 discipline, so that their time records would reflect compliant meal periods, even when they did
26 not receive a compliant meal period. Thus, Defendants did not record all hours worked during
27 meal periods and Plaintiff and other non-party Aggrieved Employees performed work during
28 meal periods for which they were not paid.

1 66. Thus, Defendants did not pay minimum wages for all hours worked by Plaintiff
2 and other non-party Aggrieved Employees. To the extent that these off-the-clock hours did
3 not qualify for overtime premium payment, Defendants did not pay at least minimum wages
4 for those hours worked off-the-clock in violation of California Labor Code sections 1182.12,
5 1194, 1197, and 1198.

6 67. Defendants' failure to pay Plaintiff and other non-party Aggrieved Employees
7 minimum wages violates California Labor Code sections 1182.12, 1194, 1197, and 1198.
8 Plaintiff and other non-party Aggrieved Employees are therefore entitled to recover civil
9 penalties pursuant to Labor Code sections 2699(a), (f), and (g).

10 **FAILURE TO PROVIDE AND RECORD MEAL PERIODS**
11 **VIOLATION OF LABOR CODE SECTIONS 226.7, 512(a), 516, AND 1198**

12 68. At all relevant times herein set forth, the applicable IWC Wage Order and
13 California Labor Code sections 226.7, 512(a), 516, and 1198 were applicable to Plaintiff's and
14 non-party Aggrieved Employees' employment by Defendants.

15 69. At all relevant times herein set forth, California Labor Code section 512(a)
16 provides that an employer may not require, cause, or permit an employee to work for a period
17 of more than five (5) hours per day without providing the employee with a meal period of not
18 less than thirty (30) minutes, except that if the total work period per day of the employee is
19 not more than six (6) hours, the meal period may be waived by mutual consent of both the
20 employer and the employee. Under California law, first meal periods must start after no more
21 than five hours. *Brinker Rest. Corp. v. Superior Court*, 53 Cal. 4th 1004, 1041-1042 (2012).

22 70. Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order also
23 require employers to provide a second meal period of not less than thirty (30) minutes if an
24 employee works over ten (10) hours per day or to pay an employee one (1) additional hour of
25 pay at the employee's regular rate, except that if the total hours worked is no more than twelve
26 (12) hours, the second meal period may be waived by mutual consent of the employer and the
27 employee only if the first meal period was not waived.

28 71. Under California law, an employer cannot evade meal period requirements via

1 the use of “on-duty” meal agreements because it understaffs its locations. *Abdullah v. U.S. Sec.*
2 *Assocs.*, 731 F.3d 952, 963 (9th Cir. Cal. 2013). In addition, an employee must be provided
3 with the opportunity to eat his or her meal while performing the duties required and any on-duty
4 meal period must, like any off-duty meal period, be at least 30 minutes long. *L’Chaim House,*
5 *Inc., et al. v. Division of Labor Standards Enforcement*, 38 Cal. App. 5th 141 (2019).

6 72. First, as stated, Defendants had, and continue to have, company-wide policies
7 and/or practices of understaffing and assigning heavy workloads, which resulted in a lack of
8 meal period coverage and prevented Plaintiff and other non-party Aggrieved Employees from
9 taking all timely, uninterrupted meal periods to which they were entitled. Further, as also
10 stated, Defendants had a company-wide practice of failing to adhere to a schedule for meal
11 periods, which further prevented Plaintiff and other non-party Aggrieved Employees from
12 taking all compliant meal periods. As a result of Defendants’ practices and/or policies,
13 Plaintiff and other non-party Aggrieved Employees were forced to work in excess of five (5)
14 hours before taking a meal period and, at times, had their meal periods interrupted, and/or had
15 to forgo their meal periods altogether. For example, Plaintiff had to work through her meal
16 periods about 10 to 15 times during her employment because she was partnered with new
17 employees who she had to train and could not leave alone in order to take a compliant meal
18 period.

19 73. Second, as stated above, on information and belief, Defendants implemented a
20 company-wide policy and/or practice of automatically deducting meal periods from Plaintiff’s
21 and other non-party Aggrieved Employees’ time records, instead of allowing employees to
22 clock in and out for meal periods. As a result of this policy, Defendants deducted 30 minutes
23 from Plaintiff’s and other non-party Aggrieved Employees’ time records even when meal
24 periods were missed, short, interrupted, and/or late, instead of allowing employees to clock in
25 and out for meal periods. Alternatively, as stated, because Defendants frowned upon employees
26 accruing meal period penalties, Defendants’ managers pressured employees to clock out for
27 meal periods to reflect compliant meal periods, upon threat of discipline, even when they did not
28 receive a compliant meal period. For example, Plaintiff’s supervisors told her to always clock

1 out at a compliant time for meal periods, even when she could not take them at that time. Thus,
2 Defendants systematically failed to correctly record meal periods.

3 74. Third, Defendants took the position that the nature of work performed by
4 Plaintiff and other non-party Aggrieved Employees called for “on-duty” meal periods and on
5 that basis, did not provide off duty meal periods and did not pay Plaintiff and other non-party
6 Aggrieved Employees all meal period premiums for non-compliant meal periods. However,
7 Defendants’ use of an “on-duty” meal period policy is and was unlawful. Under California law,
8 “on-duty” meal periods are a limited alternative to the requirement to provide off-duty meal
9 periods and can only be utilized under certain circumstances. Defendants’ “on-duty” meal
10 period policy results from the company’s own staffing and business decisions, not because the
11 nature of the work required on-duty meal periods. Plaintiff was assigned to provide security and
12 customer service on train and bus lines along with at least one (1) other RMI employee, and the
13 train and bus lines were not in a remote, isolated area. Defendants could have provided roving
14 break coverage for Plaintiff and other non-party Aggrieved Employees or staffed more
15 employees at the assigned train and bus lines, but chose not to do so. Further, the work of
16 Defendants’ employees is not of the kind that could be said to meet the “nature of the work”
17 exception. Plaintiff and other non-party Aggrieved Employees were responsible for providing
18 customer service and intervening in security matters. Neither of these tasks is akin to the kind
19 that the California Division of Labor Standards Enforcement (“DLSE”) has found warrant an
20 “on-duty” meal period, such as transporting hazardous materials via vehicles that must be
21 monitored at all times pursuant to federal regulation. Therefore, Defendants’ use of an “on-
22 duty” meal period agreement is improper and unlawful.

23 75. Moreover, Defendants did not provide other non-party Aggrieved Employees
24 with second 30-minute meal periods on days that they worked in excess of ten (10) hours in one
25 day. Plaintiff and other non-party Aggrieved Employees did not sign valid meal period waivers
26 on days that they were entitled to meal periods and were not relieved of all duties.

27 76. Defendants knew or should have known that as a result of their policies,
28 Plaintiff and other non-party Aggrieved Employees were prevented from being relieved of all

1 duties and were required to perform some of their assigned duties during meal periods.
2 Defendants further knew or should have known that they did not pay Plaintiff and other non-
3 party Aggrieved Employees meal period premiums when meal periods were missed, late,
4 short, and/or interrupted. Further, to the extent that Defendants' rounding policy reported that
5 Plaintiff and other non-party Aggrieved Employees were provided with timely, full 30-minute
6 meal periods when, in fact, the meal periods were taken after the fifth hour of work or were
7 less than 30 minutes, Plaintiff and other non-party Aggrieved Employees did not receive meal
8 period penalties for these improperly rounded meal periods.

9 77. In addition, Defendants engaged in a company-wide practice and/or policy of
10 not paying all meal period premiums owed when compliant meal periods are not provided.
11 Because of this practice and/or policy, Plaintiff and other non-party Aggrieved Employees
12 have not received premium pay for missed, late, and interrupted meal periods. Alternatively,
13 to the extent that Defendants did pay other non-party Aggrieved Employees for missed, late,
14 and interrupted meal periods, Defendants did not pay other non-party Aggrieved Employees at
15 the correct rate of pay for premiums because Defendants systematically failed to include all
16 forms of compensation, such as incentive pay, nondiscretionary bonuses, and/or other forms
17 of remuneration, in the regular rate of pay.

18 78. Defendants' conduct violates the applicable IWC Wage Order, and California
19 Labor Code sections 226.7, 512(a), 516, and 1198. Plaintiff and other non-party Aggrieved
20 Employees are therefore entitled to recover civil penalties pursuant to Labor Code sections
21 558 and/or 2699(a), (f), and (g).

22 **FAILURE TO AUTHORIZE AND PERMIT REST PERIODS**

23 **VIOLATION OF LABOR CODE SECTIONS 226.7, 516, AND 1198**

24 79. At all relevant times herein set forth, the applicable IWC Wage Order and
25 California Labor Code sections 226.7, 516, and 1198 were applicable to Plaintiff's and other
26 non-party Aggrieved Employees' employment by Defendants.

27 80. At all relevant times, the applicable IWC Wage Order provides that "[e]very
28 employer shall authorize and permit all employees to take rest periods, which insofar as

1 practicable shall be in the middle of each work period” and that the “rest period time shall be
2 based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4)
3 hours or major fraction thereof” unless the total daily work time is less than three and one-half
4 (3 ½) hours.

5 81. At all relevant times, California Labor Code section 226.7 provides that no
6 employer shall require an employee to work during any rest period mandated by an applicable
7 order of the California IWC. To comply with its obligation to authorize and permit rest
8 periods under California Labor Code section 226.7 and the applicable IWC Wage Order, an
9 employer must “relinquish any control over how employees spend their break time, and
10 relieve their employees of all duties—including the obligation that an employee remain on
11 call. A rest period, in short, must be a period of rest.” *Augustus v. ABM Security Services,*
12 *Inc.*, 2 Cal. 5th 257, 273 (2016).

13 82. Pursuant to the applicable IWC Wage Order and California Labor Code section
14 226.7(c), Plaintiff and other non-party Aggrieved Employees are entitled to recover from
15 Defendants one (1) additional hour of pay at their regular rates of pay for each work day that a
16 required rest period was not authorized and permitted.

17 83. During the relevant time period, Defendants regularly failed to authorize and
18 permit other non-party Aggrieved Employees to take a ten (10) minute rest period per each
19 four (4) hour period worked or major fraction thereof. As with meal periods, Defendants’
20 company-wide practices of understaffing and assigning heavy workloads resulted in a lack of
21 rest period coverage and prevented other non-party Aggrieved Employees from being relieved
22 of all duty in order to take compliant rest periods. Defendants also failed to adhere to
23 schedule rest periods and/or failed to adhere to a schedule for rest periods, which, coupled with
24 Defendants’ failure to provide adequate rest period coverage, further led to other non-party
25 Aggrieved Employees not being authorized and permitted to take rest periods. As a result of
26 Defendants’ practices and policies, on information and belief, other non-party Aggrieved
27 Employees worked shifts in excess of 3.5 hours, in excess of 6 hours, and/or in excess of 10
28 hours without receiving all uninterrupted 10-minute rest periods to which they were entitled.

1 84. Moreover, upon information and belief, Defendants maintained and
2 implemented a company-wide on-premises rest period policy, which effectively required that
3 other non-party Aggrieved Employees remain on or near the work premises during their rest
4 periods. Because other non-party Aggrieved Employees were restricted from leaving the
5 premises during rest periods, they were denied the ability to use their rest periods freely for
6 their own purposes, such as running personal errands. Thus, Defendants effectively
7 maintained control over other non-party Aggrieved Employees during rest periods.

8 85. Defendants also have engaged in a company-wide practice and/or policy of not
9 paying rest period premiums owed when compliant rest periods are not authorized and
10 permitted. Because of this practice and/or policy, other non-party Aggrieved Employees have
11 not received premium pay for all missed rest periods. Alternatively, to the extent that
12 Defendants did pay other non-party Aggrieved Employees one (1) additional hour of premium
13 pay for missed rest periods, Defendants did not pay other non-party Aggrieved Employees at
14 the correct rate of pay for premiums because Defendants failed to include all forms of
15 compensation, such as incentive pay, nondiscretionary bonuses, and/or other forms of
16 remuneration, in the regular rate of pay.

17 86. Defendants' conduct violates the applicable IWC Wage Order and California
18 Labor Code sections 226.7, 516, and 1198. Other non-party Aggrieved Employees are
19 therefore entitled to recover civil penalties pursuant to Labor Code sections 558 and/or
20 2699(a), (f), and (g).

21 **FAILURE TO PROVIDE AND MAINTAIN COMPLIANT WAGE STATEMENTS**
22 **VIOLATION OF LABOR CODE SECTIONS 226(a), 1174(d), AND 1198**

23 87. At all relevant times herein, California Labor Code section 226(a) provides that
24 every employer shall furnish each of his or her employees an accurate and complete itemized
25 wage statement in writing, including, but not limited to, the name and address of the legal
26 entity that is the employer, the inclusive dates of the pay period, total hours worked, and all
27 applicable rates of pay.

28 88. During the relevant time period, Defendants have knowingly and intentionally

1 provided Plaintiff and other non-party Aggrieved Employees with uniform, incomplete, and
2 inaccurate wage statements. For example, Defendants issued uniform wage statements to
3 Plaintiff and other non-party Aggrieved Employees that fail to correctly list: gross wages
4 earned; total hours worked; net wages earned; the address of the legal entity that is the
5 employer; and all applicable hourly rates in effect during the pay period, including rates of
6 pay for overtime wages, meal and rest period premiums, and/or paid sick leave, and the
7 corresponding number of hours worked at each hourly rate. Specifically, Defendants violated
8 sections 226(a)(1), 226(a)(2), 226(a)(5), 226(a)(8), and 226(a)(9).

9 89. First, because Defendants did not record the time Plaintiff and other non-party
10 Aggrieved Employees spent working off-the-clock, improperly rounded Plaintiff's and other
11 non-party Aggrieved Employees' total hours worked, and deducted time from their meal
12 periods that were missed and/or interrupted (and therefore time for which they should have
13 been paid), Defendants did not list the correct amount of gross wages and net wages earned by
14 Plaintiff and other non-party Aggrieved Employees in compliance with section 226(a)(1) and
15 section 226(a)(5), respectively. For the same reason, Defendants failed to accurately list the
16 total number of hours worked by Plaintiff and other non-party Aggrieved Employees, in
17 violation of section 226(a)(2), and failed to list the applicable hourly rates of pay in effect
18 during the pay period and the corresponding accurate number of hours worked at each hourly
19 rate, in violation of section 226(a)(9).

20 90. Second, because Defendants did not calculate other non-party Aggrieved
21 Employees' regular rate of pay correctly for purposes of paying overtime wages, meal and rest
22 period premiums, and/or paid sick leave, Defendants did not list the correct amount of gross
23 wages in compliance with section 226(a)(1) and did not list the correct amount of net wages in
24 violation of section 226(a)(5). Defendants also failed to correctly list all applicable hourly
25 rates in effect during the pay period, namely, correct rates of pay for overtime wages, meal
26 and rest period premiums, and/or paid sick leave, in violation of section 226(a)(9).

27 91. Third, and separate from these violations, Defendants issued uniform wage
28 statements to other non-party Aggrieved Employees that fail to list the address of the legal

1 entity of the actual employer in violation of Labor Code section 226(a)(8). The purpose of
2 section 226(a)(8) is to provide California employees with transparency as to the true identity
3 of their employer, to allow the employee to contact their employer during employment or in
4 the future for various reasons, including filing an administrative claim, judicial claim, or other
5 action to seek relief against their employer, obtain unemployment benefits, etc. During the
6 relevant time period, on information and belief, Defendants systematically issued wage
7 statements to other non-party Aggrieved Employees that fail to list the employing entity's
8 address at all.

9 92. The wage statement deficiencies also include, among other things, failing to list
10 the number of piece-rate units earned and any applicable piece rate if the employee is paid on
11 a piece-rate basis; failing to list all deductions; failing to list the inclusive dates of the period
12 for which aggrieved employees were paid; failing to list the name of the employee and only
13 the last four digits of his or her social security number or an employee identification number
14 other than a social security number; failing to list the name of the legal entity that is the
15 employer; and/or failing to state all hours worked as a result of not recording or stating the
16 hours worked off-the-clock.

17 93. California Labor Code section 1174(d) provides that “[e]very person employing
18 labor in this state shall . . . [k]eep a record showing the names and addresses of all employees
19 employed and the ages of all minors” and “[k]eep, at a central location in the state or at the
20 plants or establishments at which employees are employed, payroll records showing the hours
21 worked daily by and the wages paid to, and the number of piece-rate units earned by and any
22 applicable piece rate paid to, employees employed at the respective plants or
23 establishments” Labor Code section 1174.5 provides that employers are subject to a
24 \$500 civil penalty if they fail to maintain accurate and complete records as required by section
25 1174(d). At all relevant times, and in violation of Labor Code section 1174(d), Defendants
26 willfully failed to maintain accurate payroll records for Plaintiff and other non-party
27 Aggrieved Employees showing the daily hours they worked and the wages paid thereto as a
28 result of failing to record the off-the-clock hours that they worked and improperly rounding

1 Plaintiff's and other non-party Aggrieved Employees' total hours worked.

2 94. California Labor Code section 1198 provides that the maximum hours of work
3 and the standard conditions of labor shall be those fixed by the Labor Commissioner and as
4 set forth in the applicable IWC Wage Order. Section 1198 further provides that "[t]he
5 employment of any employees for longer hours than those fixed by the order or under
6 conditions of labor prohibited by the order is unlawful." Pursuant to the applicable IWC
7 Wage Order, employers are required to keep accurate time records showing when the
8 employee begins and ends each work period and meal period. During the relevant time
9 period, Defendants engaged in company-wide practices and/or policies of failing to record
10 actual hours worked (including falsifying time records by recording that compliant meal
11 periods were taken regardless if or when meal periods were actually taken), and thereby failed
12 to keep accurate records of work period and meal period start and end times for Plaintiff and
13 other non-party Aggrieved Employees, in violation of section 1198. Also, in light of
14 Defendants' failure to provide other non-party Aggrieved Employees with second 30-minute
15 meal periods to which they were entitled, Defendants kept no records of meal start and end
16 times for second meal periods.

17 95. Defendants' conduct violates California Labor Code 226(a), 1174(d), and 1198.
18 Plaintiff and other non-party Aggrieved Employees are therefore entitled to recover civil
19 penalties pursuant to Labor Code sections 226.3, 1174.5, and/or 2699(a), (f), and (g).

20 **FAILURE TO PAY WAGES DURING EMPLOYMENT**

21 **VIOLATION OF LABOR CODE SECTION 204**

22 96. At all relevant times herein set forth, California Labor Code section 204
23 requires that all wages earned by any person in any employment between the 1st and the 15th
24 days, inclusive, of any calendar month, other than those wages due upon termination of an
25 employee, are due and payable between the 16th and the 26th day of the month during which
26 the labor was performed. Labor Code section 204 further provides that all wages earned by
27 any person in any employment between the 16th and the last day, inclusive, of any calendar
28 month, other than those wages due upon termination of an employee, are due and payable

1 between the 1st and the 10th day of the following month.

2 97. At all relevant times herein, California Labor Code section 204 also requires
3 that all wages earned for labor in excess of the normal work period shall be paid no later than
4 the payday for the next regular payroll period. Alternatively, at all relevant times herein,
5 Labor Code section 204 provides that the requirements of this section are deemed satisfied by
6 the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not
7 more than seven (7) calendar days following the close of the payroll period.

8 98. During the relevant time period, Defendants willfully failed to pay Plaintiff and
9 other non-party Aggrieved Employees all wages due to them within any time period specified
10 by California Labor Code section 204 including, but not limited to, overtime wages, minimum
11 wages, meal and/or rest period premiums, and/or sick leave pay.

12 99. Plaintiff and other non-party Aggrieved Employees are therefore entitled to
13 recover civil penalties pursuant to Labor Code sections 210 and/or 2699(a), (f), and (g).

14 **FAILURE TO PAY WAGES UPON TERMINATION**

15 **VIOLATION OF LABOR CODE SECTIONS 201 AND 202**

16 100. At all times relevant herein set forth, Labor Code sections 201 and 202 provide
17 that if an employer discharges an employee, the wages earned and unpaid at the time of
18 discharge are due and payable immediately, and that if an employee voluntarily leaves his or
19 her employment, his or her wages shall become due and payable not later than seventy-two
20 (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of
21 his or her intention to quit, in which case the employee is entitled to his or her wages at the
22 time of quitting.

23 101. On information and belief, Defendants have a company-wide practice or policy
24 of paying departing employees their final wages late, instead of adhering to the time
25 requirements set forth in Labor Code sections 201 and 202. For example, Plaintiff was
26 terminated from her employment on or around May 5, 2023; however, she received her final
27 paycheck by mail about one (1) week later. Thus, Defendants failed to pay Plaintiff her final
28 wages immediately, in violation of California Labor Code section 201.

102. In addition, Defendants willfully failed to pay Plaintiff and other non-party Aggrieved Employees who are no longer employed by Defendants the earned and unpaid wages set forth above, including but not limited to, overtime wages, minimum wages, meal and/or rest period premiums, and/or sick leave pay, either at the time of discharge, or within seventy-two (72) hours of their leaving Defendants' employ.

103. Defendants' failure to pay Plaintiff and those other non-party Aggrieved Employees who are no longer employed by Defendants their wages earned and unpaid at the time of discharge, or within seventy-two (72) hours of their leaving Defendants' employ, violates Labor Code sections 201 and 202. Plaintiff and other non-party Aggrieved Employees are therefore entitled to recover civil penalties pursuant to Labor Code sections 256 and/or 2699(a), (f), and (g).

FAILURE TO PROPERLY CALCULATE SICK LEAVE RATES OF PAY
VIOLATION OF LABOR CODE SECTION 246

104. At all relevant times herein, California Labor Code sections 245.5, 246, 246.5, 247, 247.5, 248.5, and 249 provide employees who have worked in California for 30 or more days from the commencement of employment with paid sick days, to be accrued at least one hour for every 30 hours worked. California Labor Code section 246(b)(4) requires that employers must provide no less than 40 hours or five (5) days of paid sick leave (or equivalent paid leave or paid time off) in each year of the employee's employment. Further, Labor Code section 246(l) provides that an employer shall calculate paid sick leave by using one of two calculations: 1) "[p]aid sick time for nonexempt employees shall be calculated in the same manner as the regular rate of pay for the workweek in which the employee uses paid sick time, whether or not the employee actually works overtime in that workweek[;]" or 2) "[p]aid sick time for nonexempt employees shall be calculated by dividing the employee's total wages, not including overtime premium pay, by the employee's total hours worked in the full pay periods of the prior 90 days of employment."

105. During the relevant time period, Defendants did not pay other non-party Aggrieved Employees the correct sick leave rates of pay. In addition to an hourly wage,

1 Defendants paid other non-party Aggrieved Employees incentive pay, nondiscretionary
2 bonuses, and/or other forms of remuneration. However, in violation of the California Labor
3 Code, Defendants failed to incorporate all remunerations, including incentive pay and/or
4 nondiscretionary bonuses, into the calculation of the regular rate of pay for purposes of
5 calculating the sick leave rate. Therefore, during times when other non-party Aggrieved
6 Employees took sick leave and received these other forms of pay, Defendants failed to pay all
7 sick leave benefits by paying a lower sick leave rate than required. Specifically, Defendants
8 paid other non-party Aggrieved Employees sick leave based on their hourly rate of pay instead
9 of their regular rate of pay.

10 106. Defendants' failure to properly calculate the sick leave rates of pay based on all
11 remuneration paid has resulted in an underpayment of sick leave benefits to other non-party
12 Aggrieved Employees on a company-wide basis in violation of California Labor Code section
13 246(l).

14 107. Other non-party Aggrieved Employees are therefore entitled to recover civil
15 penalties pursuant to Labor Code sections 248.5 and/or 2699(a), (f), and (g).

16 **FAILURE TO REIMBURSE NECESSARY BUSINESS EXPENSES**

17 **VIOLATION OF LABOR CODE SECTION 2802**

18 108. At all times herein set forth, California Labor Code section 2802 provides that
19 an employer must reimburse employees for all necessary expenditures and losses incurred by
20 the employee in the performance of his or her job. The purpose of Labor Code section 2802 is
21 to prevent employers from passing off their cost of doing business and operating expenses on
22 to their employees. *Cochran v. Schwan's Home Service, Inc.*, 228 Cal. App. 4th 1137, 1144
23 (2014). IWC Wage Order No. 4-2001 provides that: "[w]hen tools or equipment are required
24 by the employer or are necessary to the performance of a job, such tools and equipment shall be
25 provided and maintained by the employer, except that an employee whose wages are at least
26 two (2) times the minimum wage provided herein may be required to provide and maintain hand
27 tools and equipment customarily required by the trade or craft." IWC Wage Order No. 4-2001,
28 further provides that: "[w]hen uniforms are required by the employer to be worn by the

employee as a condition of employment, such uniforms shall be provided and maintained by the employer.”

109. First, during the relevant time period, Defendants, on a company-wide basis, required other non-party Aggrieved Employees to use their personal mobile devices, including, but not limited to, cellular phones, and/or mobile data to carry out their job duties but failed to reimburse them for the costs of their work-related mobile device and/or mobile data expenses. Although Defendants required other non-party Aggrieved Employees to use their personal mobile devices and mobile data to carry out their work-related duties, Defendants failed to fully reimburse them for their costs incurred.

110. Second, during the relevant time period, Defendants had a company-wide policy of requiring other non-party Aggrieved Employees to wear uniform items. Due to the nature of the work they performed, on information and belief, other non-party Aggrieved Employees had to wash his uniform items separately from their regular clothing and/or more frequently than they would otherwise do laundry, and incur expenses in doing so. Thus, Defendants failed to maintain the uniforms it required other non-party Aggrieved Employees to wear during their shifts and forced them to incur the cost of maintaining employee uniforms.

111. Defendants could have provided other non-party Aggrieved Employees with actual tools for use on the job, such as company mobile devices and access to laundering services, or Defendants could have reimbursed employees for the costs of their mobile device usage and laundering expenses or provided a uniform maintenance allowance. Instead, Defendants passed these operating costs off onto other non-party Aggrieved Employees.

112. Defendants’ company-wide policy and/or practice of not reimbursing employees for expenses necessarily incurred and passing on their operating costs to other non-party Aggrieved Employees violates California Labor Code section 2802. Other non-party Aggrieved Employees are therefore entitled to recover civil penalties pursuant to Labor Code sections 2699(a), (f), and (g).

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1 **FAILURE TO PROVIDE WRITTEN NOTICE OF MATERIAL TERMS OF**
2 **EMPLOYMENT**

3 **VIOLATION OF LABOR CODE SECTION 2810.5(a)(1)(A)-(C)**

4 113. California’s Wage Theft Prevention Act was enacted to ensure that employers
5 provide employees with basic information material to their employment relationship at the
6 time of hiring, and to ensure that employees are given written and timely notice of any
7 changes to basic information material to their employment. Codified at California Labor
8 Code section 2810.5, the Wage Theft Prevention Act provides that at the time of hiring, an
9 employer must provide written notice to employees containing basic and material payroll
10 information, including, among other things, the rate(s) of pay and basis thereof, whether paid
11 by the hour, shift, day, week, salary, piece, commission, or otherwise, including any rates for
12 overtime, the regular payday designated by the employer, and any allowances claims as part
13 of the minimum wage, including meal or lodging allowances. Labor Code § 2810.5(a)(1)(A)-
14 (C).

15 114. During the relevant time period, Defendants failed to provide Plaintiff and
16 other non-party Aggrieved Employees with written notice that lists all the requisite information
17 set forth in Labor Code section 2810.5(a)(1)(A)-(C). Specifically, Defendants failed to provide
18 Plaintiff and other non-party Aggrieved Employees with their rate(s) of pay and basis thereof, in
19 violation of section 2810.5(a)(1)(A). Instead, the wage theft form that Defendants provided to
20 Plaintiff says “Varies” in the “Rate(s) of Pay” section. Defendants’ failure to provide Plaintiff
21 and other non-party Aggrieved Employees with written notice of basic information regarding
22 their employment is in violation of California Labor Code section 2810.5.

23 115. Defendants’ failure to provide Plaintiff and other non-party Aggrieved
24 Employees with written notice of basic information regarding their employment with
25 Defendants is in violation of California Labor Code section 2810.5. Plaintiff and other non-
26 party Aggrieved Employees are therefore entitled to recover civil penalties pursuant to Labor
27 Code sections 2699(a), (f), and (g).

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Labor Code sections 201, 202, 204, 226(a), 226.7, 246, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1198, 2802, and 2810.5;

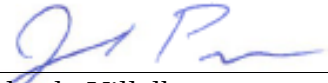
5. For pre-judgment and post-judgment interest as provided by law; and

6. For such other and further relief as the Court may deem equitable and appropriate.

Dated: April 8, 2024

Respectfully submitted,

Capstone Law APC

By: 
Orlando Villalba
Helga Hakimi
Joseph D. Parsons

Attorneys for Plaintiff April Crump

EXHIBIT “1”



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Los Angeles, California 90067
310.556.4811 Main | 310.943.0396 Fax

SAIRAH BUDHWANI
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February 2, 2024

VIA ONLINE SUBMISSION

California Labor & Workforce Development Agency
ATTN: PAGA Administrator
(<https://dir.tfaforms.net/308>)

Subject: *April Crump v. RMI International, Inc.*

Dear PAGA Administrator:

This office represents April Crump in connection with her claims under the California Labor Code. Ms. Crump was an employee of RMI INTERNATIONAL, INC. ("RMI").

The employer may be contacted directly at the address below:

RMI INTERNATIONAL, INC.
8125 SOMERSET BLVD
PARAMOUNT, CA 90723

Ms. Crump intends to seek civil penalties, attorney's fees, costs, and other available relief for violations of the California Labor Code, which are recoverable under sections 2698, *et seq.*, the Labor Code Private Attorneys General Act of 2004 ("PAGA"). Ms. Crump seeks relief on behalf of herself, the State of California, and other persons who are or were employed by RMI as a non-exempt, hourly paid employee in California and who received at least one wage statement ("aggrieved employees"). This letter is sent in compliance with the notice and reporting requirements of California Labor Code section 2699.3.

RMI employed Ms. Crump as an hourly paid, non-exempt Transit Ambassador from approximately October 2022 to May 2023. Ms. Crump worked for RMI at its location in Los Angeles, California. During her employment, Ms. Crump typically worked eight (8) hours per day and five (5) days per week. At the time Ms. Crump's employment with RMI ended, she was compensated approximately \$24.35 per hour. Ms. Crump's primary job duties included, without limitation, providing customer service and security on Los Angeles Metro train and bus lines.

RMI committed one or more of the following Labor Code violations against Ms. Crump, the facts and theories of which follow, making her an “aggrieved employee” pursuant to California Labor Code section 2699(c):¹

RMI’s Company-Wide and Uniform Payroll and HR Practices

RMI INTERNATIONAL, INC. is a California corporation that offers security consulting, physical security, and executive protection services. Upon information and belief, RMI maintains a single, centralized Human Resources (HR) department at its corporate headquarters in Paramount, California, for all non-exempt, hourly paid employees working for RMI in California, including Ms. Crump and other aggrieved employees. At all relevant times, RMI issued and maintained uniform, standardized scheduling and timekeeping practices and procedures for all non-exempt, hourly paid employees in California, including Ms. Crump and other aggrieved employees, regardless of their location or position.

Upon information and belief, RMI maintains a centralized Payroll department at its corporate headquarters in Paramount, California, which processes payroll for all non-exempt, hourly paid employees working for RMI in California, including Ms. Crump and other aggrieved employees. Further, RMI issues the same formatted wage statements in the same manner for all non-exempt, hourly paid employees working in California, including Ms. Crump and other aggrieved employees, irrespective of their location, position, or manner in which each employee’s employment ended. In other words, RMI utilized the same methods and formulas when calculating wages due to Ms. Crump and other aggrieved employees in California.

Violation of California Labor Code §§ 510 and 1198 – Unpaid Overtime

California Labor Code sections 510 and 1198 and the applicable Industrial Welfare Commission (“IWC”) Wage Order require employers to pay employees working more than eight (8) hours in a day or more than forty (40) hours in a workweek at the rate of time-and-one-half (1 ½) times the regular rate of pay for all hours worked in excess of eight (8) hours in a day or more than forty (40) hours in a workweek. The applicable IWC Wage Order further provides that employers are required to pay employees working more than twelve (12) hours in a day overtime compensation at a rate of two (2) times their regular rate of pay. An employee’s regular rate of pay includes all remuneration for employment paid to, or on behalf of, the employee, including nondiscretionary bonuses and incentive pay.

RMI willfully failed to pay all overtime wages owed to Ms. Crump and other aggrieved employees. During the relevant time period, Ms. Crump and other aggrieved employees were not paid overtime premiums for all of the hours they worked in excess of eight (8) hours in a day, in excess of ten (10)

¹ These facts, theories, and claims are based on Ms. Crump’s experience and counsel’s review of those records currently available relating to Ms. Crump’s employment. Discovery conducted in litigation of wage and hour claims such as these often reveals additional claims that the aggrieved employee was not initially aware of (because the aggrieved employee was not aware of the law’s requirements, the employer misinformed its employee of the law’s requirements, or because the employer effectively hid the violations). Thus, Ms. Crump reserves the right to supplement this letter with additional facts, theories, and claims if she becomes aware of them subsequent to the submission of this letter.

hours in a day, and/or in excess of forty (40) hours in a week, because all hours that they worked were not recorded.

First, during the relevant period, RMI had a company-wide policy and/or practice of improperly rounding employees' clock-in and/or clock-out times in its timekeeping system to the start and/or end of their scheduled hours worked, rather than their actual hours worked. Moreover, on information and belief, RMI's timekeeping system rounded employees' clock-in and clock-out duration times to the nearest quarter (0.25) of an hour. RMI's rounding policy resulted in the failure to compensate Ms. Crump and other aggrieved employees fully for all hours worked, causing Ms. Crump and other aggrieved employees to not be paid overtime wages for all of the overtime hours they actually worked. Upon information and belief, RMI's policy of rounding was, and continues to be, unfair and has, over time, resulted in the underpayment of wages to Ms. Crump and other aggrieved employees. To the extent RMI's rounding policy has taken away time worked that was eligible for overtime, Ms. Crump and other aggrieved employees were denied overtime pay for all hours worked.

Alternatively, RMI had, and continues to have, a company-wide policy and/or practice of failing to correctly record hours worked by its employees. Instead, on information and belief, RMI's policy and/or practice is to simply pay employees, including Ms. Crump and other aggrieved employees, for the hours they are scheduled to work (*see infra*). Because RMI failed to accurately record their actual hours worked, Ms. Crump and other aggrieved employees were not paid for all hours worked before or after their scheduled shifts.

Second, during the relevant time period, RMI had, and continues to have, a company-wide policy and/or practice of requiring Ms. Crump and/or other aggrieved employees to perform tasks off-the-clock after their scheduled shifts. For example, about every other week, Ms. Crump was required to clock out at her scheduled shift end-time and wait approximately 10 to 20 minutes for her supervisors to arrive to release her before she was allowed to go home. As a further example, on information and belief, RMI's managers contacted other aggrieved employees on their personal cellular phones about work-related matters after they had already clocked out of work, but did not compensate them for this time. On information and belief, other aggrieved employees were also required to complete reports while off-the-clock. Thus, RMI failed to track the time Ms. Crump and other aggrieved employees spent working outside of their scheduled shifts, and Ms. Crump and other aggrieved employees received no compensation for this time.

Third, on information and belief, RMI had, and continues to have, a company-wide policy and/or practice of understaffing while assigning heavy workloads. RMI's policies and/or practices resulted in a failure to provide Ms. Crump and other aggrieved employees with adequate meal period coverage, and thus, Ms. Crump and other aggrieved employees were not always afforded uninterrupted 30-minute meal periods during shifts when they were entitled to receive a meal period. RMI also had a practice of failing to adhere to a schedule for meal periods which, in conjunction with the assignment of heavy workloads, further caused Ms. Crump and other aggrieved employees to not be relieved of their duties for compliant meal periods. For example, Ms. Crump could not take meal periods on days when she had to train new employees, due to a lack of coverage. Thus, Ms. Crump and other aggrieved employees worked through their meal periods in order to complete their assigned workloads. RMI did not pay Ms. Crump and other aggrieved employees for the time they continued to perform tasks during meal periods.

Fourth, during the relevant time period, on information and belief, RMI implemented a company-wide policy and/or practice of automatically deducting meal periods from Ms. Crump's and other

aggrieved employees' time records, instead of allowing employees to clock in and out for meal periods. As a result of this policy, RMI falsified and deducted meal periods from Ms. Crump's and other aggrieved employees' time records even when meal periods were missed, short, and/or interrupted. Alternatively, because RMI frowned upon employees accruing meal period penalties, RMI's managers pressured Ms. Crump and other aggrieved employees to clock out for meal periods, upon threat of discipline, to reflect compliant meal periods, regardless of whether they had received a compliant meal period or not, in order to strictly limit meal penalties that RMI would otherwise owe. Thus, RMI did not record all hours worked during meal periods, and Ms. Crump and other aggrieved employees performed work during meal periods for which they were not paid.

RMI knew or should have known that as a result of these company-wide practices and/or policies, Ms. Crump and other aggrieved employees were performing their assigned duties off-the-clock before and after their shifts and during meal periods, and were suffered or permitted to perform work for which they were not paid. Because Ms. Crump and other aggrieved employees worked shifts of eight (8) hours a day or more, or forty (40) hours a week or more, some of this off-the-clock work qualified for overtime premium pay. Therefore, Ms. Crump and other aggrieved employees were not paid overtime wages for all of the overtime hours they actually worked.

Moreover, RMI did not pay other aggrieved employees the correct overtime rate for the recorded overtime hours that they generated. In addition to an hourly wage, RMI paid other aggrieved employees incentive pay, nondiscretionary bonuses, and/or other forms of remuneration. However, in violation of the California Labor Code, RMI failed to incorporate all compensation, including incentive pay, nondiscretionary bonuses, and/or other forms of remuneration, into the calculation of the regular rate of pay for purposes of calculating the overtime wage rate. Therefore, during times when other aggrieved employees worked overtime and received these other forms of pay, RMI failed to pay all overtime wages by paying a lower overtime rate than required.

RMI's failure to pay Ms. Crump and other aggrieved employees the balance of overtime compensation, as required by California law, violates the provisions of California Labor Code sections 510 and 1198. Ms. Crump and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 1182.12, 1194, 1197, 1197.1, and 1198 – Unpaid Minimum Wages

California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198 require employers to pay employees the minimum wage fixed by the IWC. The payment of a lesser wage than the minimum so fixed is unlawful. Compensable work time is defined in Wage Order No. 4-2001 as "the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so." Cal. Code Regs. tit. 8, § 11040(2)(K) (defining "Hours Worked").

As set forth above, RMI had a company-wide policy and/or practice of rounding Ms. Crump's and other aggrieved employees' hourly clock-in and clock-out times in its timekeeping system to the start and/or end of their scheduled shift times and/or to the nearest quarter hour, resulting in the failure to compensate them for all hours worked. Alternatively, RMI had a company-wide policy and/or practice of only paying Ms. Crump and other aggrieved employees for their scheduled shifts, rather

than their actual hours worked, because RMI failed to track hours worked outside of their scheduled shifts.

Moreover, during the relevant time period, RMI had, and continues to have, a company-wide policy and/or practice of requiring Ms. Crump and other aggrieved employees to perform various work-related tasks while off-the-clock, including waiting for supervisors to release them, discussing work-related matters on the phone with management, and/or completing work-related reports. Thus, RMI failed to track this time Ms. Crump and other aggrieved employees spent working off-the-clock or outside of their scheduled shifts, and Ms. Crump and other aggrieved employees received no compensation for this time.

Also, as stated above, due to RMI's policies and/or practices of understaffing while assigning heavy workloads and failing to adhere to a schedule for meal periods, Ms. Crump and other aggrieved employees were impeded from taking all uninterrupted meal periods to which they were entitled and were required to work off-the-clock during meal periods, have their meal periods interrupted, and/or were otherwise not relieved of all duties during unpaid meal periods. Moreover, as stated above, on information and belief, during the relevant time period, RMI implemented a company-wide policy and/or practice of automatically deducting meal periods from Ms. Crump's and other aggrieved employees' time records, even when meal periods were missed, short, and/or interrupted. Alternatively, as stated, because RMI frowned upon employees accruing meal period penalties, RMI's managers pressured employees to clock out for meal periods, on threat of discipline, so that their time records would reflect compliant meal periods, even when they did not receive a compliant meal period. Thus, RMI did not record all hours worked during meal periods and Ms. Crump and other aggrieved employees performed work during meal periods for which they were not paid.

Thus, RMI did not pay minimum wages for all hours worked by Ms. Crump and other aggrieved employees. To the extent that these off-the-clock hours did not qualify for overtime premium payment, RMI did not pay at least minimum wages for those hours worked off-the-clock in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198.

Accordingly, RMI regularly failed to pay at least minimum wages to Ms. Crump and other aggrieved employees for all of the hours they worked in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198. Ms. Crump and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 1197.1 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 226.7, 512(a), 516, and 1198 – Failure to Provide Meal Periods

California Labor Code sections 226.7, 512(a), 516, and 1198, and the applicable IWC Wage Order require employers to provide meal periods and to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a meal or rest period is not provided. Pursuant to Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order, an employer may not require, cause or permit an employee to work for a period of more than five (5) hours per day without providing the employee with an uninterrupted meal period of not less than thirty (30) minutes, except that if the total work period per day of the employee is not more than six (6) hours, the meal period may be waived by mutual consent of both the employer and the employee. Under California law, first meal periods must start after no more than five hours. *Brinker Rest. Corp. v. Superior Court*, 53 Cal. 4th 1004, 1041-1042 (2012). Labor Code sections 226.7 and 512(a) and the applicable IWC

Wage Order also require employers to provide a second meal period of not less than thirty (30) minutes if an employee works over ten (10) hours per day or to pay an employee one (1) additional hour of pay at the employee's regular rate, except that if the total hours worked is no more than twelve (12) hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived.

Under California law, an employer cannot evade meal period requirements via the use of "on-duty" meal agreements because it understaffs its locations. *Abdullah v. U.S. Sec. Assocs.*, 731 F.3d 952, 963 (9th Cir. Cal. 2013). In addition, an employee must be provided with the opportunity to eat his or her meal while performing the duties required and any on-duty meal period must, like any off-duty meal period, be at least 30 minutes long. *L'Chaim House, Inc., et al. v. Division of Labor Standards Enforcement*, 38 Cal. App. 5th 141 (2019).

First, during the relevant time period, as set forth above, RMI had, and continues to have, company-wide policies and/or practices of understaffing and assigning heavy workloads, which resulted in a lack of meal period coverage and prevented Ms. Crump and other aggrieved employees from taking all timely, uninterrupted meal periods to which they were entitled. Further, as also stated, RMI had a company-wide practice and/or policy of failing to adhere to a schedule for meal periods, which further caused Ms. Crump and other aggrieved employees to not be relieved of their duties for compliant meal periods.

As a result, Ms. Crump and other aggrieved employees had to work through all or part of their meal periods, had their meal periods interrupted, and/or had to wait extended periods of time before taking meal periods. For example, Ms. Crump had to work through her meal periods about 10 to 15 times during her employment because she was partnered with new employees who she had to train and could not leave alone in order to take a compliant meal period.

Second, as stated, on information and belief, RMI implemented a company-wide policy and/or practice of automatically deducting meal periods from Ms. Crump's and other aggrieved employees' time records, instead of allowing employees to clock in and out for meal periods. As a result of this policy, RMI deducted 30 minutes from Ms. Crump's and other aggrieved employees' time records even when meal periods were missed, short, interrupted, and/or late, instead of allowing employees to clock in and out for meal periods. Alternatively, as stated, because RMI frowned upon employees accruing meal period penalties, RMI's managers pressured employees to clock out for meal periods to reflect compliant meal periods, upon threat of discipline, even when they did not receive a compliant meal period. For example, Ms. Crump's supervisors told her to always clock out on time for meal periods, even when she could not take them at that time. Thus, RMI systematically failed to correctly record meal periods.

Third, RMI took the position that the nature of work performed by Ms. Crump and other aggrieved employees called for "on-duty" meal periods and on that basis, did not provide off duty meal periods and did not pay Ms. Crump and other aggrieved employees all meal period premiums for non-compliant meal periods. However, RMI's use of an "on-duty" meal period policy is and was unlawful. Under California law, "on-duty" meal periods are a limited alternative to the requirement to provide off-duty meal periods and can only be utilized under certain circumstances. RMI's "on-duty" meal period policy results from the company's own staffing and business decisions, not because the nature of the work required on-duty meal periods. Ms. Crump was assigned to provide security and customer service on train and bus lines along with at least one (1) other RMI employee, and the train and bus lines were not in a remote, isolated area. RMI could have provided roving

break coverage for Ms. Crump and other aggrieved employees or staffed more employees at the assigned train and bus lines, but chose not to do so. Further, the work of RMI's employees is not of the kind that could be said to meet the "nature of the work" exception. Ms. Crump and other aggrieved employees were responsible for providing customer service and intervening in security matters. Neither of these tasks is akin to the kind that the California Division of Labor Standards Enforcement ("DLSE") has found warrant an "on-duty" meal period, such as transporting hazardous materials via vehicles that must be monitored at all times pursuant to federal regulation. Therefore, RMI's use of an "on-duty" meal period agreement is improper and unlawful.

Moreover, RMI did not provide other aggrieved employees with second 30-minute meal periods on days that they worked in excess of ten (10) hours in one day. Ms. Crump and other aggrieved employees did not sign valid meal period waivers on days that they were entitled to meal periods and were not relieved of all duties.

At all times herein mentioned, RMI knew or should have known that, as a result of these policies, Ms. Crump and other aggrieved employees were prevented from being relieved of all duties and were required to perform some of their assigned duties during meal periods. RMI further knew or should have known that it did not pay Ms. Crump and other aggrieved employees meal period premiums when meal periods were late, interrupted, shortened, and/or missed.

Furthermore, RMI engaged in a company-wide practice and/or policy of not paying meal period premiums owed when compliant meal periods are not provided. Because of this practice and/or policy, Ms. Crump and other aggrieved employees have not received premium pay for all missed, late, and interrupted meal periods. Alternatively, to the extent that RMI did pay other aggrieved employees premium pay for missed, late, and interrupted meal periods, RMI did not pay other aggrieved employees at the correct rate of pay for premiums because RMI systematically failed to include all forms of compensation, such as incentive pay, nondiscretionary bonuses, and/or other forms of remuneration, in the regular rate of pay.

Accordingly, RMI failed to provide all meal periods in violation of California Labor Code sections 226.7, 512(a), 516, and 1198. Ms. Crump and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 226.7, 516, and 1198 – Failure to Authorize and Permit Rest Periods

California Labor Code sections 226.7, 516, and 1198, and the applicable IWC Wage Order require employers to provide rest periods and to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a meal or rest period is not provided. California Labor Code section 226.7 provides that no employer shall require an employee to work during any rest period mandated by an applicable order of the California IWC. The applicable IWC Wage Order provides that "[e]very employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period" and that the "rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof" unless the total daily work time is less than three and one-half (3 ½) hours.

To comply with its obligation to authorize and permit rest periods under California Labor Code section 226.7 and the applicable IWC Wage Order, an employer must “relinquish any control over how employees spend their break time, and relieve their employees of all duties—including the obligation that an employee remain on call. A rest period, in short, must be a period of rest.” *Augustus, et al. v. ABM Security Services, Inc.*, 2 Cal. 5th 257, 273 (2016).

During the relevant time period, RMI regularly failed to authorize and permit other aggrieved employees to take a ten (10) minute rest period per each four (4) hour period worked or major fraction thereof. As with meal periods, RMI’s company-wide practices, including understaffing and assigning of heavy workloads, resulted in a lack of rest period coverage and prevented other aggrieved employees from being relieved of all duty in order to take compliant rest periods. RMI also failed to schedule rest periods and/or failed to adhere to a schedule for rest periods, which, coupled with RMI’s failure to provide adequate rest period coverage, further led to other aggrieved employees not being authorized and permitted to take rest periods. As a result of RMI’s practices and policies, on information and belief, other aggrieved employees worked shifts in excess of 3.5 hours, in excess of 6 hours, and/or in excess of 10 hours without receiving all uninterrupted 10-minute rest periods to which they were entitled.

Furthermore, upon information and belief, during the relevant time period, RMI maintained a company-wide on-premises rest period policy, which effectively required that other aggrieved employees remain on or near the work premises during their rest periods. Because other aggrieved employees were restricted from leaving the premises during rest periods, they were denied the ability to use their rest periods freely for their own purposes, such as running personal errands. Thus, RMI effectively maintained control over other aggrieved employees during rest periods.

RMI has also engaged in a company-wide practice and/or policy of not paying rest period premiums owed when compliant rest periods are not authorized and permitted. Because of this practice and/or policy, other aggrieved employees have not received premium pay for all missed rest periods. Alternatively, to the extent that RMI did pay other aggrieved employees one (1) additional hour of premium pay for missed rest periods, RMI did not pay other aggrieved employees at the correct rate of pay for premiums because RMI failed to include all forms of compensation, such as incentive pay, nondiscretionary bonuses, and/or other forms of remuneration, in the regular rate of pay.

Accordingly, RMI failed to authorize and permit all rest periods in violation of California Labor Code sections 226.7, 516, and 1198. Other aggrieved employees are entitled to recover civil penalties, attorney’s fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 226(a), 1174(d), and 1198 – Non-Compliant Wage Statements and Failure to Maintain Accurate Payroll Records

California Labor Code section 226(a) requires employers to make, keep, and provide true, accurate, and complete employment records. RMI has not provided Ms. Crump and other aggrieved employees with properly itemized wage statements. Labor Code section 226(e) provides that if an employer fails to comply with providing an employee with properly itemized wage statements as set forth in 226(a), then the employee is entitled to recover the greater of all actual damages or \$50 for the initial pay period in which a violation occurs and \$100 per employee for each violation in a subsequent pay period, not to exceed \$4,000. Further, Labor Code section 226.3 provides that any employer who violates section 226(a) shall be subject to a civil penalty in the amount of \$250 per

employee per violation in an initial citation and \$1,000 per employee for each violation in a subsequent citation, for which the employer fails to provide the employee a wage statement or fails to keep the required records pursuant to Section 226(a).

During the relevant time period, RMI has knowingly and intentionally provided Ms. Crump and other aggrieved employees with uniform, incomplete, and inaccurate wage statements. For example, RMI issued uniform wage statements to Ms. Crump and other aggrieved employees that fail to correctly list: gross wages earned; total hours worked; net wages earned; the address of the legal entity that is the employer; and all applicable hourly rates in effect during the pay period, including rates of pay for overtime wages, meal and rest period premiums, and/or paid sick leave, and the corresponding number of hours worked at each hourly rate. Specifically, RMI violated sections 226(a)(1), 226(a)(2), 226(a)(5), 226(a)(8), and 226(a)(9).

First, because RMI did not record the time Ms. Crump and other aggrieved employees spent working off-the-clock, improperly rounded Ms. Crump's and other aggrieved employees' total hours worked, and deducted time from their records for meal periods that were interrupted and/or missed (and therefore time for which they should have been paid), RMI did not list the correct amount of gross wages and net wages earned by Ms. Crump and other aggrieved employees in compliance with section 226(a)(1) and section 226(a)(5), respectively. For the same reason, RMI failed to accurately list the total number of hours worked by Ms. Crump and other aggrieved employees, in violation of section 226(a)(2), and failed to list the applicable hourly rates of pay in effect during the pay period and the corresponding accurate number of hours worked at each hourly rate, in violation of section 226(a)(9).

Second, because RMI did not calculate other aggrieved employees' regular rate of pay correctly for purposes of paying overtime wages, meal and rest period premiums, and/or paid sick leave, RMI did not list the correct amount of gross wages in compliance with section 226(a)(1). For the same reason, RMI failed to list the correct amount of net wages in violation of section 226(a)(5). RMI also failed to correctly list all applicable hourly rates in effect during the pay period, namely, correct rates of pay for overtime wages, meal and rest period premiums, and/or paid sick leave, in violation of section 226(a)(9).

Third, and separately from these violations, RMI issued uniform wage statements to other aggrieved employees that failed to list the address of the legal entity of the actual employer in violation of 226(a)(8). The purpose of section 226(a)(8) is to provide California employees with transparency as to the true identity of their employer, to allow the employee to contact their employer during employment or in the future for various reasons, including filing an administrative claim, judicial claim, or other action to seek relief against their employer, to obtain unemployment benefits, etc. During the relevant time period, on information and belief, RMI systematically issued wage statements to other aggrieved employees that fail to list the employing entity's address at all.

The wage statement deficiencies also include, among other things, failing to list the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis; failing to list all deductions; failing to list the inclusive dates of the period for which aggrieved employees were paid; failing to list 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; failing to list the name of legal entity that is the employer; and/or failing to state all hours worked as a result of not recording or stating hours worked off-the-clock.

California Labor Code section 1174(d) provides that “[e]very person employing labor in this state shall . . . [k]eep a record showing the names and addresses of all employees employed and the ages of all minors” and “[k]eep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by 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” Labor Code section 1174.5 provides that employers are subject to a \$500 civil penalty if they fail to maintain accurate and complete records as required by section 1174(d). During the relevant time period, and in violation of Labor Code section 1174(d), RMI willfully failed to maintain accurate payroll records for Ms. Crump and other aggrieved employees showing the daily hours they worked and the wages paid thereto as a result of failing to record the off-the-clock hours that they worked and improperly rounding Ms. Crump’s and other aggrieved employees’ total hours worked.

California Labor Code section 1198 provides that the maximum hours of work and the standard conditions of labor shall be those fixed by the Labor Commissioner and as set forth in the applicable IWC Wage Order. Section 1198 further provides that “[t]he employment of any employees for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful.” Pursuant to the applicable IWC Wage Order, employers are required to keep accurate time records showing when the employee begins and ends each work period and meal period. During the relevant time period, RMI engaged in company-wide practices and/or policies of failing to record actual hours worked (including falsifying time records by recording that compliant meal periods were taken regardless if or when meal periods were actually taken), and thereby failed to keep accurate records of work period and meal period start and end times for Ms. Crump and other aggrieved employees, in violation of section 1198. Also, in light of RMI’s failure to provide other aggrieved employees with second 30-minute meal periods to which they were entitled, RMI kept no records of meal start and end times for second meal periods.

Because RMI failed to provide the correct net and gross wages earned, applicable rates of pay, and number of total hours worked on wage statements, Ms. Crump and other aggrieved employees have been prevented from verifying, solely from information on the wage statements themselves, that they were paid correctly and in full. Instead, Ms. Crump and other aggrieved employees have had to look to sources outside of the wage statements themselves and reconstruct time records to determine whether in fact they were paid correctly and the extent of underpayment, thereby causing them injury.

Ms. Crump and other aggrieved employees are entitled to recover civil penalties, attorney’s fees, costs, and interest thereon pursuant to Labor Code sections 226.3, 1174.5, and/or 2699(a), (f)-(g).

Violation of California Labor Code § 204 – 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. Alternatively, California Labor Code section 204 provides that the requirements of this section are

deemed satisfied by the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more than seven (7) calendar days following the close of the payroll period.

During the relevant time period, RMI willfully failed to pay Ms. Crump and other aggrieved employees all wages due including, but not limited to, overtime wages, minimum wages, meal and/or rest period premiums, and/or sick leave pay, within the time periods specified by California Labor Code section 204.

Ms. Crump and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 210 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 201 and 202 – Failure to Timely Pay Final Wages Upon Termination

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 that if an employee voluntarily leaves 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 previous 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.

On information and belief, RMI has a company-wide practice or policy of paying departing employees their final wages late, instead of adhering to the time requirements set forth in Labor Code sections 201 and 202. For example, Ms. Crump was terminated from her employment on or around May 5, 2023; however, she received her final paycheck by mail about one (1) week later. Thus, RMI failed to pay Ms. Crump her final wages immediately, in violation of California Labor Code section 201.

In addition, RMI willfully failed to pay Ms. Crump and other aggrieved employees who are no longer employed by RMI the earned and unpaid wages set forth above, including but not limited to, overtime wages, minimum wages, meal and/or rest period premiums, and/or sick leave pay, either at the time of discharge, or within seventy-two (72) hours of their leaving RMI's employ.

Ms. Crump and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 256 and/or 2699(a), (f)-(g).

Violation of California Labor Code § 246 – Failure to Properly Calculate Paid Sick Leave

At all relevant times herein, California Labor Code sections 245.5, 246, 246.5, 247, 247.5, 248.5, and 249 provide employees who have worked in California for 30 or more days from the commencement of employment with paid sick days, to be accrued at least one hour for every 30 hours worked. Effective January 1, 2024, California Labor Code section 246(b)(4) requires employers to provide no less than 40 hours or five (5) days of paid sick leave (or equivalent paid leave or paid time off) in each year of the employee's employment. Further, Labor Code section 246(l) provides that an employer shall calculate paid sick leave by using one of two calculations: 1) "[p]aid sick time for nonexempt employees shall be calculated in the same manner as the regular rate of pay for the workweek in which the employee uses paid sick time, whether or not the employee actually works overtime in that workweek[;]" or 2) "[p]aid sick time for nonexempt employees shall be calculated

by dividing the employee's total wages, not including overtime premium pay, by the employee's total hours worked in the full pay periods of the prior 90 days of employment."

During the relevant time period, RMI did not pay other aggrieved employees the correct sick leave rates of pay. In addition to an hourly wage, RMI paid other aggrieved employees incentive pay, nondiscretionary bonuses, and/or other forms of remuneration. However, in violation of the California Labor Code, RMI failed to incorporate all remunerations, including incentive pay and/or nondiscretionary bonuses, into the calculation of the regular rate of pay for purposes of calculating the sick leave pay rate. Therefore, during times when other aggrieved employees took sick leave and received these other forms of pay, RMI failed to pay all sick leave benefits by paying a lower sick leave rate than required. Specifically, RMI paid other aggrieved employees based on their hourly rate of pay instead of their regular rate of pay.

RMI's failure to properly calculate the sick leave rates of pay based on all remuneration paid has resulted in an underpayment of sick leave benefits to other aggrieved employees on a company-wide basis in violation of Labor Code section 246(l). Other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 248.5 and/or 2699(a), (f)-(g).

Violation of California Labor Code § 2802 – Unreimbursed Business Expenses

California Labor Code section 2802 requires employers to pay for all necessary expenditures and losses incurred by the employee in the performance of his or her job. The purpose of Labor Code section 2802 is to prevent employers from passing off their cost of doing business and operating expenses on to their employees. *Cochran v. Schwan's Home Service, Inc.*, 228 Cal. App. 4th 1137, 1144 (2014). The applicable wage order, IWC Wage Order No. 4-2001, provides that: "[w]hen tools or equipment are required by the employer or are necessary to the performance of a job, such tools and equipment shall be provided and maintained by the employer, except that an employee whose wages are at least two (2) times the minimum wage provided herein may be required to provide and maintain hand tools and equipment customarily required by the trade or craft." IWC Wage Order No. 4-2001, further provides that: "[w]hen uniforms are required by the employer to be worn by the employee as a condition of employment, such uniforms shall be provided and maintained by the employer."

First, during the relevant time period, RMI, on a company-wide basis, required other aggrieved employees to use their personal mobile devices, including, but not limited to, cellular phones, and/or mobile data to carry out their job duties but failed to reimburse them for the costs of their work-related mobile device and/or mobile data expenses. Although RMI required other aggrieved employees to use their personal mobile devices and/or mobile data to carry out their work-related duties, RMI failed to reimburse them for their costs incurred.

Second, during the relevant time period, RMI had a company-wide policy of requiring other aggrieved employees to wear uniform items. Due to the nature of the work they performed, on information and belief, other aggrieved employees had to wash his uniform items separately from their regular clothing and/or more frequently than they would otherwise do laundry, and incur expenses in doing so. Thus, RMI failed to maintain the uniforms it required other aggrieved employees to wear during their shifts and forced them to incur the cost of maintaining employee uniforms.

RMI could have provided other aggrieved employees with the actual equipment for use on the job, such as company mobile devices and access to laundering services, or RMI could have reimbursed employees for the costs of their mobile device usage and laundering expenses or provided a uniform maintenance allowance. Instead, RMI passed these operating costs off onto other aggrieved employees.

Thus, RMI had, and continues to have, a company-wide policy and/or practice of not reimbursing employees for expenses necessarily incurred in violation of California Labor Code section 2802. Other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 2699(a), (f)-(g).

Violation of California Labor Code § 2810.5(a)(1)(A)-(C) – Failure to Provide Notice of Material Terms of Employment

California's Wage Theft Prevention Act was enacted to ensure that employers provide employees with basic information material to their employment relationship at the time of hiring, and to ensure that employees are given written and timely notice of any changes to basic information material to their employment. Codified at California Labor Code section 2810.5, the Wage Theft Prevention Act provides that at the time of hiring, an employer must provide written notice to employees of the rate(s) of pay and basis thereof, whether paid by the hour, shift, day, week, salary, piece, commission, or otherwise, including any rates for overtime, the regular payday designated by the employer, and any allowances claims as part of the minimum wage, including meal or lodging allowances. Effective January 1, 2015, an employer's written notice pursuant to section 2810.5 must also include a statement that the employee may accrue and use sick leave; has a right to request and use accrued paid sick leave; may not be terminated or retaliated against for using or requesting the use of accrued paid sick leave; and has the right to file a complaint against an employer who retaliates.

RMI failed to provide Ms. Crump and other aggrieved employees written notice that lists all the requisite information set forth in Labor Code section 2810.5(a)(1)(A)-(C). Specifically, RMI failed to provide Ms. Crump and other aggrieved employees with their rate(s) of pay and basis thereof, in violation of section 2810.5(a)(1)(A). Instead, the wage theft form that RMI provided to Ms. Crump says "Varies" in the "Rate(s) of Pay" section and nothing is checked off in the "Rate by" section to indicate the basis of the rate(s) of pay. RMI's failure to provide Ms. Crump and other aggrieved employees with written notice of basic information regarding their employment is in violation of California Labor Code section 2810.5.

Ms. Crump and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 2699(a), (f)-(g).

California Labor Code § 558(a)

California Labor Code section 558(a) provides "[a]ny employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provision regulating hours and days of work in any order of the Industrial Welfare Commission shall be subject to a civil penalty as follows: (1) For any initial violation, fifty dollars (\$50) for each underpaid employee for each pay period for which the employee was underpaid . . . (2) For each subsequent violation, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee was underpaid" Labor Code section 558(c) provides that "[t]he civil penalties

provided for in this section are in addition to any other civil or criminal penalty provided by law.” RMI, at all relevant times, was an employer or person acting on behalf of an employer(s) who violated Ms. Crump’s and other aggrieved employees’ rights by violating various sections of the California Labor Code.

Accordingly, Ms. Crump seeks the remedies set forth in Labor Code section 558 for herself, the State of California, and all other aggrieved employees. Specifically, pursuant to PAGA, and in particular California Labor Code sections 2699(a), 2699.3(a) and 2699.3(c), 2699.5, and 558, Ms. Crump, acting in the public interest as a private attorney general, seeks assessment and collection of civil penalties for herself, all other aggrieved employees, and the State of California against RMI for violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 246, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2802, and 2810.5.

Therefore, on behalf of all aggrieved employees, Ms. Crump seeks all applicable civil penalties related to these violations of the California Labor Code pursuant to PAGA.

Pre-Litigation Demand

This notice shall further serve as Ms. Crump’s reasonable attempt to settle her dispute with RMI prior to litigation. Pursuant to *Graham v. DaimlerChrysler Corp.*, 34 Cal. 4th 553 (2004), this notice serves to inform RMI of Ms. Crump’s aforementioned grievances and the proposed remedies as detailed below, while affording RMI a reasonable opportunity to satisfy Ms. Crump’s demands.

Demand is hereby made that RMI shall, within 30 calendar days of this notice, agree, in writing to the following corrective actions:

1. RMI shall pay Ms. Crump and all other aggrieved employees employed by RMI at any time during the past three years from the date of this notice unpaid wages and compensation for the above-referenced violations.
2. RMI shall comply with all California labor laws and ensure that its non-exempt employees are paid overtime wages and minimum wages for all hours worked, and provided lawful meal and rest periods.
3. RMI shall conduct a survey or interview all current and former aggrieved employees in California who worked for RMI in the past three years to obtain information from them regarding the above-referenced violations, including, but not limited to: the number of meal periods which were not provided; the number of rest periods which were not authorized and permitted; and the number of employees who were required to pay for mobile device and/or mobile data expenses, laundering expenses, or other expenditures in the discharge of their duties, with the investigation to be completed within 60 days.
4. RMI shall pay each aggrieved employee one hour of pay at his or her regular rate of pay for each work day he or she was not provided one or more meal periods, as required by Labor Code sections 226.7, 512(a), 516, and 1198. RMI also shall pay each aggrieved employee one hour of pay at his or her regular rate of pay for each work day he or she was not authorized and permitted one or more rest periods, as required by Labor Code sections 226.7, 516, and 1198.

5. RMI shall properly calculate aggrieved employees' rates of pay for overtime, meal and rest period premiums, and/or paid sick leave based on all remuneration paid, pursuant to Labor Code sections 226.7, 510, and/or 246(l).
6. RMI shall pay accrued legal interest to Ms. Crump and all aggrieved employees at the rate of 10% per annum for said unpaid wages.
7. RMI shall provide Ms. Crump and all aggrieved employees employed by RMI at any time during the past three years from the date of this notice corrected wage statements that include the requisite information set forth in Labor Code section 226(a).
8. RMI shall pay waiting time penalties, equal to 30 days of pay, to Ms. Crump and each former aggrieved employee who was not paid all wages due as described herein.
9. RMI shall reimburse all aggrieved employees who were required to pay for any business expenses incurred for RMI's benefit, including, but not limited to, mobile device and/or mobile data expenses, laundering expenses, and other expenditures, as required by Labor Code section 2802.
10. RMI shall provide all aggrieved employees written notice of basic information regarding their employment that includes the requisite information set forth in Labor Code section 2810.5(a)(1)(A)-(C).
11. RMI shall pay all penalties arising from the violations of the Labor Code and IWC Wage Order sections referenced above and pursuant to PAGA, Labor Code sections 2698, *et seq.*, including, but not limited to, penalties under Labor Code sections 210, 226.3, 248.5, 256, 558, 1174.5, 1197.1, and 2699, and IWC Wage Order No. 4-2001, section 20.

Thank you for your attention to this matter. If you have any questions, please contact me at the phone number or address below:

Sairah Budhwani
Capstone Law APC
1875 Century Park East, Suite 1000
Los Angeles, CA 90067
(310) 556-4811

Best Regards,



Sairah Budhwani

Copy: RMI INTERNATIONAL, INC. (via U.S. Certified Mail)

Capstone
LAW APC

1875 Century Park East, Ste. 1000
Los Angeles, CA 90067



7022 2410 0000 2406 1542

RMI INTERNATIONAL, INC.
8125 SOMERSET BLVD
PARAMOUNT, CA 90723

SENDER: COMPLETE THIS SECTION

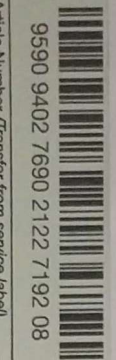
- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.

1. RMI INTERNATIONAL, INC.
8125 SOMERSET BLVD
PARAMOUNT, CA 90723

COMPLETE THIS SECTION ON DELIVERY

- A. Signature ☒ Agent ☐ Addressee
- Received by (Printed Name) C. Date of Delivery

Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No



9590 9402 7690 2122 7192 08

3. Service Type
- | | |
|--|---|
| ☐ Adult Signature | ☐ Priority Mail Express® |
| ☐ Adult Signature Restricted Delivery | ☐ Registered Mail™ |
| ☒ Certified Mail® | ☐ Registered Mail Restricted Delivery |
| ☐ Certified Mail Restricted Delivery | ☐ Signature Confirmation™ |
| ☐ Collect on Delivery | ☐ Signature Confirmation Restricted Delivery |
| ☐ Collect on Delivery Restricted Delivery | |

Restricted Delivery

2. Article Number (Transfer from service label)

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CAUMP V
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RMI INTERNATIONAL, INC.
8125 SOMERSET BLVD
PARAMOUNT, CA 90723

7022 2410 0000 2406 1542

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