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SAN LUIS OBISPO SUPERIOR COURT
BY Carol L. McGuirk
Carol L. McGuirk, Deputy ClerkAttorneys for Plaintiff LEANNE RAE WHITE, on behalf
of herself and others similarly situated**SUPERIOR COURT OF THE STATE OF CALIFORNIA****FOR THE COUNTY OF SAN LUIS OBISPO**LEANNE RAE WHITE, an individual, on
behalf of herself and others similarly situated,

Plaintiff,

vs.

COASTHILLS FEDERAL CREDIT UNION
d/b/a COASTHILLS CREDIT UNION, a
federally chartered credit union; and DOES 1
through 50, inclusive,

Defendants.

Case No.: 24CV-0194

CLASS ACTIONAssigned for All Purposes To:

Hon. Craig van Rooyen

Dept.: 2

**FIRST AMENDED CLASS ACTION
COMPLAINT FOR:**

1. Failure to Pay Minimum Wages;
2. Failure to Pay Wages and Overtime Under Labor Code § 510;
3. Failure to Pay Vacation Wages;
4. Failure to Comply with Labor Code § 245 *et seq.* and 246;
5. Failure to Comply with Labor Code § 2751;
6. Meal Period Liability Under Labor Code § 226.7;
7. Rest-Break Liability Under Labor Code § 226.7;
8. Violation of Labor Code § 226;
9. Failure to Maintain Records Under Labor Code §§ 1174 and 1174.5;
10. Violation of Labor Code § 203;
11. Violation of Business & Professions Code § 17200 *et seq.*; and
12. Penalties Pursuant to Labor Code § 699, *et seq.*

DEMAND FOR JURY TRIAL

1 Plaintiff LEANNE RAE WHITE (hereinafter “Plaintiff”), on behalf of herself and other
2 similarly situated non-exempt, hourly employees employed by Defendants in California
3 (collectively, “Employees”; individually, “Employee”), complains of Defendants, and each of them,
4 as follows:

5 **INTRODUCTION**

6 1. Plaintiff brings this action on behalf of herself and all current and former Employees
7 within the State of California who, at any time from four (4) years prior to the filing of this lawsuit,
8 are or were employed as non-exempt, hourly employees by Defendants COASTHILLS FEDERAL
9 CREDIT UNION d/b/a COASTHILLS CREDIT UNION, a federally chartered credit union, and
10 DOES 1 through 50, inclusive (all defendants being collectively referred to herein as “Defendants”).
11 Plaintiff alleges that Defendants, and each of them, violated various provisions of the California
12 Labor Code, relevant orders of the Industrial Welfare Commission (“IWC”), and the California
13 Business & Professions Code, and seeks redress for these violations.

14 2. Plaintiff is a resident of California and, during the time period relevant to this
15 Complaint, was employed by Defendants as a non-exempt hourly employee within the State of
16 California, county of San Luis Obispo. Defendant COASTHILLS FEDERAL CREDIT UNION
17 d/b/a COASTHILLS CREDIT UNION is a federally chartered credit union with its principal place
18 of business in Santa Maria, California. Plaintiff and the other Class members were employed by
19 Defendants as hourly, non-exempt Employees by Defendants throughout California. Plaintiff
20 worked at Defendants’ behest without being paid all wages due and without being provided all
21 required breaks. More specifically, Plaintiff and the other similarly situated Class members were
22 employed by Defendants and (1) shared similar job duties and responsibilities (2) were subjected to
23 the same policies and practices (3) and endured similar violations at the hands of Defendants as the
24 other Employee Class members who served in similar and related positions.

25 3. Defendants required Plaintiff and the Employees in the Class to work off the clock
26 and failed to record accurate time worked by these Employees, failed to pay them at the appropriate
27 rates for all hours worked, failed to pay all wages due and owing at termination or resignation, and
28 provided Plaintiff and the Class members with inaccurate wage statements that prevented them from

1 learning of these unlawful pay practices. Defendants also failed to provide Plaintiff and the Class
2 with lawful meal and rest periods, as Employees were required to remain under Defendants' control
3 and were not provided with the opportunity to take full uninterrupted and duty-free rest periods and
4 meal breaks, as required by the Labor Code and the applicable paragraphs of the IWC Wage Orders.

5 4. Defendant COASTHILLS FEDERAL CREDIT UNION d/b/a COASTHILLS
6 CREDIT UNION (hereinafter "COASTHILLS") is a federally chartered credit union with its
7 principal place of business in Santa Maria, California. "COASTHILLS CREDIT UNION" is listed
8 as the employer on various documents issued to Plaintiff, and upon information and belief Class
9 members, such as Plaintiff's wage statements. Upon information and belief, "COASTHILLS
10 CREDIT UNION" was converted from a state-chartered credit union to a federally chartered credit
11 union in or around January, 2024. "COASTHILLS CREDIT UNION" has a status of "converted
12 out" with the California Secretary of State and lists its principal address in Santa Maria, California.
13 COASTHILLS FEDERAL CREDIT UNION is listed as the registrant of the fictitious business
14 name "COASTHILLS CREDIT UNION" with the San Luis Obispo County Clerk-Recorder. Upon
15 information and belief, COASTHILLS employs Plaintiff and the Employees throughout California,
16 including San Luis Obispo County.

17 5. This Court has jurisdiction over this Action pursuant to California Code of Civil
18 Procedure § 410.10 and California Business & Professions Code § 17203. This Action is brought as
19 a Class Action on behalf of similarly situated Employees of Defendants pursuant to California Code
20 of Civil Procedure § 382. Venue as to Defendants is also proper in this judicial district pursuant to
21 California Code of Civil Procedure § 395 *et seq.* Upon information and belief, the obligations and
22 liabilities giving rise to this lawsuit occurred, at least in part in San Luis Obispo County where
23 Defendants maintain offices.

24 6. The true names and capacities, whether individual, corporate, associate, or whatever
25 else, of the Defendants sued herein as Does 1 through 50, inclusive, are currently unknown to
26 Plaintiff, who therefore sues these Defendants by such fictitious names under Code of Civil
27 Procedure § 474. Plaintiff is informed and believes and thereon alleges that Defendants designated
28 herein as Does 1 through 50, inclusive, and each of them, are legally responsible in some manner

1 for the unlawful acts referred to herein. Plaintiff will seek leave of court to amend this Complaint to
2 reflect the true names and capacities of the Defendants designated herein as Does 1 through 50 when
3 their identities become known.

4 7. Plaintiff is informed and believes and thereon alleges that each Defendant acted in
5 all respects pertinent to this action as the agent of the other Defendants, that Defendants carried out
6 a joint scheme, business plan, or policy in all respects pertinent hereto, and that the acts of each
7 Defendant are legally attributable to the other Defendants. Furthermore, Defendants acted in all
8 respects as the employers or joint employers of Employees. Defendants, and each of them, exercised
9 control over the wages, hours or working conditions of Employees, created and implemented the
10 policies and practices that governed the employment of Plaintiff and the Class members and dictated
11 their job duties and responsibilities, or otherwise suffered or permitted Plaintiff and the other
12 Employee Class members to work, or engaged them, thereby creating a common law employment
13 relationship with the Employee Class members. Therefore, Defendants, and each of them, employed
14 or jointly employed the Employee Class members.

15 **FACTUAL BACKGROUND**

16 8. The Employees who comprise the Class, including Plaintiff, are non-exempt
17 employees pursuant to the applicable Wage Order of the Industrial Welfare Commission (“IWC”).
18 During the period of four years prior to the filing of this action through its resolution, the Employee
19 Class members were employed by Defendants and worked in non-exempt positions at the direction
20 of Defendants in the State of California. Plaintiff and the Class members were either not paid by
21 Defendants for all hours worked or were not paid at the appropriate minimum, regular and overtime
22 rates. Plaintiff also contends that Defendants failed to pay Plaintiff and the Class members all wages
23 due and owing, including by requiring off the clock work, failing to provide meal and rest breaks,
24 and failing to furnish accurate wage statements, all in violation of various provisions of the
25 California Labor Code and applicable paragraphs of the IWC Wage Orders.

26 9. During the course of Plaintiff and the Class members’ employment with
27 Defendants, they were not paid all wages they were owed, including for all work performed
28 (resulting in “off the clock” work) and for all their overtime hours worked. This has resulted in

1 systematic and ongoing violations of the California Labor Code and relevant IWC Wage Orders.
2 Upon information and belief, Defendants employ other non-exempt, hourly employees in similar
3 jobs and related positions at their locations and facilities in California.

4 10. Defendants required Plaintiff and the Class members to perform work related duties
5 before their work shifts and to remain under Defendants' control during times when they should
6 have been on off the clock. Plaintiff and, upon information and belief, the other Class members
7 were required to arrive to work early and perform work before their scheduled shift start times,
8 including booting up the computers and logging into the system in order to clock in on the
9 computers. Upon information and belief, Defendants failed to compensate Plaintiff and the Class
10 members for the time they were under control of Defendants before their scheduled shift start time.

11 11. Defendants also failed to pay Class Members all wages due and owing because
12 Defendants failed to incorporate non-discretionary bonuses and/or commissions into the regular
13 rate of pay. Contrary to the requirements of the Labor Code and IWC Wage Orders under California
14 law, Defendants did not incorporate these non-discretionary bonuses and/or commissions paid to
15 the Class Members into the regular rate of pay Defendants used to calculate and pay for overtime,
16 sick pay, and meal and rest break premiums.

17 12. Defendants generally discouraged employees from incurring overtime. Plaintiff felt
18 pressured by management and work demands placed upon her to work off the clock, and feared
19 being terminated if she did otherwise. Upon information and belief, the other Class members were
20 subjected to similar common policies and practices and were subjected to similar off the clock work
21 requirements.

22 13. Defendants' unlawful timekeeping practices regarding off the clock work also
23 resulted in failure to pay Plaintiff and the Class members for overtime hours worked at the correct
24 overtime premium rate. With the hours worked off the clock before shifts commenced, and when
25 Plaintiff and the Class members worked past eight hours on their shifts, they were not paid an
26 overtime premium for these hours worked over eight.

27 14. By the off the clock work addressed above, the Employees in the Class began
28 incurring overtime hours before the alleged eight hour mark when Defendants began paying any

1 overtime rates of pay, and Defendants thus failed to pay all overtime hours at the correct overtime
2 rate of pay.

3 15. Plaintiff was therefore not paid for all hours worked at the required minimum,
4 overtime and double time wage rates due to Defendants' uniformly applied and unlawful policy
5 and practice of requiring her to work off the clock and without pay. Defendants systematically
6 underpaid Plaintiff and the Class members by failing to pay them at the required overtime rates for
7 all hours over eight in a work shift or over forty in a work week, and all hours over twelve in a day
8 at the required double time rate. Upon information and belief, the Class members were bound by
9 similar scheduling and timekeeping policies and endured similar violations at Defendants' hands
10 as Plaintiff.

11 16. The failure to pay for all hours worked and underpayment of wages to Plaintiff and
12 the Class members is and has been a direct consequence of Defendants' unlawful compensation
13 policies and practices, which upon information and belief applied uniformly to the Class members
14 working for Defendants throughout California. As a result of the above-described unlawful
15 requirements to work off the clock, the failure to accurately record all hours worked and pay wages
16 at the correct rates, and the other wage violations they endured at Defendants' hands, Plaintiff and
17 the Class members were not properly paid all wages earned and all wages owed to them by
18 Defendants, including when working more than eight hours in any given day and/or more than forty
19 hours in any given week.

20 17. Therefore, from at least four years prior to the filing of this lawsuit and continuing
21 to the present, Defendants had a consistent policy or practice of failing to pay Employees for all
22 hours worked and failing to pay minimum wages for all time worked, as required by California law.
23 Also, from at least four years prior to the filing of this lawsuit and continuing to the present,
24 Defendants had a consistent policy or practice of failing to pay Employees overtime compensation
25 at premium overtime rates for all hours worked in excess of eight hours a day and/or forty hours a
26 week, and double-time rates for all hours worked in excess of twelve hours a day, in violation of
27 Labor Code § 510 and the corresponding sections of IWC Wage Orders.

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1 18. Additionally, from at least four (4) years prior to the filing of this lawsuit and
2 continuing to the present, Defendants have regularly required Employees to work shifts in excess of
3 five (5) hours without providing them with uninterrupted meal periods of not less than thirty (30)
4 minutes, and shifts in excess of ten (10) hours without providing them with second meal periods of
5 not less than thirty minutes; nor did Defendants pay Employees “premium pay,” i.e. one hour of
6 wages at each Employee’s effective hourly rate of pay, for each meal period that Defendants failed
7 to provide or deficiently provided. The above described off the clock work contributed to
8 Defendants’ common policy of failing to provide lawful meal periods to Plaintiff and the Class
9 members, as required under the Labor Code and Paragraph 11 of the IWC Wage Order(s).

10 19. Defendants similarly failed to authorize and permit Plaintiff and the employee Class
11 Members to take all required 10-minute rest breaks, as required under the Labor Code and Paragraph
12 12 of the IWC Wage Order(s). Employees were restricted in their ability to take their full ten (10)
13 minutes net rest time or were otherwise not provided with duty-free rest periods. Therefore, from at
14 least four years prior to the filing of this lawsuit and continuing to the present, Defendants have
15 consistently failed to provide Employees with paid rest breaks of not less than ten minutes for every
16 work period of four or more consecutive hours, or major fraction thereof, nor did Defendants pay
17 Employees premium pay for each day on which requisite rest breaks were not provided or were
18 deficiently provided.

19 20. As mentioned above, Defendants also paid Plaintiff and Employees non-
20 discretionary bonuses and/or commissions. However, upon information and belief, Defendants
21 failed to incorporate all remunerations, including non-discretionary bonuses and/or commissions,
22 into the calculation of the regular rate of pay for purposes of calculating the overtime wage rate.
23 Therefore, during times when Plaintiff and Employees worked overtime and received non-
24 discretionary bonuses and/or commissions, Defendants failed to pay all overtime wages by paying
25 a lower overtime rate than required.

26 21. Defendants thus failed to provide all the legally required unpaid, off-duty meal
27 periods and all the legally required paid, off-duty rest periods to Plaintiff and the other Class
28 members, as required by the applicable Wage Order and Labor Code. Additionally, as addressed

1 above, Defendants followed a practice of requiring off the clock work in a manner that would impact
2 when Employees were to receive meal periods and rest breaks, thus leading to further violations.

3 22. As a result, Defendants' failure to provide Plaintiff and the Class members with all
4 legally required off-duty, unpaid meal periods and all the legally required off-duty, paid rest periods
5 is and will be evidenced by Defendants' business records, or lack thereof. As further detailed above,
6 Defendants also failed to pay Employees "premium pay," i.e. one hour of wages at each Employee's
7 effective regular hourly rate of compensation for each meal period or rest break that Defendants
8 failed to provide or deficiently provided.

9 23. Likewise, from at least four (4) years prior to the filing of this lawsuit and continuing
10 to the present, Defendants paid Employees non-discretionary bonuses and/or commissions.
11 However, upon information and belief, Defendants failed to incorporate all remunerations, including
12 non-discretionary bonuses and/or commissions, into the calculation of the regular rate of pay for
13 purposes of calculating sick pay. Therefore, during times when Employees worked overtime and
14 received non-discretionary bonuses and/or commissions, Defendants failed to pay all sick pay by
15 paying a lower overtime rate than required.

16 24. Similarly, from at least four (4) years prior to the filing of this lawsuit and continuing
17 to the present, Defendants paid Plaintiff and Employees non-discretionary bonuses and/or
18 commissions and/or shift differentials. However, upon information and belief, Defendants failed to
19 incorporate all remunerations, including non-discretionary bonuses, commissions and/or shift
20 differentials, into the calculation of the regular rate of from which vacation wages were calculated
21 and paid. Therefore, during times when Plaintiff and Employees worked overtime and received non-
22 discretionary bonuses, commissions and/or shift differentials, Defendants failed to pay all vacation
23 pay by paying a lower overtime rate than required.

24 25. From at least four (4) years prior to the filing of this lawsuit and continuing to the
25 present, Defendants had a consistent and uniform policy, practice and procedure, when entering
26 into contracts of employment with aggrieved employees for services to be rendered within
27 California and the contemplated method of payment involved commissions, of failing to utilize a
28 written contract signed by both the employer and employee setting forth the method by which the

1 commissions shall be computed and paid in violation of Labor Code § 2751.

2 26. Defendants have also consistently failed to provide Class members with timely,
3 accurate, and itemized wage statements, in writing, as required by California wage-and-hour laws,
4 including by the above-described requirement of off the clock work, failure to pay all overtime and
5 double time wages owed, and failure to pay premium wages for unprovided or otherwise unlawful
6 meal and rest breaks, or by miscalculating any overtime or meal period or rest break premium wages.
7 Defendants have also made it difficult to account with precision for the unlawfully withheld wages
8 and meal and rest period compensation owed to Plaintiff and the Class, during the liability period,
9 including because they did not calculate the regular rate of pay correctly when paying overtime or
10 meal period premiums and because they did not implement and preserve a record-keeping method
11 as required for non-exempt employees by California Labor Code §§ 226, 1174(d), and paragraph 7
12 of the applicable California Wage Orders. Upon information and belief, time clock punches were
13 not maintained or were not accurately maintained for work shifts and meal periods, which were
14 automatically presumed by Defendants to have been lawfully provided when they were not.
15 Defendants also failed to accurately record and pay for all regular and overtime hours worked and
16 submitted by Plaintiff and the Class members, including by failing to pay all overtime hours at the
17 correctly calculated overtime premium rate.

18 27. Defendants have thus also failed to comply with Labor Code § 226(a) by inaccurately
19 reporting total hours worked and total wages earned by Plaintiff and the Class members, along with
20 the appropriate applicable rates, among other requirements. Plaintiff and Class members are
21 therefore entitled to penalties not to exceed \$4,000.00 for each employee pursuant to Labor Code §
22 226(b). Defendants have also failed to comply with paragraph 7 of the applicable California IWC
23 Wage Orders by failing to maintain time records showing when the employee begins and ends each
24 work period, meal period, and wages earned pursuant to Labor Code § 226.7, and total daily hours
25 worked by itemizing in wage statements all deductions from payment of wages and accurately
26 reporting total hours worked.

27 28. Additionally, Defendants have consistently failed to keep accurate time and wage
28 records as required by California wage-and-hour laws.

29. As mentioned above, Defendants required Plaintiff and the Class members to work hours off the clock for which they were not compensated, and endure off the clock work during interrupted or otherwise on-duty meal and rest periods. Defendants also failed to pay all overtime premium wages owed for work conducted on a work shift and a workday, as addressed above. Therefore, Defendants have also followed a uniform and consistent policy of failing to pay all wages owed to Plaintiff and other similarly situated Employees at the time of their termination or within seventy-two hours of their resignation, as required by California wage-and-hour laws.

30. In light of the foregoing, Plaintiff and the Employees in the Class bring this action pursuant to, *inter alia*, Labor Code §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 227.3, 245 *et seq.*, 246, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2698, 2699, *et seq.*, and 2751.

31. Furthermore, pursuant to Business and Professions Code §§ 17200-17208, Plaintiff and the Class members seek injunctive relief, restitution, and disgorgement of all benefits Defendants have enjoyed from their violations of Labor Code and the other unfair, unlawful, or fraudulent practices alleged in this Complaint.

CLASS ALLEGATIONS

32. Plaintiff brings this class action on behalf of herself, and all others similarly situated pursuant to Code of Civil Procedure § 382. Plaintiff seeks to represent a Class (or “the Class” or “Class members”) defined as follows: “All individuals employed by Defendants at any time during the period of four (4) years prior to the filing of this lawsuit and ending on a date as determined by the Court (“the Class Period”), and who have been employed as non-exempt, hourly employees by Defendants’ within the State of California.” Further, Plaintiff seeks to represent the Subclasses composed of and defined as follows:

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

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

1 c. Subclass 3. Vacation Wages Subclass. All Class members who were not
2 compensated at the Employee's regular rate of pay for their vacation wages.

3 d. Subclass 4. Sick Pay Subclass. All Class members who were not compensated at the
4 Employee's regular rate of pay for their sick pay wages.

5 e. Subclass 5. Meal Period Subclass. All Class members who were subject to
6 Defendants' policy and/or practice of failing to provide unpaid 30-minute uninterrupted and duty-
7 free meal periods or one hour of pay at the Employee's regular rate of pay in lieu thereof.

8 d. Subclass 6. Rest Break Subclass. All Class members who were subject to
9 Defendants' policy and/or practice of failing to authorize and permit Employees to take
10 uninterrupted, duty-free, 10-minute rest periods for every four hours worked, or major fraction
11 thereof, and failing to pay one hour of pay at the Employee's regular rate of pay in lieu thereof.

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

14 g. Subclass 8. Payroll Records Subclass. All Class members who were subject to
15 Defendants' policy and/or practice of failing to keep accurate time and wage records as required by
16 California wage-and-hour laws.

17 h. Subclass 9. Commission Subclass. All Class members who, within the applicable
18 limitations period, were not provided with a written contract signed by both the employer and
19 employee setting forth the method by which the commissions shall be computed and paid.

20 i. Subclass 10. Termination Pay Subclass. All Class members who, within the
21 applicable limitations period, either voluntarily or involuntarily separated from their employment
22 and were subject to Defendants' policy and/or practice of failing to timely pay wages upon
23 termination.

24 j. Subclass 11. UCL Subclass. All Class members who are owed restitution as a result
25 of Defendants' business acts and practices, to the extent such acts and practices are found to be
26 unlawful, deceptive, and/or unfair.

27 33. Plaintiff reserves the right under California Rule of Court 3.765 to amend or modify
28 the class description with greater particularity or to provide further division into subclasses or

1 limitation to particular issues. To the extent equitable tolling operates to toll claims by the Class
2 against Defendants, the Class Period should be adjusted accordingly.

3 34. Defendants, as a matter of company policy, practice and procedure, and in violation
4 of the applicable Labor Code, Industrial Welfare Commission (“IWC”) Wage Order requirements,
5 and the applicable provisions of California law, intentionally, knowingly, and willfully, engaged in
6 a practice whereby Defendants failed to correctly calculate and pay compensation for the time
7 worked by the Plaintiff and the other members of the Class, even though Defendants enjoyed the
8 benefit of this work, required Employees to perform this work and permitted or suffered to permit
9 this work. Defendants have uniformly denied these Class members wages to which these employees
10 are entitled, and failed to provide meal periods or authorize and permit rest periods, in order to
11 unfairly cheat the competition and unlawfully profit.

12 35. This action has been brought and may properly be maintained as a class action under
13 the provisions of Code of Civil Procedure § 382 because there is a well-defined community of
14 interest in this litigation and the proposed Class is easily ascertainable from the employment records
15 for Plaintiff and the Class members that Defendants are required to maintain under California law.

16 **A. Numerosity**

17 36. The potential members of the class as defined are so numerous that joinder of all the
18 member of the class is impracticable. While the precise number of class member has not been
19 determined at this time, Plaintiff is informed and believes that Defendants employ or, during the
20 time period relevant to this lawsuit employed, at least hundreds of Employees who satisfy the Class
21 definition within the State of California. Plaintiff alleges that Defendants’ employment records will
22 provide information as to the number and location of all Class members.

23 **B. Commonality**

24 37. There are questions of law and fact common to the Class that predominate over any
25 questions affecting only individual Class members. The common questions are numerous and
26 substantial and flow from Defendants’ uniform policies and/or practices of violating the California
27 Labor Code addressed above. As such, these common questions predominate over individual
28 questions concerning each individual Class Member’s showing as to his or her eligibility for

1 recovery or as to the amount of damages. These common questions of law and fact include:

- 2 a. Whether Defendants failed to pay Employees minimum wages;
- 3 b. Whether Defendants failed to pay Employees wages for all hours worked;
- 4 c. Whether Defendants failed to pay Employees overtime as required under Labor Code
- 5 § 510;
- 6 d. Whether Defendants failed to pay Employees all vacation wages as required under
- 7 Labor Code § 227.3;
- 8 e. Whether Defendants failed to pay Employees all sick pay as required under Labor
- 9 Code § 245;
- 10 f. Whether Defendants violated Labor Code §§ 226.7 and 512, and the applicable IWC
- 11 Wage Orders, by failing to provide Employees with requisite meal periods or
- 12 premium pay in lieu thereof;
- 13 g. Whether Defendants violated Labor Code §§ 226.7, and the applicable IWC Wage
- 14 Orders, by failing to authorize and permit Employees to take requisite rest breaks or
- 15 provide premium pay in lieu thereof;
- 16 h. Whether Defendants violated Labor Code § 2751;
- 17 i. Whether Defendants violated Labor Code § 226(a) by providing Employees with
- 18 inaccurate wage statements;
- 19 j. Whether Defendants failed to keep accurate time and wage records;;
- 20 k. Whether Defendants violated Labor Code §§ 201, 202, and 203 by failing to pay
- 21 wages and compensation due and owing at the time of termination of employment;
- 22 l. Whether Defendants' conduct was willful;
- 23 m. Whether Defendants violated Labor Code § 226 and § 1174 and the IWC Wage
- 24 Orders by failing to maintain accurate records of Class members' earned wages and
- 25 work periods;
- 26 n. Whether Defendants violated Labor Code § 1194 by failing to compensate all
- 27 Employees during the relevant time period for all hours worked, whether regular or
- 28 overtime;

- o. Whether Defendants are liable for penalties under Labor Code § 2699, *et seq.*;
- p. Whether Defendants violated Business and Professions Code § 17200 *et seq.*; and
- q. Whether Employees are entitled to equitable relief pursuant to Business and Professions Code § 17200 *et seq.*

C. Typicality

38. The claims of the named plaintiff are typical of those of the other Employees. The Employee Class members all sustained injuries and damages arising out of and caused by Defendants' common course of conduct and uniformly applied policies in violation of statutes, as well as regulations, that have the force and effect of law, as alleged herein. Plaintiff's claims for the off the clock work and meal and rest violations she was required to endure are typical of those of the other Class members.

D. Adequacy of Representation

39. Plaintiff will fairly and adequately represent and protect the interest of the Employee Class members. Counsel who represents Plaintiff and the Employees in the Class are experienced and competent in litigating employment class actions.

E. Superiority of Class Action

40. A class action is superior to other available means for the fair and efficient adjudication of this controversy. Individual joinder of all Employees is not practicable, and questions of law and fact common to all Employees predominate over any questions affecting only individual Employees. Each Employee in the Class has been damaged and is entitled to recovery by reason of Defendants' illegal policies or practices of failing to compensate Employees properly.

41. As to the issues raised in this case, a class action is superior to all other methods for the fair and efficient adjudication of this controversy, as joinder of all Class members is impracticable and many legal and factual questions to be adjudicated apply uniformly to all Class members. Further, as the economic or other loss suffered by vast numbers of Class members may be relatively small, the expense and burden of individual actions makes it difficult for the Class members to individually redress the wrongs they have suffered. Moreover, in the event disgorgement is ordered, a class action is the only mechanism that will permit the employment of a

1 fluid fund recovery to ensure that equity is achieved. There will be relatively little difficulty in
2 managing this case as a class action, and proceeding on a class-wide basis will permit Employees
3 to vindicate their rights for violations they endured which they would otherwise be foreclosed from
4 receiving in a multiplicity of individual lawsuits that would be cost prohibitive to them.

5 42. Class action treatment will allow those persons similarly situated to litigate their
6 claims in the manner that is most efficient and economical for the parties and the judicial system.
7 Plaintiff is unaware of any difficulties in managing this case that should preclude class treatment.
8 Plaintiff contemplates the eventual issuance of notice to the proposed Class members that would set
9 forth the subject and nature of the instant action. The Defendants' own business records can be
10 utilized for assistance in the preparation and issuance of the contemplated notices. To the extent that
11 any further notice is required additional media and/or mailings can be used.

12 43. Defendants, as prospective and actual employers of the Employees in the Class, had
13 a special fiduciary duty to disclose to prospective Class members the true facts surrounding
14 Defendants' pay practices, policies and working conditions imposed upon the similarly situated
15 Employees as well as the effect of any alleged arbitration agreements that may have been forced
16 upon them. In addition, Defendants knew they possessed special knowledge about pay practices and
17 policies, most notably intentionally refusing to pay for all hours actually worked which should have
18 been recorded in Defendants' pay records and the consequence of the alleged arbitration agreements
19 and policies and practices on the Employees and Class as a whole.

20 44. Plaintiff and the Employees in the Class did not discover the fact that they were
21 entitled to all pay under the Labor Code until shortly before the filing of this lawsuit nor was there
22 ever any discussion about Plaintiff's and the Class' waiver of their Constitutional rights of trial by
23 jury, right to collectively organize and oppose unlawful pay practices under California law as well
24 as obtain injunctive relief preventing such practices from continuing. As a result, the applicable
25 statutes of limitation were tolled until such time as Plaintiff and the Class members discovered their
26 claims.

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FIRST CAUSE OF ACTION
FAILURE TO PAY MINIMUM WAGES
(Against All Defendants)

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

46. Defendants failed to pay Employees minimum wages for all hours worked. Defendants had a consistent policy of failing to pay Employees for all hours worked. Employees would work hours and not receive all wages owed, including as alleged above in connection with off the clock work and the miscalculation of the regular rate of pay, including all the time required to remain on duty and under Defendants' control during breaks and due to the work demands placed upon them by Defendants' management. Moreover, Plaintiff and, upon information and belief, the other Class members were required to arrive to work early and perform work before their scheduled shift start times, including booting up the computers and logging into the system in order to clock in on the computers. To the extent any local wage ordinances were also applicable to paying the employees an hourly rate above the minimum wage rate, Defendants failed to comply with the local wage ordinances. Defendants' uniform pattern of unlawful wage and hour practices manifested, without limitation, applicable to the Class as a whole, as a result of implementing a uniform policy and practice that denied accurate compensation to Plaintiff and the other members of the Class as to minimum wage pay.

47. In California, employees must be paid at least the then applicable state minimum wage for all hours worked, including under Labor Code § 1197, IWC Wage Order MW-2014, and paragraphs 2(K), 2(S), and 4(A)-4(C) of the applicable IWC Wage Orders. Additionally, pursuant to California Labor Code § 204, other applicable laws and regulations, and public policy, an employer must timely pay its employees for all hours worked. Defendants failed to do so.

48. California Labor Code § 1197, entitled "Pay of Less Than Minimum Wage" states: "The minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a less wage than the minimum so fixed is unlawful." The applicable minimum wage rate fixed by the commission for work during the relevant period is found in the

1 Wage Orders.

2 49. The minimum wage provisions of California Labor Code are enforceable by private
3 civil action pursuant to Labor Code § 1194(a) which states: “Notwithstanding any agreement to
4 work for a lesser wage, any employee receiving less than the legal minimum wage or the legal
5 overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid
6 balance of the full amount of this minimum wage or overtime compensation, including interest
7 thereon, reasonable attorney’s fees and costs of suit.”

8 50. As described in California Labor Code §§ 1185 and 1194.2, any action for wages
9 incorporates the applicable Wage Order of the California Industrial Welfare Commission. Also,
10 California Labor Code §§ 1194, 1197, 1197.1 and those Industrial Welfare Commission Wage
11 Orders entitle non-exempt employees to an amount equal to or greater than the minimum wage for
12 all hours worked. All hours must be paid at the statutory or agreed rate, or at the minimum rate in
13 the absence of a contractually agreed upon one.

14 51. In committing these violations of the California Labor Code, Defendants
15 inaccurately recorded times that did not reflect Employees’ actual hours worked, miscalculated
16 hours or rates or otherwise underpaid the actual time worked by Plaintiff and other members of the
17 Class, as addressed in detail above. Defendants acted in an illegal attempt to avoid the payment of
18 all earned wages, and other benefits in violation of the California Labor Code, the Industrial Welfare
19 Commission requirements and other applicable laws and regulations. As a result of these violations,
20 Defendants also failed to timely pay all wages earned in accordance with California Labor Code §
21 1194.

22 52. California Labor Code § 1194.2 also provides for the following remedies: “In any
23 action under Section 1194 . . . to recover wages because of the payment of a wage less than the
24 minimum wages fixed by an order of the commission, an employee shall be entitled to recover
25 liquidated damages in an amount equal to the wages unlawfully unpaid and interest thereon.”

26 53. In addition to restitution for all unpaid wages, pursuant to California Labor Code §
27 1197.1, Plaintiff and Class members are entitled to recover a penalty of \$100.00 for the initial failure
28 to timely pay each employee minimum wages, and \$250.00 for each subsequent failure to pay each

1 employee minimum wages.

2 54. Pursuant to California Labor Code § 1194.2, Plaintiff and Class members are further
3 entitled to recover liquidated damages in an amount equal to wages unlawfully unpaid and interest
4 thereon.

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

8 56. Plaintiff and the Class members are entitled to recover the unpaid minimum wages
9 (including double minimum wages) and local wage ordinance wages and liquidated damages in an
10 amount equal to the minimum wages unlawfully unpaid, interest thereon and reasonable attorney's
11 fees and costs of suit pursuant to California Labor Code § 1194(a). Plaintiff and the other members
12 of the Class further request recovery of all unpaid wages, according to proof, interest, statutory costs,
13 as well as the assessment of any statutory penalties against Defendants, in a sum as provided by the
14 California Labor Code and/or other applicable statutes. To the extent minimum wage compensation
15 is determined to be owed to the Class members who have terminated their employment, Defendants'
16 conduct also violates Labor Code §§ 201 and/or 202, and therefore these individuals are also entitled
17 to waiting time penalties under California Labor Code § 203, which penalties are sought herein on
18 behalf of these Class members. Defendants' failure to timely pay all wages owed also violated Labor
19 Code § 204 and resulted in violations of Labor Code § 226 because they resulted in the issuance of
20 inaccurate wage statements. Defendants' conduct as alleged herein was willful, intentional and not
21 in good faith. Further, Plaintiff and other Class members are entitled to seek and recover statutory
22 costs.

23 **SECOND CAUSE OF ACTION**

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

25 **(Against All Defendants)**

26 57. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in
27 full herein.

28 ///

1 58. California Labor Code § 1194 provides that “any employee receiving less than the
2 legal minimum wage or the legal overtime compensation applicable to the employee is entitled to
3 recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime
4 compensation, including interest thereon, reasonable attorney’s fees, and costs of suit.” The action
5 may be maintained directly against the employer in an employee’s name without first filing a claim
6 with the Division of Labor Standards and Enforcement.

7 59. By their conduct, as set forth herein, Defendants violated Labor Code § 1194 and
8 Labor Code § 510 (and paragraphs 2(K), 2(S), 3(A) and 4(A)-4(B) of the relevant orders of the
9 Industrial Welfare Commission) by failing to pay Employees: (a) time and one-half their regular
10 hourly rates for hours worked in excess of eight (8) hours in a workday or in excess of forty (40)
11 hours in any workweek or for the first eight (8) hours worked on the seventh day of work in any one
12 workweek; or (b) twice their regular rate of pay for hours worked in excess of twelve (12) hours in
13 any one (1) day or for hours worked in excess of eight (8) hours on any seventh day of work in a
14 workweek.

15 60. Defendants had a consistent policy of not paying Employees wages for all hours
16 worked at their required regular, overtime, and double-time rates, including by requiring off the
17 clock work, as addressed above, by under-reporting actual hours worked, and by requiring
18 Employees to do so as well.

19 61. Defendants, and each of them, have intentionally and improperly under-recorded
20 Employees’ hours, including Plaintiff’s, or required Plaintiff and the Class members to do so, or
21 otherwise caused them to work off the clock to avoid paying Plaintiff and the Class members all
22 earned and owed straight time and overtime wages and other benefits, in violation of the California
23 Labor Code, the California Code of Regulations and the IWC Wage Orders and guidelines set forth
24 by the Division of Labor Standards and Enforcement. Defendants have also violated these
25 provisions by requiring Plaintiff and other similarly situated non-exempt employees to work through
26 meal periods or remain under Defendants’ control when they were required to be clocked out or to
27 otherwise work off the clock to complete their daily job duties and respond to demands from
28 customers and managers. Moreover, Plaintiff and, upon information and belief, the other Class

1 members were required to arrive to work early and perform work before their scheduled shift start
2 times, including booting up the computers and logging into the system in order to clock in on the
3 computers. Therefore, Employees were not properly compensated, nor were they paid overtime rates
4 for hours worked in excess of eight hours in a given day, and/or forty hours in a given week. Based
5 on information and belief, Defendants did not make available to Employees a reasonable protocol
6 for correcting time records when Employees worked overtime hours or to fix incorrect time entries
7 or those that Defendants unlawfully under-recorded to the Employee's detriment. Defendants have
8 also violated these provisions by requiring Plaintiff and other similarly situated Class members to
9 work through meal periods when they were required to be clocked out or to otherwise work off the
10 clock to complete their daily job duties.

11 62. Furthermore, on information and belief, Defendants did not pay Plaintiff and
12 Employees the correct overtime rate for the recorded overtime hours that they generated. In
13 addition to an hourly wage, Defendants paid Plaintiffs and Employees non-discretionary bonuses,
14 commissions and/or shift differentials. However, upon information and belief, Defendants failed
15 to incorporate all remunerations, including non-discretionary bonuses, commissions and/or shift
16 differentials, into the calculation of the regular rate of pay for purposes of calculating the overtime
17 wage rate.

18 63. Therefore, during times when Plaintiff and Employees worked overtime and
19 received non-discretionary bonuses, commissions and/or shift differentials, Defendants failed to
20 pay all overtime wages by paying a lower overtime rate than required.

21 64. Defendants' failure to pay Plaintiff and the Class members the unpaid balance of
22 regular wages owed and overtime compensation for all hours worked, as required by California
23 law, violates the provisions of Labor Code §§ 510 and 1198 and paragraph 3(A) of the applicable
24 IWC Wage Order, and is therefore unlawful. Defendants also failed to correctly calculate the
25 regular rate used to calculate and pay overtime, and meal and rest premiums, as addressed above.

26 65. Additionally, Labor Code § 558(a) provides "any employer or other person acting
27 on behalf of an employer who violates, or causes to be violated, a section of this chapter or any
28 provisions regulating hours and days of work in any order of the IWC shall be subject to a civil

1 penalty as follows: (1) For any violation, fifty dollars (\$50) for each underpaid employee for each
2 pay period for which the employee was underpaid in addition to an amount sufficient to recover
3 underpaid wages. (2) For each subsequent violation, one hundred dollars (\$100) for each underpaid
4 employee for each pay period for which the employee was underpaid in addition to an amount
5 sufficient to recover underpaid wages. (3) Wages recovered pursuant to this section shall be paid
6 to the affected employee.” Labor Code § 558(c) states, “the civil penalties provided for in this
7 section are in addition to any other civil or criminal penalty provided by law.” Defendants have
8 violated provisions of the Labor Code regulating hours and days of work as well as the IWC Wage
9 Orders. Accordingly, Plaintiff and the Class members seek the remedies set forth in Labor Code §
10 558.

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

17 67. Employees have been damaged by these violations of California Labor Code §§ 204
18 and 510 (and the relevant orders of the Industrial Welfare Commission). Additionally, under Labor
19 Code § 1199(a)-(c), it is a misdemeanor and Defendants are subject to a fine of not less than \$100
20 for causing Employees “to work for longer hours than those fixed, or under conditions of labor
21 prohibited by an order of the commission” or if the employer pays “a wage less than the minimum
22 fixed by an order of the commission” or “violates...any provision of this chapter or any order or
23 ruling of the commission.”

24 68. Consequently, pursuant to the California Labor Code, including Labor Code §§ 204,
25 510, 558, 1194, 1198, 1199, and the relevant paragraphs of the IWC Wage Orders, including
26 paragraphs 2(K), 2(S), 3(A), 4, and 20, Defendants are liable to Employees for the full amount of
27 all their unpaid wages and overtime compensation for all their hours worked, with interest, plus
28 their reasonable attorneys’ fees and costs, as well as the assessment of any statutory penalties

1 against Defendants, and each of them, and any additional sums as provided by the Labor Code
2 and/or other statutes.

3 **THIRD CAUSE OF ACTION**
4 **FAILURE TO PAY VACATION WAGES**
5 **(Against All Defendants)**

6 69. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in
7 full herein.

8 70. Pursuant to California Labor Code § 227.3, whenever a contract of employment or
9 employment policy provides for paid vacation and an employee is terminated without having taken
10 off his vested vacation time, all vested vacation shall be paid to his as wages at his final rate in
11 accordance with said contract of employment or policy respecting eligibility or time served.

12 71. Defendants paid non-discretionary bonuses, commissions and/or shift differentials to
13 Employees but Defendants failed to include these forms of remuneration in the regular rate of pay
14 upon which vacation wages were calculated and paid.

15 72. Therefore, pursuant to, Plaintiff and Employees seek to recover penalties pursuant to
16 Labor Code § 227.3.

17 **FOURTH CAUSE OF ACTION**
18 **FAILURE TO COMPLY WITH LABOR CODE § 245 *ET SEQ.* AND 246**
19 **(Against All Defendants)**

20 73. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in
21 full herein.

22 74. California Labor Code § 245 *et seq.* requires that Defendants provide paid sick time
23 to Employees, including at the amount, terms, and rate of compensation set forth in said law. At
24 times relevant, Defendants have failed compute the amount due for paid sick time in conformance
25 with the pay calculation under California Labor Code § 246(1).

26 75. Defendants paid non-discretionary bonuses, commissions and/or shift differentials to
27 Employees but Defendants failed to include these forms of remuneration in the regular rate of pay
28 upon which sick pay was calculated and paid. Rather than calculating the amount of paid sick time

1 due when sick time is used according to the requirements set forth in California Labor Code §
2 246(1), Defendants paid sick leave to Employees at a lower rate, in violation of the law.

3 76. Therefore, Plaintiff and Employees seek to recover penalties pursuant to Labor Code
4 § 245 *et seq.* and §§ 245 *et seq.* and 246.

5 **FIFTH CAUSE OF ACTION**
6 **FAILURE TO COMPLY WITH LABOR CODE § 2751**
7 **(Against All Defendants)**

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

10 78. Labor Code §2751(a) states: “Whenever an employer enters into a contract of
11 employment with an employee for services to be rendered within this state and the contemplated
12 method of payment of the employee involves commissions, the contract shall be in writing and
13 shall set forth the method by which the commissions shall be computed and paid.”

14 79. Further, Labor Code §2751(b) states in pertinent part: “The employer shall give a
15 signed copy of the contract to every employee who is a party thereto and shall obtain a signed
16 receipt for the contract from each employee.”

17 80. During the relevant time period, Defendants had a consistent and uniform policy,
18 practice and procedure, when entering into contracts of employment with aggrieved employees for
19 services to be rendered within California and the contemplated method of payment involved
20 commissions, of failing to utilize a written contract signed by both the employer and employee
21 setting forth the method by which the commissions shall be computed and paid.

22 81. Defendants’ pattern, practice and uniform administration of corporate policy
23 regarding commission contracts as described herein is unlawful and creates an entitlement to
24 recovery by Employees, in a civil action, to the extent allowed by law.

25 82. Therefore, Plaintiff and Employees seek to recover penalties pursuant to Labor
26 Code § 2751.

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1 **SIXTH CAUSE OF ACTION**

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

3 **(Against All Defendants)**

4 83. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set
5 forth in full herein.

6 84. Employees regularly worked shifts greater than five (5) hours and in some instances,
7 greater than ten (10) hours. Pursuant to Labor Code § 512, and paragraph 11 of the applicable IWC
8 Wage Order, an employer may not employ someone for a shift of more than five (5) hours without
9 providing him or her with a meal period of not less than thirty (30) minutes or for a shift of more
10 than ten (10) hours without providing him or her with a second meal period of not less than thirty
11 (30) minutes.

12 85. Defendants failed to provide Employees with meal periods as required under the
13 Labor Code and paragraph 11 of the applicable IWC Wage Order. Employees were often required
14 to work or to otherwise remain under Defendants' control during meal periods, or Defendants
15 provided them after Employees worked beyond the fifth hour of their shifts or Employees otherwise
16 had them shortened and interrupted by work demands and requirements to perform off the clock
17 work and remain under Defendants' control. Furthermore, upon information and belief, on the
18 occasions when Employees worked more than ten (10) hours in a given shift, they did so without
19 receiving a second uninterrupted thirty (30) minute meal period as required by law.

20 86. Defendants thus failed to provide Plaintiff and the Class members with meal periods
21 as required by the Labor Code and paragraph 11 of the applicable IWC Wage Order, including by
22 not providing them with the opportunity to take meal breaks, by providing them late or for less than
23 thirty (30) minutes, or by requiring them to perform work during breaks.

24 87. Moreover, Defendants failed to compensate Employees for each meal period not
25 provided or inadequately provided, as required under Labor Code § 226.7 and paragraphs 11 and 20
26 of the applicable IWC Wage Orders, which provide that, if an employer fails to provide an employee
27 a meal period in accordance with this section, the employer shall pay the employee one (1) hour of
28 pay at the employee's regular rate of compensation for each workday that the meal period is not

1 provided. Additionally, as detailed above, when Defendants did pay meal period premiums, they
2 did so at the normal regular rate of pay without factoring in all forms or remuneration/compensation
3 or by otherwise incorrectly calculating the regular rate.

4 88. Therefore, pursuant to Labor Code § 226.7 and paragraphs 11 and 20 of the
5 applicable IWC Wage Order, Employees in the Class are entitled to damages in an amount equal to
6 one (1) hour of wages at their effective hourly rates of pay for each meal period not provided or
7 deficiently provided, a sum to be proven at trial, as well as the assessment of any statutory penalties
8 against the Defendants, and each of them, in a sum as provided by the Labor Code and other statutes
9 and applicable IWC Wage Order paragraphs.

10 **SEVENTH CAUSE OF ACTION**

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

12 **(Against All Defendants)**

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

15 90. Labor Code §§ 226.7 and paragraph 12 of the applicable IWC Wage Orders provide
16 that employers must authorize and permit all employees to take rest periods at the rate of ten (10)
17 minutes net rest time per four (4) work hours.

18 91. Employees consistently worked consecutive four (4) hour shifts and were generally
19 scheduled for shifts of greater than 3.5 hours total, thus requiring Defendants to authorize and permit
20 them to take rest periods. Pursuant to the Labor Code and paragraph 12 of the applicable IWC Wage
21 Order, Employees were entitled to paid rest breaks of not less than ten (10) minutes for each
22 consecutive four (4) hour shift, and Defendants failed to provide Employees with timely rest breaks
23 of not less than ten (10) minutes for each consecutive four (4) hour shift. Employees were often
24 required to work or to otherwise remain under Defendants' control during rest periods, including by
25 responding to work requirements, and had breaks provided untimely as a result of the above
26 described off the clock work.

27 92. Labor Code §§ 226.7 and paragraphs 12 and 20 of the applicable IWC Wage Orders
28 provide that if an employer fails to provide an employee rest period in accordance with this section,

1 the employer shall pay the employee one (1) hour of pay at the employee's regular rate of
2 compensation for each workday that the rest period is not provided. Defendants failed to do so.

3 93. Defendants, and each of them, have therefore intentionally and improperly denied
4 rest periods to Plaintiff and the Class members in violation of Labor Code §§ 226.7 and 512 and
5 paragraph 12 of the applicable IWC Wage Orders.

6 94. Defendants failed to authorize and permit Plaintiff and the Class members to take
7 rest periods, as required by the Labor Code. Moreover, Defendants did not compensate Employees
8 with an additional hour of pay at each Employee's regular rate for each day that Defendants failed
9 to provide them with adequate rest breaks, as required under Labor Code § 226.7 and paragraphs 12
10 and 20 of the applicable IWC Wage Orders. Additionally, as detailed above, when Defendants did
11 pay rest period premiums, they did so at the normal regular rate of pay without factoring in all forms
12 or remuneration/compensation or by otherwise incorrectly calculating the regular rate.

13 95. Therefore, pursuant to Labor Code § 226.7 and paragraphs 12 and 20 of the
14 applicable IWC Wage Orders, Employees are entitled to damages in an amount equal to one (1)
15 hour of wages at their effective hourly rates of pay for each day worked without the required rest
16 breaks, a sum to be proven at trial, as well as the assessment of any statutory penalties against
17 Defendants, and each of them, in a sum as provided by the Labor Code and/or other statutes.

18 **EIGHTH CAUSE OF ACTION**

19 **VIOLATION OF LABOR CODE § 226(a)**

20 **(Against All Defendants)**

21 96. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in
22 full herein.

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

1 the employee these statements twice a month or each time wages are paid.

2 98. Defendants failed to provide Plaintiff and the similarly situated Employee Class
3 members with accurate itemized wage statements in writing, as required by the Labor Code and
4 paragraph 7 of the applicable IWC Wage Orders. Specifically, the wage statements issued to
5 Employees by Defendants failed to accurately account for wages, overtime, and premium pay,
6 including for all overtime and double time hours worked, for deficient meal periods and rest breaks,
7 all of which Defendants knew or reasonably should have known were owed to the Employees, as
8 alleged above. Additionally, Defendants failed in their affirmative obligation to keep accurate
9 records of the correct overtime wages based on proper regular rate calculations that included non-
10 discretionary bonuses, commissions and/or shift differentials earned, and the total amount of
11 compensation of their Employees. Specifically, Employees' wage statements failed to accurately set
12 forth all applicable hourly rates in effect during the pay period and the corresponding number of
13 hours worked at each such rate in violation of Labor Code § 226 (a)(9). Thus, the wage statements
14 provided to Employees were confusing and required Employees to engage in discovery and refer to
15 outside sources to verify whether their pay was correct and potentially resulting in a miscalculation
16 by the Employees.

17 99. Throughout the liability period, Defendants intentionally failed to furnish to Plaintiff
18 and the Class members, upon each payment of wages, itemized statements accurately showing: (1)
19 gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units
20 earned and any applicable piece rate paid on a piece-rate basis, (4) all deductions, (5) net wages
21 earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the
22 employee and only the last four digits of his or her social security number or an employee
23 identification number other than a social security number, (8) the name and address of the legal
24 entity that is the employer and (9) all applicable hourly rates in effect during the pay period and the
25 corresponding number of hours worked at each hourly rate by the employee pursuant to Labor Code
26 § 226 and paragraph 7 of the applicable IWC Wage Orders, amongst other statutory requirements.
27 Defendants knowingly and intentionally failed to provide Plaintiff and the Class members with such
28 timely and accurate wage and hour statements.

1 100. Plaintiff and the Class members suffered injury as a result of Defendants’ knowing
2 and intentional failure to provide them with the wage and hour statements as required by law and
3 are presumed to have suffered injury and entitled to penalties under Labor Code § 226(e), as the
4 Defendants have failed to provide an accurate wage statement, failed to provide accurate and
5 complete information as required by any one or more of items Labor Code § 226 (a)(1) to (9),
6 inclusive, and the Plaintiff and Class members cannot promptly and easily determine from the wage
7 statement alone one or more of the following: (i) The amount of the gross wages or net wages paid
8 to the employee during the pay period or any of the other information required to be provided on
9 the itemized wage statement pursuant to items (2) to (4), inclusive, (6), and (9) of subdivision (a),
10 (ii) Which deductions the employer made from gross wages to determine the net wages paid to the
11 employee during the pay period, (iii) The name and address of the employer and, (iv) The name of
12 the employee and only the last four digits of his or her social security number or an employee
13 identification number other than a social security number. For purposes of Labor Code § 226(e)
14 “promptly and easily determine” means a reasonable person [i.e. an objective standard] would be
15 able to readily ascertain the information without reference to other documents or information.

16 101. Additionally, under paragraph 4(B) of the applicable IWC Wage Orders, employers
17 are required “to pay each employee, on the established payday for the period involved, not less than
18 the applicable minimum wage for all hours worked in the payroll period, ...” Under Labor Code §
19 1198, “[t]he employment of any employee for longer hours than those fixed by the order or under
20 conditions of labor prohibited by the order is unlawful.” Plaintiff and the Class members may
21 therefore pursue damages and penalties for violations of Labor Code § 204 and paragraph 4(B) of
22 the applicable IWC Wage Orders, including penalties under paragraph 20 of the applicable IWC
23 Wage Orders.

24 102. Therefore, as a direct and proximate cause of Defendants’ violation of Labor Code §
25 226(a) and paragraphs 4(b), 7, and 20 of the applicable IWC Wage Orders, the Employees in the
26 Class suffered injuries, including among other things confusion over whether they received all
27 wages owed them, the difficulty and expense involved in reconstructing pay records, and forcing
28 them to make mathematical computations to analyze whether the wages paid in fact compensated

1 them correctly for all hours worked.

2 103. Pursuant to Labor Code §§ 226(a) and 226(e), and paragraph 20 of the applicable
3 IWC Wage Order, Plaintiff and the Employee Class members are entitled to recover the greater of
4 all actual damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and
5 one hundred dollars (\$100) for each violation in a subsequent pay period, not exceeding an aggregate
6 penalty of four thousand dollars (\$4,000) under Section 226(e). They are also entitled to an award
7 of costs and reasonable attorneys' fees.

8 **NINTH CAUSE OF ACTION**

9 **FAILURE TO MAINTAIN RECORDS UNDER LABOR CODE §§ 1174 and 1174.5**

10 **(Against All Defendants)**

11 104. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in
12 full herein.

13 105. California Labor Code § 1174 requires that all employers shall keep accurate time
14 and wage records for all employees. California Labor Code § 1174.5 further requires that any
15 employee suffering injury due to a willful violation of the aforementioned obligations may seek
16 damages, including civil penalties, from the employer.

17 106. During the course of Plaintiff's and Employees' employment, Defendants
18 consistently failed to maintain accurate time and wage records for Plaintiff and Employees as
19 required by California Labor Code § 1174 by failing to pay Plaintiff and Employees proper wages,
20 overtime, and premium pay as discussed above.

21 107. Accordingly, Defendants are liable for civil penalties pursuant to the California
22 Labor Code §§ 1174.5. for the three (3) years prior to the filing of this Complaint.

23 **TENTH CAUSE OF ACTION**

24 **VIOLATION OF LABOR CODE § 203**

25 **(Against All Defendants)**

26 108. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in
27 full herein.

28 ///

1 109. Plaintiff and numerous Class members are no longer employed by Defendants; they
2 either quit Defendants' employ or were fired therefrom.

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

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

7 112. Defendants failed to pay Plaintiff and the Class members without abatement, all
8 wages as defined by applicable California law. Among other things, these Employees were not paid
9 all regular and overtime wages, including by Defendants failing to pay for all hours worked or
10 requiring off the clock work or by unlawfully under-recording time entries to the detriment of
11 Employees, and Defendants failed to pay premium wages owed for unprovided meal periods and
12 rest periods at the appropriate rate of pay, as further detailed in this Complaint. Defendants' failure
13 to pay said wages within the required time was willful within the meaning of Labor Code § 203.

14 113. Additionally, under paragraph 4(B) of the applicable IWC Wage Orders, employers
15 are required "to pay each employee, on the established payday for the period involved, not less than
16 the applicable minimum wage for all hours worked in the payroll period, ..." Under Labor Code §
17 1198, "[t]he employment of any employee for longer hours than those fixed by the order or under
18 conditions of labor prohibited by the order is unlawful." Plaintiff and the Class members may
19 therefore pursue damages and penalties for violations of Labor Code § 203 and paragraph 4(B) of
20 the applicable IWC Wage Orders, including penalties under paragraph 20 of the applicable IWC
21 Wage Orders. Additionally, under Labor Code § 1199(a)-(c), it is a misdemeanor and Defendants
22 are subject to a fine of not less than \$100 for causing Employees "to work for longer hours than
23 those fixed, or under conditions of labor prohibited by an order of the commission" or if the
24 employer pays "a wage less than the minimum fixed by an order of the commission" or
25 "violates...any provision of this chapter or any order or ruling of the commission."

26 114. Defendants' failure to pay wages, as alleged, entitles Plaintiff and these former
27 Employee Class members to penalties under Labor Code § 203 and the applicable paragraphs of the
28 IWC Wage Orders as addressed above, including the requirement that an employee's wages shall

1 continue until paid for up to thirty (30) days from the date they were due.

2 **ELEVENTH CAUSE OF ACTION**

3 **VIOLATION OF BUSINESS & PROFESSIONS CODE § 17200 *ET SEQ.***

4 **(Against All Defendants)**

5 115. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in
6 full herein.

7 116. Plaintiff, on behalf of herself, the Employees in the Class, and the general public,
8 brings this claim pursuant to Business & Professions Code § 17200 *et seq.* The conduct of
9 Defendants as alleged in this Complaint has been and continues to be unfair, unlawful, and harmful
10 to Employees and the general public. Plaintiff seeks to enforce important rights affecting the public
11 interest within the meaning of Code of Civil Procedure § 1021.5.

12 117. Plaintiff is a “person” within the meaning of Business & Professions Code
13 § 17204, has suffered injury, and therefore has standing to bring this cause of action for injunctive
14 relief, restitution, and other appropriate equitable relief.

15 118. Business & Professions Code § 17200 *et seq.* prohibits unlawful and unfair business
16 practices. By the conduct alleged herein, Defendants’ practices were deceptive and fraudulent in
17 that Defendants’ policy and practice failed to provide the required amount of compensation for
18 missed meal and rest breaks, and failed to adequately compensate Plaintiff and Class members for
19 all hours worked, due to systematic business practices as alleged herein that cannot be justified,
20 pursuant to the applicable California Labor Code and Industrial Welfare Commission requirements
21 in violation of California Business and Professions Code §§ 17200, *et seq.*, and for which this Court
22 should issue injunctive and equitable relief, pursuant to California Business & Professions Code §
23 17203, including restitution of wages wrongfully withheld.

24 119. Wage-and-hour laws express fundamental public policies. Paying employees their
25 wages and overtime, providing them with meal periods and rest breaks, etc., are fundamental public
26 policies of California. Labor Code § 90.5(a) articulates the public policies of this State vigorously
27 to enforce minimum labor standards, to ensure that employees are not required or permitted to work
28 under substandard and unlawful conditions, and to protect law-abiding employers and their

1 employees from competitors who lower costs to themselves by failing to comply with minimum
2 labor standards.

3 120. Defendants have violated statutes and public policies. Through the conduct alleged
4 in this Complaint Defendants have acted contrary to these public policies, have violated specific
5 provisions of the Labor Code, and have engaged in other unlawful and unfair business practices in
6 violation of Business & Professions Code § 17200 *et seq.*; which conduct has deprived Plaintiff, and
7 all persons similarly situated, and all interested persons, of the rights, benefits, and privileges
8 guaranteed to all employees under the law.

9 121. Defendants' conduct, as alleged above, constitutes unfair competition in violation of
10 the Business & Professions Code § 17200 *et seq.*

11 122. Defendants, by engaging in the conduct herein alleged, by failing to pay wages and
12 overtime, failing to provide meal periods and rest breaks, etc., either knew or in the exercise of
13 reasonable care should have known that their conduct was unlawful; therefore their conduct violates
14 the Business & Professions Code § 17200 *et seq.*

15 123. By the conduct alleged herein, Defendants have engaged and continue to engage in a
16 business practice which violates California and federal law, including but not limited to, the
17 applicable Industrial Wage Order(s), the California Code of Regulations, and the California Labor
18 Code including Sections 204, 221, 226, 226.7, 245, 246, 227.3, 510, 512, 1182.12, 1194, 1194.2,
19 1197 and 1198 for which this Court should issue declaratory and other equitable relief pursuant to
20 California Business & Professions Code § 17203 as may be necessary to prevent and remedy the
21 conduct held to constitute unfair competition, including restitution of wages wrongfully withheld.

22 124. As a proximate result of the above-mentioned acts of Defendants, Employees have
23 been damaged, in a sum to be proven at trial.

24 125. Unless restrained by this Court Defendants will continue to engage in such unlawful
25 conduct as alleged above. Pursuant to the Business & Professions Code, this Court should make such
26 orders or judgments, including the appointment of a receiver, as may be necessary to prevent the use
27 by Defendants or their agents or employees of any unlawful or deceptive practice prohibited by the
28 Business & Professions Code, including but not limited to the disgorgement of such profits as may

1 be necessary to restore Employees to the money Defendants have unlawfully failed to pay.

2 **TWELFTH CAUSE OF ACTION**

3 **PENALTIES PURSUANT TO LABOR CODE § 2699, ET SEQ.**

4 **(Against All Defendants)**

5 126. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in
6 full herein.

7 127. Plaintiff and Employees are aggrieved employees as defined under Labor Code §
8 2699(c) in that they suffered the violations alleged in this Complaint and were employed by the
9 alleged violators, Defendants.

10 128. Plaintiff seeks penalties under Labor Code §§ 2698 and 2699 for Defendants'
11 violation of all Labor Code provisions included under Labor Code § 2699.5 and includes the penalty
12 provisions, without limitation, based on the following California Labor Code sections: 201, 202,
13 203, 204, 210, 226, 226.3, 226.7, 227.3, 245 *et seq.*, 246, 510, 512, 558, 558.1, 1174, 1174.5,
14 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2698, 2699, *et seq.*, and 2751.

15 129. The penalties shall be allocated as follows: 75% to the Labor and Workforce
16 Development Agency (LWDA) and 25% to the affected employee.

17 130. Employees also seek any and all penalties and remedies set forth in Labor Code §
18 558, which states:

19 (a) Any employer or other person acting on behalf of an employer who violates,
20 or causes to be violated, a section of this chapter or any provision regulating hours
21 and days of work in any order of the Industrial Welfare Commission shall be subject
22 to a civil penalty as follows: (1) For any initial violation, fifty dollars (\$50) for each
23 underpaid employee for each pay period for which the employee was underpaid in
24 addition to an amount sufficient to recover underpaid wages. (2) For each
subsequent violation, one hundred dollars (\$100) for each underpaid employee for
each pay period for which the employee was underpaid in addition to an amount
sufficient to recover underpaid wages. (3) Wages recovered pursuant to this section
shall be paid to the affected employee.

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

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

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

9 132. Plaintiff has exhausted her administrative remedy by sending a certified letter to the
10 LWDA and Defendants postmarked on March 27, 2024. The LWDA has not provided notice of its
11 intent to investigate the alleged violations within 65 calendar days of the postmark date of the letters.

12 **RELIEF REQUESTED**

13 WHEREFORE, Plaintiff prays for the following relief:

- 14 1. For an order certifying this action as a class action;
- 15 2. For compensatory damages in the amount of the unpaid minimum wages for work
16 performed by Employees and unpaid overtime compensation from at least four (4) years prior to the
17 filing of this action, as may be proven;
- 18 3. For liquidated damages in the amount equal to the unpaid minimum wage and interest
19 thereon, from at least four (4) years prior to the filing of this action, according to proof;
- 20 4. For compensatory damages in the amount of all unpaid wages, including overtime
21 and double-time pay, as may be proven;
- 22 5. For penalties pursuant to Labor Code § 227.3, as may be proven;
- 23 6. For penalties pursuant to Labor Code §§ 245 and 246, as may be proven;
- 24 7. For compensatory damages in the amount of the hourly wage made by Employees
25 for each missed or deficient meal period where no premium pay was paid therefor from four (4)
26 years prior to the filing of this action, as may be proven;
- 27 8. For compensatory damages in the amount of the hourly wage made by Employees
28 for each day requisite rest breaks were not provided or were deficiently provided where no premium

1 pay was paid therefor from at least four (4) years prior to the filing of this action, as may be proven;

2 9. For penalties pursuant to Labor Code § 2751 for Employees, as may be proven;

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

4 11. For penalties pursuant to Labor Code § 226.3, as may be proven;

5 12. For penalties pursuant to Labor Code §§ 1174.5, as may be proven;

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

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

10 15. For penalties pursuant to Labor Code § 2699, *et seq.*, as may be proven;

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

14 17. For other wages and penalties under the Labor Code as may be proven;

15 18. For all general, special, and incidental damages as may be proven;

16 19. For an award of pre-judgment and post-judgment interest;

17 20. For an award providing for the payment of the costs of this suit;

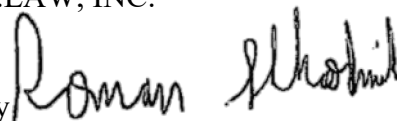
18 21. For an award of attorneys' fees; and

19 22. For such other and further relief as this Court may deem proper and just.

20
21 DATED: May 31, 2024

D.LAW, INC.

22
23 By



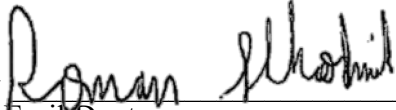
Emil Davtyan
David Yeremian
Roman Shkodnik
Attorneys for Plaintiff
LEANNE RAE WHITE
and the putative class

DEMAND FOR JURY TRIAL

Plaintiff hereby demands trial of her claims by jury to the extent authorized by law.

DATED: May 31, 2024

D.LAW, INC.

By 
Emil Davtyan
David Yeremian
Roman Shkodnik
Attorneys for Plaintiff
LEANNE RAE WHITE
and the putative class

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I am employed in the aforesaid county, State of California; I am over the age of 18 years and not a party to the within action; my business address is 880 E Broadway, Glendale, CA 91205.

COASTHILLS FEDERAL CREDIT UNION
d/b/a COASTHILLS CREDIT UNION

[X] (BY MAIL) I placed such envelope with postage thereon fully paid in the United States mail at Glendale, California. I am "readily familiar" with this firm's practice of collecting and processing correspondence for mailing. It is deposited with U.S. Postal Service on that same day in the ordinary course of business. I am aware that on motion of party served, service is presumed invalid if postal cancellation date or postage meter date is more than 1 day after date of deposit for mailing in affidavit.

[X] (STATE) I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Natalia Bermudes
Natalia Bermudes