

DOUGLAS HAN (SBN 232858)
SHUNT TATAVOS-GHARAJEH (SBN 272164)
JUSTICE LAW CORPORATION
751 N. Fair Oaks Avenue, Suite 101
Pasadena, California 91103
Telephone: (818) 230-7502
Facsimile: (818) 230-7259

Attorneys for Plaintiff

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN BERNARDINO**

MARCOS ESCOBAR, individually, and
on behalf of other members of the general
public similarly situated;

Plaintiff,

v.

DIRECTPRO LOGISTICS LLC, a
California limited liability company; and
DOES 1 through 100, inclusive;

Defendants.

Case No.: CIVSB2223292

**FIRST AMENDED CLASS ACTION
COMPLAINT FOR DAMAGES**

- (1) Violation of California Labor Code §§ 510 and 1198 (Unpaid Overtime);
- (2) Violation of California Labor Code §§ 226.7 and 512(a) (Unpaid Meal Period Premiums);
- (3) Violation of California Labor Code § 226.7 (Unpaid Rest Period Premiums);
- (4) Violation of California Labor Code §§ 1194 and 1197 (Unpaid Minimum Wages);
- (5) Violation of California Labor Code §§ 201 and 202 (Final Wages Not Timely Paid);
- (6) Violation of California Labor Code § 226(a) (Non-Compliant Wage Statements);
- (7) Violation of California Labor Code §§ 2800 and 2802 (Unreimbursed Business Expenses);
- (8) Collection of Due and Unpaid Wages per California Labor Code § 229;
- (9) Violation of California Labor Code § 2698, *et seq.* (Private Attorneys General Act of 2004);
- (10) Violation of California Business & Professions Code § 17200, *et seq.*

DEMAND FOR JURY TRIAL

COMES NOW, Plaintiff MARCOS ESCOBAR (“Plaintiff”), individually, and on behalf of other members of the general public similarly situated, and alleges as follows:

JURISDICTION AND VENUE

1. This class action is brought pursuant to the Code of Civil Procedure section 382. The monetary damages and restitution sought by Plaintiff exceeds the minimal jurisdiction limits of the Superior Court and will be established according to proof at trial.

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

3. This Court has jurisdiction over Defendants because, upon information and belief, Defendants are citizens of California, have sufficient minimum contacts in California, or otherwise intentionally avail themselves of the California market so as to render the exercise of jurisdiction over them by the California courts consistent with traditional notions of fair play and substantial justice.

4. Venue is proper in this Court because, upon information and belief, Defendants maintain offices, have agents, and/or transact business in the State of California, including the County of San Bernardino. The majority of the acts and omissions alleged herein relating to Plaintiff took place in the State of California, County of San Bernardino. Defendants employed Plaintiff within the State of California, County of San Bernardino.

PARTIES

5. Plaintiff MARCOS ESCOBAR is an individual residing in the State of California, County of San Bernardino.

6. Defendant DIRECTPRO LOGISTICS LLC, at all times herein mentioned, is and was, upon information and belief, a California limited liability company, and at all times herein mentioned, was and is, an employer whose employees are engaged throughout the State of California, including the County of San Bernardino.

1 7. At all relevant times, Defendant DIRECTPRO LOGISTICS LLC was the
2 “employer” of Plaintiff within the meaning of all applicable laws and statutes.

3 8. At all times herein relevant, Defendants DIRECTPRO LOGISTICS LLC and
4 DOES 1 through 100, and each of them, were the agents, partners, joint venturers, joint
5 employers, representatives, servants, employees, successors-in-interest, co-conspirators and
6 assigns, each of the other, and at all times relevant hereto were acting within the course and
7 scope of their authority as such agents, partners, joint venturers, joint employers,
8 representatives, servants, employees, successors, co-conspirators and assigns, and all acts or
9 omissions alleged herein were duly committed with the ratification, knowledge, permission,
10 encouragement, authorization, and consent of each defendant designated herein.

11 9. The true names and capacities, whether corporate, associate, individual or
12 otherwise, of Defendants DOES 1 through 100, inclusive, are unknown to Plaintiff, who sues
13 said defendants by such fictitious names. Plaintiff is informed and believes, and based on that
14 information and belief alleges, that each of the Defendants designated as a DOE is legally
15 responsible for the events and happenings referred to in this Complaint, and unlawfully caused
16 the injuries and damages to Plaintiff and the other class members as alleged in this Complaint.
17 Plaintiff will seek leave of court to amend this Complaint to show the true names and
18 capacities when the same have been ascertained.

19 10. Defendants DIRECTPRO LOGISTICS LLC and DOES 1 through 100 will
20 hereinafter collectively be referred to as “Defendants.”

21 11. Plaintiff further alleges that Defendants directly or indirectly controlled or
22 affected the working conditions, wages, working hours, and conditions of employment of
23 Plaintiff and the other class members so as to make each of said Defendants employers and
24 employers liable under the statutory provisions set forth herein.

25 ///

26 ///

27 ///

CLASS ACTION ALLEGATIONS

12. Plaintiff brings this action on his own behalf and on behalf of all other members of the general public similarly situated, and, thus, seeks class certification under Code of Civil Procedure section 382.

13. The proposed class is defined as follows:

All current and former hourly-paid or non-exempt employees of Defendants within the State of California at any time during the period from July 14, 2019, through December 14, 2023 or the date the estimated number of Workweeks of 27,100 increases by 10%, whichever date is earlier.

14. Plaintiff reserves the right to establish subclasses as appropriate.

15. The class is ascertainable and there is a well-defined community of interest in the litigation:

a. Numerosity: The class members are so numerous that joinder of all class members is impracticable. The membership of the entire class is unknown to Plaintiff at this time. However, the class is estimated to be greater than six hundred (600) individuals and the identity of such membership is readily ascertainable by inspection of Defendants' employment records.

b. Typicality: Plaintiff's claims are typical of all other class members' claims as demonstrated herein. Plaintiff will fairly and adequately protect the interests of the other class members with whom he has a well-defined community of interest.

c. Adequacy: Plaintiff will fairly and adequately protect the interests of each class member, with whom he has a well-defined community of interest and typicality of claims, as demonstrated herein. Plaintiff has no interest that is antagonistic to the other class members. Plaintiff's attorneys, the proposed class counsel, are versed in the rules governing

1 class action discovery, certification, and settlement. Plaintiff has
2 incurred, and during the pendency of this action will continue to incur,
3 costs and attorneys' fees, that have been, are, and will be necessarily
4 expended for the prosecution of this action for the substantial benefit of
5 each class member.

6 d. Superiority: A class action is superior to other available methods for the
7 fair and efficient adjudication of this litigation because individual joinder
8 of all class members is impractical.

9 e. Public Policy Considerations: Certification of this lawsuit as a class
10 action will advance public policy objectives. Employers of this great
11 state violate employment and labor laws every day. Current employees
12 are often afraid to assert their rights out of fear of direct or indirect
13 retaliation. However, class actions provide the class members who are
14 not named in the complaint anonymity that allows for the vindication of
15 their rights.

16 16. There are common questions of law and fact as to the class members that
17 predominate over questions affecting only individual members. The following common
18 questions of law or fact, among others, exist as to the members of the class:

19 a. Whether Defendants' failure to pay wages, without abatement or
20 reduction, in accordance with the Labor Code, was willful;

21 b. Whether Defendants failed to pay their hourly-paid or non-exempt
22 employees within the State of California for all hours worked and missed
23 meal periods and rest breaks in violation of the law;

24 c. Whether Defendants required Plaintiff and the other class members to
25 work over eight (8) hours per day and/or over forty (40) hours per week
26 and failed to pay the legally required overtime compensation to Plaintiff
27 and the other class members;
28

- 1 d. Whether Defendants properly calculated the regular rate for Plaintiff and
2 the other class members who worked overtime and earned incentive pay
3 and sick leave pay;
- 4 e. Whether Defendants deprived Plaintiff and the other class members of
5 meal and/or rest periods or required Plaintiff and the other class
6 members to work during meal and/or rest periods without compensation;
- 7 f. Whether Defendants failed to pay minimum wages to Plaintiff and the
8 other class members for all hours worked;
- 9 g. Whether Defendants failed to pay all wages due to Plaintiff and the other
10 class members within the required time upon their discharge or
11 resignation;
- 12 h. Whether Defendants failed to timely pay all wages due to Plaintiff and
13 the other class members during their employment;
- 14 i. Whether Defendants complied with wage reporting as required by the
15 Labor Code, including, *inter alia*, section 226;
- 16 j. Whether Defendants failed to reimburse Plaintiff and the other class
17 members for necessary business-related expenses and costs;
- 18 k. Whether Defendants' conduct was willful or reckless;
- 19 l. Whether Defendants engaged in unfair business practices in violation of
20 Business & Professions Code section 17200, *et seq.*;
- 21 m. The appropriate amount of damages, restitution, and/or monetary
22 penalties resulting from Defendants' violation of the law; and
- 23 n. Whether Plaintiff and the other class members are entitled to
24 compensatory damages pursuant to the Labor Code.

25 **GENERAL ALLEGATIONS**

26 17. During the relevant time period set forth herein, Defendants employed Plaintiff
27 and other persons as hourly-paid or non-exempt employees within the State of California.
28

1 18. Defendants, jointly and severally, employed Plaintiff as an hourly-paid non-
2 exempt employee during the relevant time period in the State of California, County of San
3 Bernardino.

4 19. Defendants had the authority to hire and terminate Plaintiff and the other class
5 members; to set work rules and conditions governing Plaintiff's and the other class members'
6 employment; and to supervise their daily employment activities.

7 20. Defendants exercised sufficient authority over the terms and conditions of
8 Plaintiff's and the other class members' employment for them to be joint employers of Plaintiff
9 and the other class members.

10 21. Defendants directly hired and paid wages and benefits to Plaintiff and the other
11 class members.

12 22. Defendants continue to employ hourly-paid or non-exempt employees within the
13 State of California.

14 23. Plaintiff and the other class members worked over eight (8) hours in a day,
15 and/or forty (40) hours in a week during their employment with Defendants.

16 24. Plaintiff is informed and believes, and based thereon alleges, that Defendants
17 engaged in a uniform policy and systematic scheme of wage abuse against their hourly-paid or
18 non-exempt employees within the State of California. This scheme involved, *inter alia*, failing
19 to pay them for all hours worked, sick leave, missed meal periods, and missed rest breaks in
20 violation of the law.

21 25. Plaintiff is informed and believes, and based thereon alleges, that Defendants
22 knew or should have known that Plaintiff and the other class members were entitled to receive
23 certain wages for overtime compensation and that Plaintiff and the other class members were
24 not receiving wages for overtime compensation.

25 ///

26 ///

27 ///

1 26. Plaintiff is informed and believes, and based thereon alleges, that Defendants
2 failed to provide Plaintiff and the other class members the required rest and meal periods
3 during the relevant time period as required under the Industrial Welfare Commission Wage
4 Orders and thus they are entitled to any and all applicable penalties.

5 27. Plaintiff is informed and believes, and based thereon alleges, that Defendants
6 knew or should have known that Plaintiff and the other class members were entitled to receive
7 all timely and complete meal periods or payment of one additional hour of pay at Plaintiff's
8 and the other class members' regular rates of pay when a meal period was missed, late or
9 interrupted, and that Plaintiff and the other class members did not receive all timely and proper
10 meal periods or payment of one additional hour of pay at their regular rates of pay when a meal
11 period was missed.

12 28. Plaintiff is informed and believes, and based thereon alleges, that Defendants
13 knew or should have known that Plaintiff and other class members were entitled to receive all
14 timely rest periods without interruption or payment of one additional hour of pay at Plaintiff's
15 and the other class members' regular rates of pay when a rest period was missed, late or
16 interrupted, and that Plaintiff and the other class members did not receive all rest periods or
17 payment of one additional hour of pay at their regular rates of pay when a rest period was
18 missed.

19 29. Plaintiff is informed and believes, and based thereon alleges, that Defendants
20 knew or should have known that Plaintiff and the other class members were entitled to receive
21 at least minimum wages for compensation and that Plaintiff and the other class members were
22 not receiving at least minimum wages for all hours worked.

23 30. Plaintiff is informed and believes, and based thereon alleges, that Defendants
24 knew or should have known that Plaintiff and the other class members were entitled to receive
25 the wages owed to them upon discharge or resignation, including overtime and minimum
26 wages and meal and rest period premiums, and that Plaintiff and the other class members did
27 not, in fact, receive such wages owed to them at the time of their discharge or resignation.
28

1 31. Plaintiff is informed and believes, and based thereon alleges, that Defendants
2 knew or should have known that Plaintiff and the other class members were entitled to receive
3 complete and accurate wage statements in accordance with the law, but, in fact, Plaintiff and
4 the other class members did not receive complete and accurate wage statements from
5 Defendants. The deficiencies included, *inter alia*, the failure to include the total number of
6 hours worked by Plaintiff and the other class members.

7 32. Plaintiff is informed and believes, and based thereon alleges, that Defendants
8 knew or should have known that Plaintiff and the other class members were entitled to
9 reimbursement for necessary business-related expenses.

10 33. Plaintiff is informed and believes, and based thereon alleges, that Defendants
11 knew or should have known that Defendants had to keep complete and accurate payroll records
12 for Plaintiff and the other class members in accordance with the law, but, in fact, did not keep
13 complete and accurate payroll records for Plaintiff and the other class members.

14 34. Plaintiff is informed and believes, and based thereon alleges, that Defendants
15 knew or should have known that they had a duty to compensate Plaintiff and the other class
16 members pursuant to the law, and that Defendants had the financial ability to pay such
17 compensation, but willfully, knowingly, and intentionally failed to do so, and falsely
18 represented to Plaintiff and the other class members that they were properly denied wages, all
19 in order to increase Defendants' profits.

20 35. During the relevant time period set forth herein, Defendants failed to pay
21 overtime wages to Plaintiff and the other class members for all hours worked. Plaintiff and the
22 other class members were required to work more than eight (8) hours per day and/or forty (40)
23 hours per week without overtime compensation.

24 36. During the relevant time period set forth herein, Defendants failed to properly
25 calculate and pay sick leave to Plaintiff and the other class members.

26 ///

27 ///

1 37. During the relevant time period set forth herein, Defendants failed to provide the
2 requisite uninterrupted and timely meal and rest periods to Plaintiff and the other class
3 members.

4 38. During the relevant time period set forth herein, Defendants failed to pay
5 Plaintiff and the other class members at least minimum wages for all hours worked.

6 39. During the relevant time period set forth herein, Defendants failed to pay
7 Plaintiff and the other class members the wages owed to them upon discharge or resignation.

8 40. During the relevant time period set forth herein, Defendants failed to provide
9 complete or accurate wage statements to Plaintiff and the other class members.

10 41. During the relevant time period set forth herein, Defendants failed to reimburse
11 Plaintiff and the other class members for necessary business-related expenses.

12 42. During the relevant time period set forth herein, Defendants failed to keep
13 complete or accurate payroll records for Plaintiff and the other class members.

14 43. During the relevant time period set forth herein, Defendants failed to properly
15 compensate Plaintiff and the other class members pursuant to the law in order to increase
16 Defendants' profits.

17 44. During the relevant time period, Defendants failed to properly implement an
18 Alternative Workweek Schedule ("AWS") resulting in Plaintiff and the other class members
19 working in excess of eight hours in a day without receiving proper compensation in violation
20 of the AWS.

21 45. Labor Code section 218 states that nothing in Article 1 of the Labor Code shall
22 limit the right of any wage claimant to "sue directly . . . for any wages or penalty due to him
23 [or her] under this article."

24 ///

25 ///

26 ///

1 **FIRST CAUSE OF ACTION**

2 **(Violation of California Labor Code §§ 510 and 1198)**

3 **(Against DIRECTPRO LOGISTICS LLC and DOES 1 through 100)**

4 46. Plaintiff incorporates by reference the allegations contained in Paragraphs 1
5 through 45, and each and every part thereof with the same force and effect as though fully set
6 forth herein.

7 47. Labor Code section 1198 and the applicable Industrial Welfare Commission
8 (“IWC”) Wage Order provide that it is unlawful to employ persons without compensating them
9 at a rate of pay either time-and-one-half or two-times that person’s regular rate of pay,
10 depending on the number of hours worked by the person on a daily or weekly basis.

11 48. The applicable IWC Wage Order provides that Defendants are and were
12 required to pay Plaintiff and the other class members employed by Defendants, who work(ed)
13 more than eight (8) hours in a day or more than forty (40) hours in a workweek, at the rate of
14 time-and-one-half for all hours worked in excess of eight (8) hours in a day or more than forty
15 (40) hours in a workweek.

16 49. The applicable IWC Wage Order further provides that Defendants are and were
17 required to pay Plaintiff and the other class members overtime compensation at a rate of two
18 times their regular rates of pay for all hours worked in excess of twelve (12) hours in a day.

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

24 51. During the relevant time period set forth herein, Plaintiff and the other class
25 members worked in excess of eight (8) hours in a day, and/or in excess of forty (40) hours in a
26 week.

27 ///

52. During the relevant time period set forth herein, Defendants intentionally and willfully failed to pay overtime wages owed to Plaintiff and the other class members.

53. Defendants' failure to pay Plaintiff and the other class members the unpaid balance of overtime compensation, as required by the laws, violates the provisions of Labor Code sections 510 and 1198, and is therefore unlawful.

54. Pursuant to Labor Code section 1194, Plaintiff and the other class members are entitled to recover unpaid overtime compensation, as well as interest, costs, and attorneys' fees.

SECOND CAUSE OF ACTION

(Violation of California Labor Code §§ 226.7 and 512(a))

(Against DIRECTPRO LOGISTICS LLC and DOES 1 through 100)

55. Plaintiff incorporates by reference the allegations contained in paragraphs 1 through 54, and each and every part thereof with the same force and effect as though fully set forth herein.

56. During the relevant time period set forth herein, the IWC Order and Labor Code sections 226.7 and 512(a) were applicable to Plaintiff's and the other class members' employment by Defendants.

57. During the relevant time period set forth herein, Labor Code section 226.7 provides that no employer shall require an employee to work during any meal or rest period mandated by the IWC Wage Orders.

58. During the relevant time period set forth herein, the applicable IWC Wage Order and Labor Code section 512(a) provide that an employer may not require, cause or permit an employee to work for a work period of more than five (5) hours per day without providing the employee with a meal period of not less than thirty (30) minutes, except that if the total work period per day of the employee is no more than six (6) hours, the meal period may be waived by mutual consent of both the employer and employee.

///

59. During the relevant time period set forth herein, the applicable IWC Wage Order and Labor Code section 512(a) further provide that an employer may not require, cause, or permit an employee to work for a work period of more than ten (10) hours per day without providing the employee with a second uninterrupted meal period of not less than thirty (30) minutes, 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.

60. During the relevant time period set forth herein, Plaintiff and the other class members who were scheduled to work for a period of time no longer than six (6) hours, and who did not waive their legally mandated meal periods by mutual consent, were required to work for periods longer than five (5) hours without an uninterrupted meal period of not less than thirty (30) minutes and/or without a rest period.

61. During the relevant time period set forth herein, Plaintiff and the other class members who were scheduled to work for a period of time no longer than twelve (12) hours, and who did not waive their legally mandated meal periods by mutual consent, were required to work for periods longer than ten (10) hours without an uninterrupted meal period of not less than thirty (30) minutes and/or without a rest period.

62. During the relevant time period set forth herein, Plaintiff and the other class members who were scheduled to work for a period of time in excess of six (6) hours were required to work for periods longer than five (5) hours without an uninterrupted meal period of not less than thirty (30) minutes and/or without a rest period.

63. During the relevant time period set forth herein, Plaintiff and the other class members who were scheduled to work for a period of time in excess of twelve (12) hours were required to work for periods longer than ten (10) hours without an uninterrupted meal period of not less than thirty (30) minutes and/or without a rest period.

///

///

64. During the relevant time period set forth herein, Defendants intentionally and willfully required Plaintiff and the other class members to work during meal periods and failed to compensate Plaintiff and the other class members the full meal period premium for work performed during meal periods.

65. During the relevant time period set forth herein, Defendants failed to pay Plaintiff and the other class members the full meal period premium due pursuant to Labor Code section 226.7.

66. Defendants' conduct violates applicable IWC Wage Order and Labor Code sections 226.7 and 512(a).

67. Pursuant to the applicable IWC Wage Order and Labor Code section 226.7(b), Plaintiff and the other class members are entitled to recover from Defendants one additional hour of pay at the employees' regular rates of compensation for each workday that the meal or rest period is not provided.

THIRD CAUSE OF ACTION

(Violation of California Labor Code § 226.7)

(Against DIRECTPRO LOGISTICS LLC and DOES 1 through 100)

68. Plaintiff incorporates by reference the allegations contained in paragraphs 1 through 67, and each and every part thereof with the same force and effect as though fully set forth herein.

69. During the relevant time period set forth herein, the applicable IWC Wage Order and Labor Code section 226.7 were applicable to Plaintiff's and the other class members' employment by Defendants.

70. During the relevant time period set forth herein, Labor Code section 226.7 provides that no employer shall require an employee to work during any rest period mandated by the IWC Wage Orders.

///

///

1 71. During the relevant time period set forth herein, the applicable IWC Wage
2 Order provides that “[e]very employer shall authorize and permit all employees to take rest
3 periods, which insofar as practicable shall be in the middle of each work period” and that the
4 “rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes
5 net rest time per four (4) hours or major fraction thereof” unless the total daily work time is
6 less than three and one-half (3 ½) hours.

7 72. During the relevant time period set forth herein, Defendants required Plaintiff
8 and the other class members to work four (4) or more hours without authorizing or permitting a
9 ten (10) minute rest period per each four (4) hour period worked.

10 73. During the relevant time period set forth herein, Defendants willfully required
11 Plaintiff and the other class members to work during rest periods and failed to pay Plaintiff and
12 the other class members the full rest period premium for work performed during rest periods.

13 74. During the relevant time period set forth herein, Defendants failed to pay
14 Plaintiff and the other class members the full rest period premium due pursuant to Labor Code
15 section 226.7.

16 75. Defendants’ conduct violates applicable IWC Wage Orders and Labor Code
17 section 226.7.

18 76. Pursuant to the applicable IWC Wage Orders and Labor Code section 226.7(b),
19 Plaintiff and the other class members are entitled to recover from Defendants one additional
20 hour of pay at the employees’ regular rates of compensation for each workday that the rest
21 period was not provided.

22 **FOURTH CAUSE OF ACTION**

23 **(Violation of California Labor Code §§ 1194 and 1197)**

24 **(Against DIRECTPRO LOGISTICS LLC and DOES 1 through 100)**

25 77. Plaintiff incorporates by reference the allegations contained in paragraphs 1
26 through 76, and each and every part thereof with the same force and effect as though fully set
27 forth herein.

78. During the relevant time period set forth herein, Labor Code sections 1194 and 1197 provide that the minimum wage to be paid to employees, and the payment of a lesser wage than the minimum so fixed, is unlawful.

79. During the relevant time period set forth herein, Defendants failed to pay minimum wages to Plaintiff and the other class members as required, pursuant to Labor Code sections 1194 and 1197.

80. Defendants' failure to pay Plaintiff and the other class members the minimum wage as required violates Labor Code sections 1194 and 1197. Pursuant to those sections, Plaintiff and other class members are entitled to recover the unpaid balance of their minimum wage compensation as well as interest, costs, and attorneys' fees, and liquidated damages in an amount equal to the wages unlawfully unpaid and interest thereon.

81. Pursuant to Labor Code section 1194.2, Plaintiff and the other class members are entitled to recover liquidated damages in an amount equal to the wages unlawfully unpaid and interest thereon.

FIFTH CAUSE OF ACTION

(Violation of California Labor Code §§ 201 and 202)

(Against DIRECTPRO LOGISTICS LLC and DOES 1 through 100)

82. Plaintiff incorporates by reference the allegations contained in paragraphs 1 through 81, and each and every part thereof with the same force and effect as though fully set forth herein.

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

84. During the relevant time period set forth herein, Defendants intentionally and willfully failed to pay Plaintiff and the other class members who are no longer employed by Defendants their wages, earned and unpaid, within seventy-two (72) hours of their leaving Defendants' employ.

85. Defendants' failure to pay Plaintiff and the other class members who are no longer employed by Defendants their wages, earned and unpaid, within seventy-two (72) hours of their leaving Defendants' employ, is in violation of Labor Code sections 201 and 202.

86. Labor Code section 203 provides that if an employer willfully fails to pay wages owed, in accordance with sections 201 and 202, then the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until an action is commenced; but the wages shall not continue for more than thirty (30) days.

87. Plaintiff and the other class members are entitled to recover from Defendants the statutory penalty wages for each day they were not paid, up to the thirty (30) day maximum as provided by Labor Code section 203.

SIXTH CAUSE OF ACTION

(Violation of California Labor Code § 226(a))

(Against DIRECTPRO LOGISTICS LLC and DOES 1 through 100)

88. Plaintiff incorporates by reference the allegations contained in paragraphs 1 through 87, and each and every part thereof with the same force and effect as though fully set forth herein.

89. During the relevant time period set forth herein, Labor Code section 226(a) provides that every employer shall furnish each of his or her employees an accurate itemized statement in writing showing: (a) gross wages earned; (b) total hours worked by the employee; (c) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis; (d) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item; (e) net wages earned; (f) the inclusive dates of the period for which the employee is paid; (g) the name of the employee and his or her

1 Social Security number; (h) the name and address of the legal entity that is the employer; and
2 (i) all applicable hourly rates in effect during the pay period and the corresponding number of
3 hours worked at each hourly rate by the employee. The deductions made from payments of
4 wages shall be recorded in ink or other indelible form, properly dated, showing the month, day,
5 and year, and a copy of the statement or a record of the deductions shall be kept on file by the
6 employer for at least three years at the place of employment or at a central location within the
7 State of California.

8 90. Defendants have intentionally and willfully failed to provide Plaintiff and the
9 other class members with complete and accurate wage statements. The deficiencies include,
10 but are not limited to, the failure to include the total number of hours worked by Plaintiff and
11 the other class members.

12 91. As a result of Defendants' violation of Labor Code section 226(a), Plaintiff and
13 the other class members have suffered injury and damage to their statutorily protected rights.

14 92. Plaintiff and the other class members have been injured by Defendants'
15 intentional and willful violation of Labor Code section 226(a) because they were denied both
16 their legal right to receive, and their protected interest in receiving, accurate and itemized wage
17 statements pursuant to Labor Code section 226(a).

18 93. Plaintiff and the other class members are entitled to recover from Defendants the
19 greater of their actual damages caused by Defendants' failure to comply with Labor Code
20 section 226(a), or an aggregate penalty not exceeding four thousand dollars per employee.

21 94. Plaintiff and the other class members are also entitled to injunctive relief to
22 ensure compliance with this section, pursuant to Labor Code section 226(g).

23 ///

24 ///

25 ///

1 **SEVENTH CAUSE OF ACTION**

2 **(Violation of California Labor Code §§ 2800 and 2802)**

3 **(Against DIRECTPRO LOGISTICS LLC and DOES 1 through 100)**

4 95. Plaintiff incorporates by reference the allegations contained in paragraphs 1
5 through 94, and each and every part thereof with the same force and effect as though fully set
6 forth herein.

7 96. During the relevant time period set forth herein, Labor Code sections 2800 and
8 2802 provide that an employer must reimburse its employee for all necessary expenditures
9 incurred by the employee in direct consequence of the discharge of his or her job duties or in
10 direct consequence of his or her obedience to the directions of the employer.

11 97. Defendants have intentionally and willfully failed to reimburse Plaintiff and the
12 other class members for all necessary business-related expenses and costs.

13 98. Pursuant to Labor Code sections 2800 and 2802, Plaintiff and the other class
14 members are entitled to recover from Defendants their business-related expenses and costs
15 incurred during the course and scope of their employment, plus interest accrued from the date on
16 which the employee incurred the necessary expenditures at the same rate as judgments in civil
17 actions in the State of California.

18 **EIGHTH CAUSE OF ACTION**

19 **(Collection of Due and Unpaid Wages per Labor Code § 229)**

20 **(Against DIRECTPRO LOGISTICS LLC and DOES 1 through 100)**

21 99. Plaintiff incorporates by reference the allegations contained in paragraphs 1
22 through 98, and each and every part thereof, with the same force and effect as though fully set
23 forth herein.

24 **Failure to Pay Minimum Wage**

25 100. During the relevant time period set forth herein, Labor Code sections 1194, 1197,
26 and 1197.1 provide that the minimum wage to be paid to employees, and the payment of a lesser
27 wage than the minimum so fixed, is unlawful.
28

101. During the relevant time period set forth herein, Defendants failed to pay minimum wages to Plaintiff and the other class members as required, pursuant to Labor Code sections 1194, 1197, and 1197.1.

102. Defendants' failure to pay Plaintiff and the other class members the minimum wage as required violates Labor Code sections 1194, 1197, and 1197.1. Pursuant to those sections, Plaintiff and the other class members are entitled to recover the unpaid balance of their minimum wage compensation as well as interest, costs, and attorneys' fees, and liquidated damages in an amount equal to the wages unlawfully unpaid and interest thereon.

Failure to Pay Overtime

103. 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.

104. The applicable IWC Wage Order provides that Defendants are and were required to pay Plaintiff and the other class members employed by Defendants, and 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 for all hours worked in excess of eight (8) hours in a day or more than forty (40) hours in a workweek.

105. The applicable IWC Wage Order further provides that Defendants are and were required to pay Plaintiff and the other class members overtime compensation at a rate of two times their regular rates of pay for all hours worked in excess of twelve (12) hours in a day.

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

///

1 period was not waived.

2 114. During the relevant time period set forth herein, Plaintiff and the other class
3 members who were scheduled to work for a period of time no longer than six (6) hours, and who
4 did not waive their legally-mandated meal periods by mutual consent, were required to work for
5 periods longer than five (5) hours without an uninterrupted meal period of not less than thirty
6 (30) minutes and/or without a rest period.

7 115. During the relevant time period set forth herein, Plaintiff and the other class
8 members who were scheduled to work for a period of time no longer than twelve (12) hours, and
9 who did not waive their legally-mandated meal periods by mutual consent, were required to
10 work for periods longer than ten (10) hours without an uninterrupted meal period of not less than
11 thirty (30) minutes and/or without a rest period.

12 116. During the relevant time period set forth herein, Plaintiff and the other class
13 members who were scheduled to work for a period of time in excess of six (6) hours were
14 required to work for periods longer than five (5) hours without an uninterrupted meal period of
15 not less than thirty (30) minutes and/or without a rest period.

16 117. During the relevant time period set forth herein, Plaintiff and the other class
17 members who were scheduled to work for a period of time in excess of twelve (12) hours were
18 required to work for periods longer than ten (10) hours without an uninterrupted meal period of
19 not less than thirty (30) minutes and/or without a rest period.

20 118. During the relevant time period set forth herein, Defendants intentionally and
21 willfully required Plaintiff and the other class members to work during meal periods and failed to
22 compensate Plaintiff and the other class members the full meal period premium for work
23 performed during meal periods.

24 119. During the relevant time period set forth herein, Defendants failed to pay Plaintiff
25 and the other class members the full meal period premium due pursuant to Labor Code section
26 226.7.

27 ///

1 120. Defendants' conduct violates applicable IWC Wage Order and Labor Code
2 sections 226.7 and 512(a).

3 121. Pursuant to the applicable IWC Wage Order and Labor Code section 226.7(b),
4 Plaintiff and the other class members are entitled to recover from Defendants one additional hour
5 of pay at the employee's regular rate of compensation for each workday that the meal period was
6 not provided.

7 **Failure to Pay Rest Premiums**

8 122. During the relevant time period set forth herein, Labor Code section 226.7
9 provides that no employer shall require an employee to work during any rest period mandated by
10 the IWC Wage Orders.

11 123. During the relevant time period set forth herein, the applicable IWC Wage Order
12 provides that "[e]very employer shall authorize and permit all employees to take rest periods,
13 which insofar as practicable shall be in the middle of each work period" and that the "rest period
14 time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time
15 per four (4) hours or major fraction thereof" unless the total daily work time is less than three
16 and one-half (3 ½) hours.

17 124. During the relevant time period set forth herein, Defendants required Plaintiff and
18 the other class members to work four (4) or more hours without authorizing or permitting a ten
19 (10) minute rest period per each four (4) hour period worked.

20 125. During the relevant time period set forth herein, Defendants willfully required
21 Plaintiff and the other class members to work during rest periods and failed to pay Plaintiff and
22 the other class members the full rest period premium for work performed during rest periods.

23 126. During the relevant time period set forth herein, Defendants failed to pay Plaintiff
24 and the other class members the full rest period premium due pursuant to Labor Code section
25 226.7.

26 127. Defendants' conduct violates applicable IWC Wage Orders and Labor Code
27 section 226.7.
28

128. Pursuant to the applicable IWC Wage Orders and Labor Code section 226.7(b), Plaintiff and the other class members are entitled to recover from Defendants one additional hour of pay at the employee's regular rate of compensation for each workday that the rest period was not provided.

129. Plaintiff and the other class members seek these due and unpaid wages pursuant to Labor Code section 229, which includes minimum wage, overtime wages and premium wages.

NINTH CAUSE OF ACTION

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

(Against DIRECTPRO LOGISTICS LLC and DOES 1 through 100)

130. Plaintiff incorporates by reference the allegations contained in paragraphs 1 through 129, and each and every part thereof with the same force and effect as though fully set forth herein.

131. The Private Attorneys General Act of 2004 (“PAGA”) expressly establishes that any provision of the Labor Code which provides for a civil penalty to be assessed and collected by the California Labor and Workforce Development Agency (“LWDA”), or any of its departments, divisions, commissions, boards, agencies, or employees for a violation of the Labor Code, may be recovered through a civil action brought by an aggrieved employee on behalf of himself or herself, and other current or former employees.

132. On March 26, 2024, Plaintiff provided written notice to the LWDA of the specific provisions of the Labor Code he contends were violated, and the theories supporting his contentions. Attached hereto as **Exhibit 1** and incorporated by reference is a copy of the written notice to the LWDA. Plaintiff believes that on or about May 30, 2024, the sixty-five (65) day notice period will expire, and the LWDA will not take any action to investigate or prosecute this matter. Plaintiff exhausted the statutory time period to bring this action.

/ / /

/ / /

/ / /

1 133. Plaintiff and the other hourly-paid or non-exempt employees are “aggrieved
2 employees” as defined by Labor Code section 2699(c) in that they are of all current and former
3 hourly-paid or non-exempt employees of Defendants within the State of California at any time
4 during the period from March 26, 2023, through December 14, 2023 or the date the estimated
5 number of Workweeks of 27,100 increases by 10%, whichever date is earlier, and one or more
6 of the alleged violations was committed against them.

7 **Failure to Pay Minimum and Overtime Wages**

8 134. At all times relevant herein, Defendants were required to compensate their non-
9 exempt employees minimum wages for all hours worked and overtime wages for all hours
10 worked in excess of eight (8) hours in a day or forty (40) hours in a workweek, pursuant to the
11 mandate of Labor Code sections 510, 1194, 1197, and 1198.

12 135. As a policy and practice, Defendants routinely required Plaintiff and the other
13 aggrieved current and former employees to work off-the-clock and failed to compensate
14 Plaintiff and the other aggrieved current and former employees for all hours worked, resulting
15 in a failure to pay all minimum wages and overtime wages, where applicable.

16 136. As a policy and practice, Defendants failed to include non-discretionary
17 incentive pay and shift differentials in Plaintiff and the other aggrieved current and former
18 employees’ regular rate of pay for purposes of calculating overtime compensation and paid
19 sick leave, resulting in a failure to pay overtime wages and paid sick leave at the proper rate,
20 where applicable.

21 137. Defendants failed to properly implement an AWS resulting in Plaintiff and the
22 other aggrieved current and former employees to routinely work in excess of eight hours in a
23 day without receiving proper compensation in violation of the AWS.

24 ///

25 ///

26 ///

1 **Failure to Provide Meal Periods and Rest Breaks**

2 138. In accordance with the mandates of Labor Code sections 226.7 and 512,
3 Defendants were required to authorize and permit their non-exempt employees to take a 10-
4 minute rest break for every four (4) hours worked or major fraction thereof and were further
5 required to provide their non-exempt employees with a 30-minute meal period for every five
6 (5) hours worked.

7 139. As a policy and practice, Defendants failed to provide Plaintiff and the other
8 aggrieved current and former employees with legally mandated meal periods and rest breaks
9 and failed to pay proper compensation for this failure.

10 140. As a policy and practice, Defendants failed to include non-discretionary
11 incentive pay and shift differentials in Plaintiff and the other aggrieved current and former
12 employees' regular rate of pay for purposes of meal and rest period premium payments.

13 **Failure to Timely Pay Wages During Employment**

14 141. At all times relevant herein, Defendants were required to pay their employees
15 within a specified time period pursuant to the mandate of Labor Code section 204.

16 142. As a policy and practice, Defendants failed to pay Plaintiff and the other
17 aggrieved current and former employees all wages due and owing them within the required
18 time period.

19 **Failure to Timely Pay Wages Upon Termination**

20 143. At all times relevant herein, Defendants were required to pay their employees all
21 wages owed in a timely fashion at the end of employment pursuant to Labor Code sections 201
22 to 204.

23 144. As a result of Defendants' Labor Code violations alleged above, Defendants
24 failed to pay Plaintiff and the other aggrieved former employees their final wages pursuant to
25 Labor Code sections 201 to 204 and accordingly owe waiting time penalties pursuant to Labor
26 Code section 203.

27 ///

1 **Failure to Provide Complete and Accurate Wage Statements**

2 145. At all times relevant herein, Defendants were required to keep accurate records
3 regarding their California employees pursuant to the mandate of Labor Code sections 226,
4 1174, and 1776.

5 146. As a result of Defendants' various Labor Code violations, Defendants failed to
6 keep accurate records regarding Plaintiff and the other aggrieved current and former
7 employees. For example, Defendants failed in their affirmative obligation to keep accurate
8 records regarding Plaintiff and the other aggrieved current and former employees' gross wages
9 earned, total hours worked, all deductions, net wages earned, and all applicable hourly rates
10 and the number of hours worked at each hourly rate.

11 **Failure to Provide Paid Sick Days**

12 147. At all times relevant herein, Defendants were required to provide their
13 employees with paid sick days pursuant to Labor Code section 246 at seq.

14 148. As a policy and practice, Defendants failed to provide Plaintiff and other
15 aggrieved current and former employees with paid sick days pursuant to Labor Code section
16 246.

17 **Failure to Reimburse Business Expenses**

18 149. At all times relevant herein, Defendants were required to reimburse its
19 employees for any and all necessary expenditures or losses incurred by the employees in direct
20 consequences of the discharge or his or her duties pursuant to the mandate of Labor Code
21 sections 2800 and 2802.

22 150. As a policy and practice, Defendants failed to reimburse Plaintiff and the other
23 aggrieved current and former employees for all business expenses incurred and owing them
24 within the required time period.

25 ///

26 ///

27 ///

Penalties

151. Pursuant to Labor Code section 2699, Plaintiff, individually, and on behalf of the other current and former aggrieved employees, requests and is entitled to recover from Defendants, and each of them, civil penalties, interest, attorneys' fees and costs, including but not limited to:

- a. Penalties under Labor Code section 2699 in the amount of a hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation, and two hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent violation;
- b. Penalties under Code of Regulations Title 8 section 11040 in the amount of fifty dollars (\$50) for each aggrieved employee per pay period for the initial violation, and one hundred dollars (\$100) for each aggrieved employee per pay period for each subsequent violation;
- c. Penalties under Labor Code section 210 in addition to, and entirely independent and apart from, any other penalty provided in the Labor Code in the amount of a hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation, and two hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent violation;
- d. Penalties under Labor Code section 1197.1 in the amount of a hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation, and two hundred fifty dollars (\$250) for each aggrieved employee per pay period for each subsequent violation;
- e. Any and all additional penalties as provided by the Labor Code and/or other statutes; and
- f. Attorneys' fees and costs pursuant to Labor Code sections 210, 1194, and 2699, and any other applicable statute.

1 **TENTH CAUSE OF ACTION**

2 **(Violation of California Business & Professions Code § 17200, *et seq.*)**

3 **(Against DIRECTPRO LOGISTICS LLC and DOES 1 through 100)**

4 152. Plaintiff incorporates by reference the allegations contained in paragraphs 1
5 through 151, and each and every part thereof with the same force and effect as though fully set
6 forth herein.

7 153. Defendants' conduct, as alleged herein, has been, and continues to be unfair,
8 unlawful and harmful to Plaintiff, other class members, the general public, and Defendants'
9 competitors. Accordingly, Plaintiff seeks to enforce important rights affecting the public
10 interest within the meaning of Code of Civil Procedure section 1021.5.

11 154. Defendants' activities as alleged herein are violations of the law, and constitute
12 unlawful business acts and practices in violation of Business & Professions Code section
13 17200, *et seq.*

14 155. A violation of Business & Professions Code section 17200, *et seq.* may be
15 predicated on the violation of any state or federal law. In this instant case, Defendants' policy
16 and practice of requiring Plaintiff and the other class members to work overtime hours without
17 paying them proper compensation violates Labor Code sections 510 and 1198. Additionally,
18 Defendants' policy and practice of requiring Plaintiff and the other class members to work
19 through their meal and rest periods without paying them proper compensation violates Labor
20 Code sections 226.7 and 512(a). Defendants' policy and practice of failing to timely pay wages
21 to Plaintiff and the other class members violates Labor Code sections 201 and 202. Defendants
22 also violated Labor Code sections 226(a), 1194, 1197, 2800, and 2802.

23 156. As a result of the herein described violations of the law, Defendants unlawfully
24 gained an unfair advantage over other businesses.

25 157. Plaintiff and the other class members have been personally injured by
26 Defendants' unlawful business acts and practices as alleged herein, including but not
27 necessarily limited to the loss of money and/or property.
28

1 158. Pursuant to Business & Professions Code section 17200, *et seq.*, Plaintiff and
2 the other class members are entitled to restitution of the wages withheld and retained by
3 Defendants during a period that commences four years prior to the filing of this Complaint; an
4 award of attorneys' fees pursuant to Code of Civil Procedure section 1021.5 and other
5 applicable laws; and an award of costs.

6 **DEMAND FOR JURY TRIAL**

7 Plaintiff, individually, and on behalf of other members of the general public similarly
8 situated, requests a trial by jury.

9 **PRAYER FOR RELIEF**

10 WHEREFORE, Plaintiff, individually and on behalf of all other members of the general
11 public similarly situated, prays for relief and judgment against Defendants, jointly and
12 severally, as follows:

13 **Class Certification**

- 14 1. That this action be certified as a class action;
- 15 2. That Plaintiff be appointed as representative of the Class;
- 16 3. That counsel for Plaintiff be appointed as Class Counsel; and
- 17 4. That Defendants provide to Class Counsel immediately the names and most
18 current contact information (address, e-mail, and telephone numbers) of all class members.

19 **As to the First Cause of Action**

- 20 5. That the Court declare, adjudge, and decree that Defendants violated Labor
21 Code sections 510 and 1198 and applicable IWC Wage Orders by willfully failing to pay all
22 overtime wages due to Plaintiff and the other class members;

- 23 6. For general unpaid wages at overtime wage rates and such general and special
24 damages as may be appropriate;

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

27 ///

1 8. For reasonable attorneys' fees and costs of suit incurred herein pursuant to
2 Labor Code section 1194; and

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

4 **As to the Second Cause of Action**

5 10. That the Court declare, adjudge, and decree that Defendants violated Labor
6 Code sections 226.7 and 512 and applicable IWC Wage Orders by willfully failing to provide
7 all meal periods (including second meal periods) to Plaintiff and the other class members;

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

11 12. For all actual, consequential, and incidental losses and damages, according to
12 proof;

13 13. For premium wages pursuant to Labor Code section 226.7(b);

14 14. For pre-judgment interest on any unpaid wages from the date such amounts
15 were due;

16 15. For reasonable attorneys' fees and costs of suit incurred herein; and

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

18 **As to the Third Cause of Action**

19 17. That the Court declare, adjudge, and decree that Defendants violated Labor
20 Code section 226.7 and applicable IWC Wage Orders by willfully failing to provide all rest
21 periods to Plaintiff and the other class members;

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

25 19. For all actual, consequential, and incidental losses and damages, according to
26 proof;

27 20. For premium wages pursuant to Labor Code section 226.7(b);
28

1 21. For pre-judgment interest on any unpaid wages from the date such amounts
2 were due; and

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

4 **As to the Fourth Cause of Action**

5 23. That the Court declare, adjudge, and decree that Defendants violated Labor
6 Code sections 1194 and 1197 by willfully failing to pay minimum wages to Plaintiff and the
7 other class members;

8 24. For general unpaid wages and such general and special damages as may be
9 appropriate;

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

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

14 27. For liquidated damages pursuant to Labor Code section 1194.2; and

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

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

17 29. That the Court declare, adjudge, and decree that Defendants violated Labor
18 Code sections 201, 202, and 203 by willfully failing to pay all compensation owed at the time
19 of termination of the employment of Plaintiff and the other class members no longer employed
20 by Defendants;

21 30. For all actual, consequential, and incidental losses and damages, according to
22 proof;

23 31. For statutory wage penalties pursuant to Labor Code section 203 for the other
24 class members who have left Defendants' employ;

25 32. For pre-judgment interest on any unpaid compensation from the date such
26 amounts were due; and

27 33. For such other and further relief as the Court may deem just and proper.
28

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 0
- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 0
- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8

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

37. For injunctive relief to ensure compliance with this section, pursuant to Labor
 section 226(g); and

As to the Seventh Cause of Action

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

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

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

45. That the Court declare, adjudge, and decree that Defendants violated Labor Code sections 226.7, 510, 1194, and 1198 and applicable IWC Wage Orders by willfully failing to pay all wages due and owing to Plaintiff and the other class members;

33

1 46. For general unpaid wages at minimum wage rates or overtime wage rates, and
2 such general and special damages as may be appropriate;

3 47. For premium wages pursuant to Labor Code section 226.7(b);

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

6 49. For reasonable attorneys' fees and costs of suit incurred herein pursuant to
7 Labor Code sections 218.5 and 1194; and

8 50. For such other and further relief as the court may deem just and proper.

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

10 51. That the Court declare, adjudge, and decree that Defendants violated Labor
11 Code sections 2698, *et seq.*, the PAGA, for civil penalties pursuant to Defendants' violations
12 of Labor Code sections 201, 202, 203, 204, 218.5, 221, 226(a), 226.3, 226.7, 229, 246(l), 510,
13 512(a), 558, 1174(d), 1174.5, 1194, 1197, 1197.1, 1198, 2800, and 2802;

14 52. Upon the Cause of Action, for costs and attorneys' fees pursuant to Labor Code
15 sections 210, 1194, and 2699, and any other applicable statute; and

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

17 **As to the Tenth Case of Action**

18 54. That the Court declare, adjudge, and decree that Defendants violated Business &
19 Professions Code section 17200, *et seq.* by failing to provide Plaintiff and the other class
20 members all overtime compensation due to them, failing to provide all meal and rest periods to
21 Plaintiff and the other class members, failing to pay at least minimum wages to Plaintiff and
22 the other class members, and failing to pay Plaintiff and the other class members' wages timely
23 as required by Labor Code sections 201 and 202;

24 55. For restitution of unpaid wages to Plaintiff and the other class members and all
25 pre-judgment interest from the day such amounts were due and payable;

26 ///

27 ///

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

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

6 58. For injunctive relief to ensure compliance with this section, pursuant to
7 Business & Professions Code section 17200, *et seq.*; and

8 59. For such other and further relief as the Court may deem just and proper.
9

10 Dated: May 17, 2024

JUSTICE LAW CORPORATION

11
12 By: 
13 Douglas Han
14 Shunt Tatavos-Gharajeh
15 Attorneys for Plaintiff
16
17
18
19
20
21
22
23
24
25
26
27
28

EXHIBIT 1

March 26, 2024

BY U.S. EMAIL/ELECTRONIC SUBMISSION

PAGAfilings@dir.ca.gov

State of California

Labor & Workforce Development Agency

800 Capitol Mall, MIC-55

Sacramento, California 95814

Re: DirectPro Logistics LLC

Dear Representative:

We have been retained to represent Marcos Escobar against DirectPro Logistics LLC (including any and all affiliates, managers, members, subsidiaries, and parents, and their shareholders, officers, directors, and employees), any individual, owner, officer and managing agent, DOES 1-10 as an "Employer" or person acting on behalf of an "Employer" pursuant to California Labor Code section 558.1, for violations of California wage-and-hour laws (collectively referred to as "DIRECTPRO").

Mr. Escobar is pursuing his California Labor Code section 2698, *et seq.*, the Private Attorneys General Act of 2004 ("PAGA") claim on a representative basis. Therefore, Mr. Escobar may seek penalties for violations of the Labor Code on behalf of the State of California and aggrieved employees, which are recoverable under PAGA. This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3.

DIRECTPRO is a California limited liability company headquartered at 14901 Adelfa Drive, Unit 1619, La Mirada, California 90637.

DIRECTPRO employed Mr. Escobar as an hourly-paid, non-exempt Delivery Driver until in or around January 2021 in the State of California. DIRECTPRO directly controlled the wages, hours, and/or working conditions of Mr. Escobar and other aggrieved employees' employment, including direction, retention, scheduling, supervision, and termination.

The "aggrieved employees" that Mr. Escobar may seek penalties on behalf of are all current and former hourly-paid or non-exempt employees of DIRECTPRO within the State of California.

DIRECTPRO failed to properly pay its hourly-paid or non-exempt employees for all hours worked, failed to properly provide or compensate minimum wages and overtime wages and for noncompliant meal and rest breaks, failed to issue compliant wage statements and failed to reimburse for all necessary business-related costs and expenses, resulting in other Labor Code violations as stated below.

Pursuant to *Huff v. Securitas Security Services USA, Inc.* (2018) 23 Cal.App.5th 745, 751, an employee who brings a representative action and was affected by at least one of the violations alleged in the complaint has standing to pursue penalties on behalf of the state not only for that violation, but for violations affecting other employees as well. Accordingly, Mr. Escobar has standing to pursue penalties on behalf of the state for violations affecting all the aggrieved employees at DIRECTPRO, regardless of their classification, job title, location, or whether they were hired directly or through a staffing agency.

DIRECTPRO has violated and/or continues to violate, among other provisions of the California Labor Code and applicable wage law, California Labor Code sections 201, 202, 203, 204, 218.5, 221, 223, 224 226(a), 226.3, 226.7, 229, 246(l), 510, 512(a), 558, 1174(d), 1174.5, 1118.12 1194, 1197, 1197.1, 1198, 2800, and 2802, and the Industrial Welfare Commission ("IWC") Wage Orders.

California Labor Code sections 510, 1194, and 1198 require employers to pay at least minimum wage for all hours worked, pay time-and-a-half, or double-time overtime wages, and make it unlawful to work employees for hours longer than 8 hours in one day and/or over 40 hours in one week without paying the premium overtime rates.

During the relevant time period, DIRECTPRO also failed to include non-discretionary incentive pay and shift differentials in Mr. Escobar and other aggrieved employees' regular rate of pay for purposes of overtime compensation. Therefore, Mr. Escobar and other aggrieved employees were entitled to receive certain wages for overtime compensation, but they were not paid for all overtime hours worked.

During the relevant time period, DIRECTPRO also failed to properly implement an Alternative Workweek Schedule ("AWS"). DIRECTPRO failed to provide the affected work unit or units with a proposal of the AWS in writing, designating the number of days in the workweek and the number of hours in the work shift. DIRECTPRO also failed to properly hold a pre-election meeting with the affected employees a minimum of 14 days prior to the election to discuss the effects of the proposed AWS. Further, DIRECTPRO failed to hold a secret ballot election during regular working hours at the employees' work site where at least two-thirds of the affected employees voted in favor of the AWS prior to its adoption.

During the relevant time period, Mr. Escobar and other aggrieved employees routinely worked in excess of 8 hours in a day without receiving proper compensation in violation of the AWS.

During the relevant time period, Mr. Escobar and other aggrieved employees routinely worked in excess of 8 hours in a day and 40 hours in a week. DIRECTPRO maintained strict attendance policies that threatened Escobar and other aggrieved employees with disciplinary action for appearing tardy, thereby forcing them to arrive at work earlier than their scheduled shifts. DIRECTPRO's policies also required Mr. Escobar and other aggrieved employees to don and doff their uniforms and personal protective equipment before clocking in and after clocking out. Moreover, DIRECTPRO's policies generally discouraged overtime work because Mr. Escobar and other aggrieved employees were required to obtain prior authorization before working overtime hours but were rarely, if ever, given sufficient time to obtain prior authorization due to their heavy delivery quotas. Next, before permitting Mr. Escobar and other aggrieved employees to clock in, DIRECTPRO expected them to perform pre-trip inspections of their vehicles, unload supplies, attend safety meetings, and answer questions from supervisors. Even after Mr. Escobar and other aggrieved employees had clocked out for the day, DIRECTPRO still expected them to perform post-trip inspections of their vehicles, document damages, and get gas for their vehicles. This also resulted in instances of off-the-clock work. Thus, Mr. Escobar and other aggrieved employees were entitled to receive certain wages for minimum and overtime compensation, but they were not paid for all hours worked.

California Labor Code section 246 requires that employers provide employees with paid sick leave of not less than 1 hour per every 30 hours worked. California Labor Code section 246(l) also requires that paid sick leave be paid at a non-exempt employee's regular rate of pay for the workweek in which the employee uses paid sick time or at a rate 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, DIRECTPRO failed to pay Mr. Escobar and other aggrieved employees paid sick leave that complied with California Labor Code section 246. This included failing to pay paid sick leave at non-exempt employees' regular rate of pay or at a rate 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. Instead, DIRECTPRO paid sick leave at rates lower than Mr. Escobar's and other aggrieved employees' base hourly rate of pay.

California Labor Code sections 226.7 and 512 require employers to pay an employee 1 additional hour of pay at the employee's regular rate for each workday that a meal or rest break is not provided.

During the relevant time period, DIRECTPRO frequently prevented employees from receiving compliant meal and rest breaks. Firstly, DIRECTPRO did not allow Mr. Escobar and other aggrieved employees to take their rest breaks to ensure they did not fall behind on their assigned routes and performed their pick-ups and deliveries at specified times. DIRECTPRO would even permit supervisors to deter Mr. Escobar and other aggrieved employees from taking their rest breaks. Secondly, DIRECTPRO would frequently assign Mr. Escobar and other aggrieved employees heavy delivery quotas to complete, thereby forcing them to work through most of their meal breaks, including second breaks, to avoid falling behind. Even when Mr. Escobar and other aggrieved employees were afforded rare opportunities to take their meal breaks, their breaks were often late and/or cut short due to pressures to promptly return to and complete their pick-ups and deliveries. Yet, DIRECTPRO would attempt to conceal these meal break violations by having the work app automatically lock them out from accessing the work app before their fifth (5th) hour of work. Yet, Mr. Escobar and other aggrieved employees were still expected to continue working despite having been locked out of the work app (*e.g.*, organizing and arranging packages to deliver them more efficiently). During the relevant time period, DIRECTPRO failed to include non-discretionary incentive compensation in Mr. Escobar and other aggrieved employees' regular rate of pay for purposes of meal and rest period premium payments. Finally, despite these facts, DIRECTPRO failed to compensate Mr. Escobar and other aggrieved employees the premium wages they were owed.

California Labor Code section 201 requires that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately. California Labor Code section 202 requires that if an employee not having a written contract for a definite period quits his or her employment, his or her wages shall become due and payable not later than 72 hours thereafter, unless the employee has given 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. California Labor Code section 203 provides that if an employer willfully fails to pay, without abatement or reduction, in accordance with Labor Code sections 201, 201.3, 201.5, 201.6, 201.8, 201.9, 202, and 205.5, any wages of an employee who is discharged or who quits, the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until an action therefor is commenced. But the wages shall not continue for more than 30 days.

During the relevant time period, DIRECTPRO failed to pay Mr. Escobar and other aggrieved employees all wages, including as a result of uncompensated off-the-clock work, unpaid sick leave, unpaid overtime wages, and unpaid premium wages for failing to provide legally mandated meal and rest breaks owed within any time period specified by California Labor Code sections 201 through 203. Therefore, DIRECTPRO is liable under California Labor Code section 203.

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

During the relevant time period, DIRECTPRO failed to pay Mr. Escobar and other aggrieved employees all wages due to them, including as a result of uncompensated off-the-clock work, unpaid sick leave, unpaid overtime wages, and unpaid premium wages owed for failing to provide legally mandated meal and rest breaks owed within any time period specified by California Labor Code section 204.

California Labor Code section 226 requires employers to make, keep and provide complete and accurate itemized wage statements to their employees.

During the relevant time period, DIRECTPRO did not provide Mr. Escobar and other aggrieved employees with complete and accurate itemized wage statements. The wage statements Mr. Escobar and other aggrieved employees received from DIRECTPRO were in violation of California Labor Code section 226(a). The violations include, but are not limited to, the failure to include: (1) gross wages earned by Mr. Escobar and other aggrieved employees; (2) total hours worked by Mr. Escobar and other aggrieved employees; (3) all deductions for Mr. Escobar and other aggrieved employees; (4) net wages earned by Mr. Escobar and other aggrieved employees; and (5) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by Mr. Escobar and other aggrieved employees.

California Labor Code section 558 allows recovery of penalties. Any 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 IWC Wage Order shall be subject to a civil penalty. The civil penalty is as follows: (1) for any initial violation, fifty dollars (\$50) for each underpaid employee for each pay period for which the employee was underpaid in 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; and (3) wages recovered pursuant to this section shall be paid to the affected employee.

During the relevant time period, Mr. Escobar and other aggrieved employees have been denied their wages and premium wages and are entitled to penalties.

California Labor Code sections 1174(d) requires an employer to keep at a central location in the state or at the plants or establishments at which employees are employed payroll records showing the hours worked daily by and the wages paid to employees employed at the respective plants or establishments. These records shall be kept with rules established for this purpose by the commission, but in any case, shall be kept on file for not less than 3 years.

During the relevant time period, DIRECTPRO failed to keep accurate and complete payroll records showing the hours worked daily and the wages paid to Mr. Escobar and other aggrieved employees. During the relevant time period, DIRECTPRO also failed to keep accurate time records, including, but not limited to, accurate records of meal period start and stop times in violation of California Labor Code section 1198.

California Labor Code sections 1194, 1197, and 1197.1 provide that the minimum wage to be paid to employees, and the payment of a lesser wage than the minimum so fixed is unlawful.

During the relevant time period, DIRECTPRO did not provide Mr. Escobar and other aggrieved employees with the minimum wages to which they were entitled despite having constructive and actual knowledge of off-the-clock work, including pre-shift and post-shift work and work performed during meal and rest breaks.

California Labor Code sections 2800 and 2802 require an employer to reimburse its employee for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer.

During the relevant time period, Mr. Escobar and other aggrieved employees incurred various necessary business-related expenses that were not fully reimbursed by DIRECTPRO. This included purchasing steel-toed boots, socks, jackets, belts, hats, and backpacks out-of-pocket to effectively perform their duties. DIRECTPRO also required Mr. Escobar and other aggrieved employees to use their personal cell phones for work-related purposes (e.g., access the work app, use the built-in GPS, take pictures, communicate with supervisors and dispatch) for which they were not reimbursed.

///

///

///

We believe that Mr. Escobar and other current and former California-based hourly-paid or non-exempt employees are entitled to penalties as allowed under California Labor Code section 2698, *et seq.* for violations of Labor Code sections 201, 202, 203, 204, 218.5, 221, 223, 224 226(a), 226.3, 226.7, 229, 246(l), 510, 512(a), 558, 1174(d), 1174.5, 1118.12 1194, 1197, 1197.1, 1198, 2800, and 2802, and the IWC Wage Orders.

California Labor Code section 2699.3 requires that a claimant must send a certified letter to the employer in questions and the California Labor & Workforce Development Agency setting forth the claims and the basis for the claims, thereby giving the California Labor & Workforce Development Agency an opportunity to investigate the claims and/or take any action it deems appropriate.

The purpose of this letter is to satisfy the requirement created by California Labor code section 2699 prior to seeking penalties allowed by law for the aforementioned statutory violations. We look forward to determining whether California Labor & Workforce Development Agency intends to take any action in reference to these claims. We kindly request that you respond to this notice according to the time frame contemplated by the California Labor Code.

Mr. Escobar will seek these penalties on his own behalf and on behalf of other similarly situated California-based hourly-paid or non-exempt employees of DIRECTPRO within 1 year of the date of this letter, as allowed by law.

If you have any questions or require additional information, please do not hesitate to contact us. Thank you for your attention to this matter and the noble cause you advance each and every day.

Very truly yours,

JUSTICE LAW CORPORATION

A handwritten signature in black ink, appearing to read 'D. Han', with a stylized flourish at the end.

Douglas Han, Esq.

CC: (By Email Only):

Tim L. Johnson

tim.johnson@ogletreedeakins.com

Nikolas T. Djordjevski

nikolas.djordjevski@ogletreedeakins.com

Yousaf M. Jafri

yousaf.jafri@ogletreedeakins.com

Keenan P. O'Connor

keenan.oconnor@ogletreedeakins.com

**PROOF OF SERVICE
1013A(3) CCP**

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is 751 N. Fair Oaks Avenue, Suite 101, Pasadena, CA 91103 and my electronic service address is mluna@justicelawcorp.com

On June 17, 2024, I served the foregoing document described as

FIRST AMENDED CLASS ACTION COMPLAINT FOR DAMAGES

for the following case: **Escobar v. DirectPro Logistics LLC**
LWDA/Court Case No.: **LWDA Case No.: CM- 1018848-24**
Court Case No.: CIVSB2223292
San Bernardino County Superior Court

on interested parties in this action by electronically submitting as follows:

State of California
Labor & Workforce Development Agency
800 Capitol Mall, MIC-55
Sacramento, California 95814

[X] BY ELECTRONIC SUBMISSION

Pursuant to California Senate Bill No. 836, I caused the documents described above to be electronically submitted by and through the procedure stated on the website of the State of California Labor and Workforce Development Agency.

[X] STATE

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

Executed on June 17, 2024, at Pasadena, California.



Madison Luna