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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF RIVERSIDE

LUIS CORONA, individually, and on
behalf of other members of the general
public similarly situated,

Plaintiff,

vs.

S. P. RICHARDS COMPANY, doing
business in California as , GEORGIA S. P.
RICHARDS COMPANY, a Georgia
corporation; and DOES 1 through 10,
inclusive,

Defendants.

Case No.: CVRI2401430

**FIRST AMENDED CLASS ACTION
COMPLAINT & ENFORCEMENT
ACTION UNDER THE PRIVATE
ATTORNEYS GENERAL ACT,
CALIFORNIA LABOR CODE §§ 2698, *ET
SEQ.***

- (1) Violation of California Labor Code §§ 510 and 1198 (Unpaid Overtime);
- (2) Violation of California Labor Code §§ 1182.12, 1194, 1197, 1197.1, and 1198 (Unpaid Minimum Wages);
- (3) Violation of California Labor Code §§ 226.7, 512(a), 516, and 1198 (Failure to Provide Meal Periods);
- (4) Violation of California Labor Code §§ 226.7, 516, and 1198 (Failure to Authorize and Permit Rest Periods);
- (5) Violation of California Labor Code §§ 226(a), 1174(d), and 1198 (Non-Compliant Wage Statements and Failure to Maintain Payroll Records);
- (6) Violation of California Labor Code § 227.3 (Failure to Pay Vested Vacation Time Upon Termination);
- (7) Violation of California Labor Code §§ 201 and 202 (Wages Not Timely Paid Upon Termination);
- (8) Violation of California Labor Code § 204 (Failure to Timely Pay Wages During Employment);

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- (9) Violation of California Labor Code § 2802 (Unreimbursed Business Expenses);
- (10) Civil Penalties for Violations of California Labor Code, Pursuant to PAGA, §§ 2698, *et seq.*;
- (11) Violation of California Business & Professions Code §§ 17200, *et seq.* (Unlawful Business Practices); and
- (12) Violation of California Business & Professions Code §§ 17200, *et seq.* (Unfair Business Practices)

Jury Trial Demanded

1 Plaintiff Luis Corona, individually and on behalf of all other members of the public
2 similarly situated, and as an aggrieved employee and on behalf of all aggrieved employees
3 alleges as follows:

4 JURISDICTION AND VENUE

5 1. This class action is brought pursuant to California Code of Civil Procedure
6 section 382 and California Labor Code sections 2698, *et seq.* (“PAGA”) to recover civil
7 penalties and any other available relief on behalf of Plaintiff, the State of California, and other
8 current and former employees who worked for Defendants in California as non-exempt,
9 hourly paid employees and received at least one wage statement and against whom one or
10 more violations of any provision in Division 2 Part 2 Chapter 1 of the Labor Code or any
11 provision regulating hours and days of work in the applicable Industrial Welfare Commission
12 (“IWC”) Wage Order were committed, as set forth in this complaint. The monetary damages,
13 penalties, and restitution sought by Plaintiff exceed the minimal jurisdiction limits of the
14 Superior Court and will be established according to proof at trial. This Court has jurisdiction
15 over this action pursuant to the California Constitution, Article VI, section 10. The statutes
16 under which this action is brought do not specify any other basis for jurisdiction. Plaintiff’s
17 share of damages, penalties, and other relief sought in this action does not exceed \$75,000.

18 2. This Court has jurisdiction over Defendants because Defendants are either
19 citizens of California, have sufficient minimum contacts in California, or otherwise
20 intentionally avail themselves of the California market so as to render the exercise of
21 jurisdiction over them by the California courts consistent with traditional notions of fair play
22 and substantial justice.

23 3. Venue is proper in this Court because Defendants employ persons in this
24 county, and employed Plaintiff in this county, and thus a substantial portion of the transactions
25 and occurrences related to this action occurred in this county.

26 THE PARTIES

27 4. Plaintiff Luis Corona is a resident of Colton, in San Bernardino County,
28 California. Defendants employed Plaintiff as an hourly paid, non-exempt employee from

1 approximately June 2016 to April 2023. Plaintiff worked for Defendants as a Maintenance
2 Employee, Warehouse Associate, and Order Puller at their facility in Mira Loma, California.
3 During his employment, Plaintiff typically worked eight (8) hours or more per day and five
4 (5) days or more per week. Plaintiff's primary job duties included, without limitation, folding
5 cardboard boxes of various sizes and disposing of them in the compactor, operating forklifts,
6 unloading inventory from trucks, dismantling defective furniture, sweeping, and mopping.

7 5. S. P. RICHARDS COMPANY (doing business in California as , GEORGIA S.
8 P. RICHARDS COMPANY) was and is, upon information and belief, a Georgia corporation,
9 and at all times hereinafter mentioned, an employer whose employees are engaged throughout
10 this county and the State of California.

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

15 7. Plaintiff is informed and believes, and thereon alleges, that DOES 1 through 10
16 were the partners, agents, owners, or managers of S. P. RICHARDS COMPANY at all
17 relevant times.

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

26 9. At all relevant times, Defendants, and each of them, ratified each and every act
27 or omission complained of herein. At all relevant times, Defendants, and each of them, aided
28 and abetted the acts and omissions of each and all the other Defendants in proximately causing

1 the damages herein alleged.

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

5 **GENERAL ALLEGATIONS**

6 11. Defendants are independent wholesalers and distributors of stationery and
7 office supplies, such as office furniture, general office supplies, janitorial products, warehouse
8 items, and breakroom supplies through their network of 30 distribution centers across the
9 United States, with two (2) facilities located in California. Upon information and belief,
10 Defendants maintain a single, centralized Human Resources (“HR”) department at their
11 company headquarters in Atlanta, Georgia, which is responsible for the recruiting and hiring
12 of new employees, and communicating and implementing Defendants’ company-wide
13 policies, including timekeeping policies and meal and rest period policies, to employees
14 throughout California.

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

22 13. Upon information and belief, Defendants maintain a centralized Payroll
23 department at their company headquarters in Atlanta, Georgia, which processes payroll for all
24 non-exempt, hourly paid employees working for Defendants at their various locations in
25 California, including Plaintiff and class members. Based upon information and belief,
26 Defendants issue the same formatted wage statements to all non-exempt, hourly paid
27 employees in California, irrespective of their work locations. Upon information and belief,
28 Defendants process payroll for departing employees in the same manner throughout the State

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

2 14. Defendants continue to employ non-exempt or hourly paid employees in
3 California.

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

8 16. Plaintiff is informed and believes, and thereon alleges, that Plaintiff and class
9 members were not paid for all hours worked because all hours worked were not recorded.

10 17. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
11 should have known that Plaintiff and class members were entitled to receive certain wages for
12 overtime compensation and that they were not receiving certain wages for overtime
13 compensation.

14 18. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
15 should have known that Plaintiff and class members were entitled to receive at least minimum
16 wages for compensation and that they were not receiving at least minimum wages for work
17 that was required to be done off-the-clock. In violation of the California Labor Code, Plaintiff
18 and class members were not paid at least minimum wages for work done off-the-clock.

19 19. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
20 should have known that Plaintiff and class members were entitled to meal periods in
21 accordance with the California Labor Code and applicable IWC Wage Order or payment of
22 one (1) additional hour of pay at their regular rates of pay when they were not provided with
23 timely, uninterrupted, thirty (30) minute meal periods and that Plaintiff and class members
24 were not provided with all meal periods or payment of one (1) additional hour of pay at their
25 regular rates of pay when they did not receive a timely, uninterrupted, thirty (30) minute meal
26 period.

27 20. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
28 should have known that Plaintiff and class members were entitled to rest periods in

1 accordance with the California Labor Code and applicable IWC Wage Order or payment of
2 one (1) additional hour of pay at their regular rates of pay when they were not authorized and
3 permitted to take a compliant rest period and that Plaintiff and class members were not
4 authorized and permitted to take compliant rest periods or provided with payment of one (1)
5 additional hour of pay at their regular rates of pay when they were not authorized and
6 permitted to take a compliant rest period.

7 21. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
8 should have known that Plaintiff and class members were entitled to receive complete and
9 accurate wage statements in accordance with California law. In violation of the California
10 Labor Code, Plaintiff and class members were not provided complete and accurate wage
11 statements.

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

16 23. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
17 should have known that they were required to pay departing employees all vested vacation
18 wages that were owed to them at the end of their employment. In violation of the California
19 Labor Code, Defendants failed to pay Plaintiff and class members all vested vacation time at
20 the end of their employment, causing a forfeiture of vested vacation wages.

21 24. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
22 should have known that Plaintiff and class members were entitled to timely payment of all
23 wages earned upon termination of employment. In violation of the California Labor Code,
24 Plaintiff and class members did not receive payment of all wages due, including, but not
25 limited to, overtime wages, minimum wages, meal and rest period premiums, and/or vested
26 vacation wages, within permissible time periods.

27 25. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
28 should have known that Plaintiff and class members were entitled to timely payment of wages

1 during their employment. In violation of the California Labor Code, Plaintiff and class
2 members did not receive payment of all wages, including, but not limited to, overtime wages,
3 minimum wages, and/or meal and rest period premiums, within permissible time periods.

4 26. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
5 should have known that Plaintiff and class members were entitled to receive full
6 reimbursement for all business-related expenses and costs they incurred during the course and
7 scope of their employment and that they did not receive full reimbursement of applicable
8 business-related expenses and costs incurred.

9 27. Plaintiff is informed and believes, and thereon alleges, that at all times herein
10 mentioned, Defendants knew or should have known that Defendants had a duty to provide
11 Plaintiff and class members with written notice of the material terms of their employment with
12 Defendants as required by the California Wage Theft Prevention Act, but failed to do so.

13 28. Plaintiff is informed and believes, and thereon alleges, that at all times herein
14 mentioned, Defendants knew or should have known that they had a duty to compensate
15 Plaintiff and class members for all hours worked, and that Defendants had the financial ability
16 to pay such compensation, but willfully, knowingly, and intentionally failed to do so, and
17 falsely represented to Plaintiff and class members that they were properly denied wages, all in
18 order to increase Defendants' profits.

19 **PAGA REPRESENTATIVE ALLEGATIONS**

20 29. At all times herein set forth, PAGA provides that any provision of law under
21 the Labor Code and applicable IWC Wage Order that provides for a civil penalty to be
22 assessed and collected by the Labor and Workforce Development Agency ("LWDA") for
23 violations of the California Labor Code and applicable IWC Wage Order may, as an
24 alternative, be recovered by aggrieved employees in a civil action brought on behalf of
25 themselves and other current or former employees pursuant to procedures outlined in
26 California Labor Code section 2699.3.

27 30. PAGA defines an "aggrieved employee" in Labor Code section 2699(c) as "any
28 person who was employed by the alleged violator and against whom one or more of the

1 alleged violations was committed.”

2 31. Plaintiff and other current and former employees of Defendants are “aggrieved
3 employees” as defined by Labor Code section 2699(c) in that they are all Defendants’ current
4 or former employees and one or more of the alleged violations were committed against them.

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

- 8 (a) The aggrieved employee or representative shall give written notice by
9 online filing with the LWDA and by certified mail to the employer of
10 the specific provisions of the California Labor Code alleged to have
11 been violated, including the facts and theories to support the alleged
12 violation.
- 13 (b) An aggrieved employee’s notice filed with the LWDA pursuant to
14 2699.3(a) and any employer response to that notice shall be
15 accompanied by a filing fee of seventy-five dollars (\$75).
- 16 (c) The LWDA shall notify the employer and the aggrieved employee or
17 representative by certified mail that it does not intend to investigate the
18 alleged violation (“LWDA Notice”) within sixty (60) calendar days of
19 the postmark date of the aggrieved employee’s notice. Upon receipt of
20 the LWDA Notice, or if no LWDA Notice is provided within sixty-five
21 (65) calendar days of the postmark date of the aggrieved employee’s
22 notice, the aggrieved employee may commence a civil action pursuant
23 to California Labor Code section 2699 to recover civil penalties.

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

- 28 (a) The aggrieved employee or representative shall give written notice by

1 online filing with the LWDA and by certified mail to the employer of
2 the specific provisions of the California Labor Code alleged to have
3 been violated (other than those listed in Section 2699.5), including the
4 facts and theories to support the alleged violation.

5 (b) An aggrieved employee's notice filed with the LWDA pursuant to
6 2699.3(c) and any employer response to that notice shall be
7 accompanied by a filing fee of seventy-five dollars (\$75).

8 (c) The employer may cure the alleged violation within thirty-three (33)
9 calendar days of the postmark date of the notice sent by the aggrieved
10 employee or representative. The employer shall give written notice
11 within that period of time by certified mail to the aggrieved employee or
12 representative and by online filing with the LWDA if the alleged
13 violation is cured, including a description of actions taken, and no civil
14 action pursuant to Section 2699 may commence. If the alleged violation
15 is not cured within the 33-day period, the aggrieved employee may
16 commence a civil action pursuant to Section 2699.

17 34. On March 26, 2024, Plaintiff provided written notice by online filing to the
18 LWDA and by Certified Mail to Defendants of the specific provisions of the California Labor
19 Code alleged to have been violated, including facts and theories to support the alleged
20 violations, in accordance with California Labor Code section 2699.3. Plaintiff's written
21 notice was accompanied with the applicable filing fee of seventy-five dollars (\$75). The
22 LWDA PAGA Administrator confirmed receipt of Plaintiff's written notice and assigned
23 Plaintiff PAGA Case Number LWDA-CM-1018840-24. A true and correct copy of Plaintiff's
24 written notice to the LWDA and Defendants is attached hereto as "Exhibit 1."

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

28 36. Thus, Plaintiff has satisfied the administrative prerequisites under California

1 Labor Code sections 2699.3(a) and 2699.3(c) to recover civil penalties against Defendants for
2 violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 227.3, 510, 512(a),
3 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2802, and 2810.5.

4 37. Labor Code section 558(a) provides “[a]ny employer or other person acting on
5 behalf of an employer who violates, or causes to be violated, a section of this chapter or any
6 provision regulating hours and days of work in any order of the Industrial Welfare
7 Commission shall be subject to a civil penalty as follows: (1) For any initial violation, fifty
8 dollars (\$50) for each underpaid employee for each pay period for which the employee was
9 underpaid (2) For each subsequent violation, one hundred dollars (\$100) for each
10 underpaid employee for each pay period for which the employee was underpaid” Labor
11 Code section 558(c) provides “[t]he civil penalties provided for in this section are in addition
12 to any other civil or criminal penalty provided by law.”

13 38. Defendants, at all times relevant to this complaint, were employers or persons
14 acting on behalf of an employer(s) who violated Plaintiff’s and other aggrieved employees’
15 rights by violating various sections of the California Labor Code as set forth above.

16 39. As set forth below, Defendants have violated numerous provisions of both the
17 Labor Code sections regulating hours and days of work as well as the applicable IWC Wage
18 Order.

19 40. Pursuant to PAGA, and in particular, California Labor Code sections 2699(a),
20 2699.3(a), 2699.3(c), and 2699.5, and section 558, Plaintiff, acting in the public interest as a
21 private attorney general, seeks assessment and collection of civil penalties for himself, all
22 other aggrieved employees, and the State of California against Defendants for violations of
23 California Labor Code sections 201, 202, 204, 226(a), 226.7, 227.3, 510, 512(a), 516, 1174(d),
24 1182.12, 1194, 1197, 1197.1, 1198, 2802, and 2810.5.

25 **CLASS ACTION ALLEGATIONS**

26 41. Plaintiff brings this action on his own behalf, as well as on behalf of each and
27 all other persons similarly situated, and thus seeks class certification under California Code of
28 Civil Procedure section 382.

1 42. All claims alleged herein arise under California law for which Plaintiff seeks
2 relief authorized by California law.

3 43. Plaintiff's proposed class consists of and is defined as follows:

4 All persons who worked for Defendants as non-exempt, hourly
5 paid employees in California, within four years prior to the filing
of the initial complaint until the date of trial ("Class").

6 44. Plaintiff's proposed subclass consists of and is defined as follows:

7 All persons who worked for Defendants as non-exempt, hourly
8 paid employees in California and who received at least one wage
statement within one (1) year prior to the filing of the initial
9 complaint until the date of trial ("Subclass").

10 45. Members of the Class and Subclass are referred to herein as "class members."

11 46. Plaintiff reserves the right to redefine the Class and Subclass and to add
12 additional subclasses as appropriate based on further investigation, discovery, and specific
13 theories of liability.

14 47. There are common questions of law and fact as to class members that
15 predominate over questions affecting only individual members, including, but not limited to:

- 16 (a) Whether Defendants required Plaintiff and class members to work over
17 eight (8) hours per day, over twelve (12) hours per day, or over forty
18 (40) hours per week and failed to pay all legally required overtime
19 compensation to Plaintiff and class members;
- 20 (b) Whether Defendants failed to pay Plaintiff and class members at least
21 minimum wages for all hours worked;
- 22 (c) Whether Defendants failed to provide Plaintiff and class members with
23 meal periods;
- 24 (d) Whether Defendants failed to authorize and permit Plaintiff and class
25 members to take rest periods;
- 26 (e) Whether Defendants provided Plaintiff and class members with
27 complete and accurate wage statements as required by California Labor
28 Code section 226(a);

- 1 (f) Whether Defendants maintained accurate payroll records as required by
2 California Labor Code section 1174(d);
- 3 (g) Whether Defendants failed to pay Plaintiff and class members all vested
4 vacation time as wages at their final rate in accordance with the terms
5 and conditions of Defendants' employment contract and/or policy;
- 6 (h) Whether Defendants failed to pay earned overtime wages, minimum
7 wages, meal and rest period premiums, and/or vested vacation wages
8 due to Plaintiff and class members upon their discharge;
- 9 (i) Whether Defendants failed timely to pay overtime wages, minimum
10 wages, and/or meal and rest period premiums, due to Plaintiff and class
11 members during their employment;
- 12 (j) Whether Defendants failed to reimburse Plaintiff and class members for
13 necessary and required business-related expenditures and/or losses
14 incurred by them in the scope of their employment;
- 15 (k) Whether Defendants failed to provide written notice of information
16 material to Plaintiff's and class members' employment with Defendants;
- 17 (l) Whether Defendants engaged in unlawful and unfair business practices
18 in violation of California Business & Professions Code sections 17200,
19 *et seq.*; and
- 20 (m) The appropriate amount of damages, restitution, or monetary penalties
21 resulting from Defendants' violations of California law.

22 48. There is a well-defined community of interest in the litigation and the class
23 members are readily ascertainable:

- 24 (a) Numerosity: The class members are so numerous that joinder of all
25 members would be unfeasible and impractical. The membership of the
26 entire class is unknown to Plaintiff at this time; however, the class is
27 estimated to be greater than one hundred (100) individuals and the
28 identity of such membership is readily ascertainable by inspection of

Defendants' employment records.

- (b) Typicality: Plaintiff is qualified to, and will, fairly and adequately protect the interests of each class member with whom he has a well-defined community of interest, and Plaintiff's claims (or defenses, if any) are typical of all class members as demonstrated herein.
- (c) Adequacy: Plaintiff is qualified to, and 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 acknowledges that he has an obligation to make known to the Court any relationship, conflicts or differences with any class member. Plaintiff's attorneys, the proposed class counsel, are versed in the rules governing class action discovery, certification, and settlement. Plaintiff has incurred, and throughout the duration of this action, will continue to incur costs and attorneys' fees that have been, are, and will be necessarily expended for the prosecution of this action for the substantial benefit of each class member.
- (d) Superiority: The nature of this action makes the use of class action adjudication superior to other methods. A class action will achieve economies of time, effort, and expense as compared with separate lawsuits, and will avoid inconsistent outcomes because the same issues can be adjudicated in the same manner and at the same time for the entire class.
- (e) Public Policy Considerations: Employers in the State of California violate employment and labor laws every day. Current employees are often afraid to assert their rights out of fear of direct or indirect retaliation. Former employees are fearful of bringing actions because they believe their former employers might damage their future endeavors through negative references and/or other means. Class

actions provide the class members who are not named in the complaint with a type of anonymity that allows for the vindication of their rights while simultaneously protecting their privacy.

FIRST CAUSE OF ACTION

Violation of California Labor Code §§ 510 and 1198—Unpaid Overtime (Against all Defendants)

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

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

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

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

53. The applicable IWC Wage Order further provides that Defendants are and were required to pay Plaintiff and class members working more than twelve (12) hours in a day, overtime compensation at a rate of two (2) times their regular rate of pay. An employee’s regular rate of pay includes all remuneration for employment paid to, or on behalf of, the employee, including nondiscretionary bonuses and incentive pay.

54. California Labor Code section 510 codifies the right to overtime compensation

1 at one and one-half (1 ½) times the regular rate of pay for hours worked in excess of eight (8)
2 hours in a day or forty (40) hours in a week or for the first eight (8) hours worked on the
3 seventh (7th) day of work, and to overtime compensation at twice the employee's regular rate
4 of pay for hours worked in excess of twelve (12) hours in a day or in excess of eight (8) hours
5 in a day on the seventh (7th) day of work.

6 55. During the relevant time period, Defendants willfully failed to pay all overtime
7 wages owed to Plaintiff and class members. During the relevant time period, Plaintiff and
8 class members were not paid overtime premiums for all of the hours they worked in excess of
9 eight (8) hours in a day, in excess of twelve (12) hours in a day, and/or in excess of forty (40)
10 hours in a week, because all hours worked were not recorded.

11 56. First, during the relevant time period, Defendants had, and continue to have, a
12 company-wide policy and/or practice of discouraging and impeding Plaintiff and class
13 members from recording hours worked that were outside of their scheduled shifts in order to
14 limit the amount of overtime employees could accrue. On information and belief, this policy
15 of limiting overtime, coupled with Defendants' practices of understaffing and assigning heavy
16 workloads (*see infra*), led Plaintiff and class members to work off-the-clock outside of their
17 scheduled shift times in order to complete their assigned tasks. For example, Plaintiff was
18 required to complete tasks prior to the start of his shift, such as cleaning spills on the
19 warehouse floor and collecting and disposing of garbage, but, upon information and belief,
20 when Plaintiff attempted to clock in as soon as he reported to work, Defendants' management
21 would not permit him to clock in and record this time spent working until three (3) minutes
22 before the start of his scheduled shift. Thus, Defendants failed to track all of the time that
23 employees spent performing work-related tasks before their shifts, and Plaintiff and class
24 members received no compensation for this time.

25 57. Second, Defendants had, and continue to have, company-wide policies and/or
26 practices of understaffing their locations while assigning heavy workloads, including
27 pressuring employees to meet productivity expectations. Defendants' policies and/or practices
28 resulted in a failure to provide Plaintiff and class members with adequate meal period

1 coverage, and thus, Plaintiff and class members were not always afforded uninterrupted 30-
2 minute meal periods during shifts when they were entitled to receive a meal period. Also,
3 Defendants have systematically, and on a company-wide basis, understaffed their locations by
4 adopting a single-staffing model for some positions, whereby only one (1) employee was
5 scheduled to work at certain times, thereby failing to provide adequate meal period coverage
6 to permit those employees to take compliant meal periods. Defendants also had a practice of
7 failing to schedule meal periods, which further caused Plaintiff and class members to not be
8 relieved of their duties for compliant meal periods. For example, Plaintiff's meal periods
9 were often interrupted when he was required to unload inventory from delivery trucks that
10 arrived at Defendants' warehouse during his meal periods, due to the lack of coverage. As
11 another example, Defendants' managers would also interrupt Plaintiff's meal periods to
12 discuss tasks Plaintiff was to complete after he returned from his meal period. Defendants did
13 not compensate Plaintiff and class members for the time they spent working off the clock
14 during unpaid meal periods.

15 58. Defendants knew or should have known that as a result of these company-wide
16 practices and/or policies, Plaintiff and class members were performing their assigned duties
17 off-the-clock before their shifts and during meal periods, and were suffered or permitted to
18 perform work for which they were not paid. Because Plaintiff and class members worked
19 shifts of eight (8) hours or more a day, or forty (40) hours a week or more, some of this off-
20 the-clock work qualified for overtime premium pay. Therefore, Plaintiff and class members
21 were not paid overtime wages for all of the overtime hours they actually worked.

22 59. Defendants' failure to pay Plaintiff and class members the balance of overtime
23 compensation as required by California law, violates the provisions of California Labor Code
24 sections 510 and 1198. Pursuant to California Labor Code section 1194, Plaintiff and class
25 members are entitled to recover from Defendants their unpaid overtime compensation, as well
26 as interest, costs, and attorneys' fees.

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1 **SECOND CAUSE OF ACTION**

2 **Violation of California Labor Code §§ 1182.12, 1194, 1197, 1197.1, and 1198—Unpaid**
3 **Minimum Wages**
4 **(Against all Defendants)**

5 60. Plaintiff incorporates by reference and re-alleges as if fully stated herein each
6 and every allegation set forth above.

7 61. At all relevant times, California Labor Code sections 1182.12, 1194, 1197,
8 1197.1, and 1198 provide that the minimum wage for employees fixed by the IWC is the
9 minimum wage to be paid to employees, and the payment of a wage less than the minimum so
10 fixed is unlawful. Compensable work time is defined in IWC Wage Order No. 9-2001 as “the
11 time during which an employee is subject to the control of an employer, and includes all the
12 time the employee is suffered or permitted to work, whether or not required to do so.” Cal.
13 Code Regs. tit. 8, § 11090(2)(H) (defining “Hours Worked”).

14 62. As set forth above, as a result of Defendants’ policy of limiting the amount of
15 overtime employees could accrue, Defendants required Plaintiff and class members to perform
16 work off-the-clock before their scheduled shifts, such as as cleaning spills on the warehouse
17 floor and collecting and disposing of garbage. Defendants failed to track this time that
18 Plaintiff and class members spent working off-the-clock, and Plaintiff and class members
19 received no compensation for this time.

20 63. Further, as also stated, due to Defendants’ policies and/or practices of
21 understaffing their facilities while assigning heavy workloads, including pressure to meet
22 productivity expectations, and failing to schedule meal periods, Plaintiff and class members
23 were impeded from taking all uninterrupted meal periods to which they were entitled and were
24 required to work off-the-clock during meal periods, have their meal periods interrupted,
25 and/or were otherwise not relieved of all duties during unpaid meal periods.

26 64. Defendants did not pay minimum wages for all hours worked by Plaintiff and
27 class members. To the extent that these off-the-clock hours did not qualify for overtime
28 premium payment, Defendants did not pay at least minimum wages for those hours worked

1 off-the-clock in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and
2 1198.

3 65. Defendants' failure to pay Plaintiff and class members minimum wages violates
4 California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198. Pursuant to
5 California Labor Code section 1194.2, Plaintiff and class members are entitled to recover from
6 Defendants liquidated damages in an amount equal to the wages unlawfully unpaid and
7 interest thereon.

8 **THIRD CAUSE OF ACTION**

9 **Violations of California Labor Code §§ 226.7, 512(a), 516, and 1198—Meal Period**

10 **Violations**

11 **(Against all Defendants)**

12 66. Plaintiff incorporates by reference and re-alleges as if fully stated herein each
13 and every allegation set forth above.

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

21 68. At all relevant times herein set forth, California Labor Code sections 226.7,
22 512(a), 516, and 1198 provide that no employer shall require an employee to work during any
23 meal period mandated by an applicable order of the IWC.

24 69. At all relevant times herein set forth, Labor Code sections 226.7 and 512(a),
25 and the applicable IWC Wage Order also require employers to provide a second meal period
26 of not less than thirty (30) minutes if an employee works over ten (10) hours per day or to pay
27 an employee one (1) additional hour of pay at the employee's regular rate, except that if the
28 total hours worked is no more than twelve (12) hours, the second meal period may be waived

1 by mutual consent of the employer and the employee only if the first meal period was not
2 waived.

3 70. As stated, Defendants had, and continue to have, company-wide policies and/or
4 practices of understaffing and/or single-staffing while assigning heavy workloads, including
5 pressuring employees to meet productivity expectations, which has resulted in a lack of meal
6 period coverage and prevented Plaintiff and class members from taking all timely,
7 uninterrupted meal periods to which they were entitled. Further, as stated, Defendants had a
8 company-wide practice and/or policy of failing to schedule meal periods, which further caused
9 Plaintiff and class members to not be relieved of their duties for compliant meal periods.

10 71. As a result, Plaintiff and class members had to work through all or part of their
11 meal periods, had their meal periods interrupted, and/or had to wait extended periods of time
12 before taking meal periods. For example, as stated, Plaintiff's meal periods were often
13 interrupted when he was required to unload inventory from delivery trucks that arrived at
14 Defendants' warehouse during his meal periods or to discuss with management the tasks he
15 was to complete after he returned from his meal period. Additionally, Plaintiff took his meal
16 periods late, after the fifth hour of work, due to the lack of coverage and instruction from
17 Defendants' managers to immediately attend to inventory trucks arriving at Defendants'
18 warehouse before taking his meal period. Plaintiff and class members did not sign valid meal
19 period waivers on days that they were entitled to meal periods and were not relieved of all
20 duties.

21 72. At all times herein mentioned, Defendants knew or should have known that, as
22 a result of these policies, Plaintiff and class members were prevented from being relieved of
23 all duties and required to perform some of their assigned duties during meal periods.
24 Defendants further knew or should have known that Defendants did not pay Plaintiff and class
25 members meal period premiums when meal periods were missed, shortened, interrupted,
26 and/or late.

27 73. Moreover, Defendants engaged in a company-wide practice and/or policy of
28 not paying meal period premiums owed when compliant meal periods are not provided.

1 Because of this practice and/or policy, Plaintiff and class members have not received premium
2 pay for missed, late, and interrupted meal periods. As a result, Defendants failed to provide
3 Plaintiff and class members compliant meal periods in violation of California Labor Code
4 sections 226.7, 512(a), and 516 and failed to pay the full meal period premiums due.

5 74. Defendants' conduct violates the applicable IWC Wage Order, and California
6 Labor Code sections 226.7, 512(a), 516, and 1198. Plaintiff and class members are therefore
7 entitled to recover from Defendants one (1) additional hour of pay at the employee's regular
8 rate of compensation for each work day that the meal period was not provided.

9 **FOURTH CAUSE OF ACTION**

10 **Violation of California Labor Code §§ 226.7, 516, and 1198—Rest Period Violations** 11 **(Against all Defendants)**

12 75. Plaintiff incorporates by reference and re-alleges as if fully stated herein each
13 and every allegation set forth above.

14 76. At all relevant times herein set forth, the applicable IWC Wage Order and
15 California Labor Code sections 226.7, 516, and 1198 were applicable to Plaintiff's and class
16 members' employment by Defendants.

17 77. At all relevant times, the applicable IWC Wage Order provides that "[e]very
18 employer shall authorize and permit all employees to take rest periods, which insofar as
19 practicable shall be in the middle of each work period" and that the "rest period time shall be
20 based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4)
21 hours or major fraction thereof" unless the total daily work time is less than three and one-half
22 (3 ½) hours.

23 78. At all relevant times, California Labor Code section 226.7 provides that no
24 employer shall require an employee to work during any rest period mandated by an applicable
25 order of the California IWC. To comply with its obligation to authorize and permit rest
26 periods under California Labor Code section 226.7 and the applicable IWC Wage Order, an
27 employer must "relinquish any control over how employees spend their break time, and
28 relieve their employees of all duties—including the obligation that an employee remain on

1 call. A rest period, in short, must be a period of rest.” *Augustus v. ABM Security Services,*
2 *Inc.*, 2 Cal. 5th 257, 273 (2016). California Labor Code section 226.7 and the applicable IWC
3 Wage Order also provide that rest periods shall be counted as hours worked for which there
4 shall be no deduction from wages.

5 79. Pursuant to the applicable IWC Wage Order and California Labor Code section
6 226.7(c), Plaintiff and class members are entitled to recover from Defendants one (1)
7 additional hour of pay at their regular rates of pay for each work day that a required rest
8 period was not authorized and permitted.

9 80. During the relevant time period, Defendants regularly failed to authorize and
10 permit Plaintiff and class members to take a ten (10) minute rest period per each four (4) hour
11 period worked or major fraction thereof. As with meal periods, Defendants’ company-wide
12 practices, including understaffing and/or single staffing and assigning heavy workloads,
13 prevented Plaintiff and class members from being relieved of all duty to take rest periods.
14 Additionally, Defendants failed to schedule rest periods, which, coupled with Defendants’
15 failure to provide adequate rest period coverage, further led to Plaintiff and class members not
16 being authorized and permitted to take rest periods.

17 81. Furthermore, on information and belief, Defendants maintained and
18 implemented a company-wide on-premises rest period policy, which effectively required that
19 Plaintiff and class members remain on the premises during their rest periods. Because
20 Plaintiff and class members were restricted from leaving Defendants’ premises during rest
21 periods, they were denied the ability to use their rest periods freely for their own purposes,
22 such as completing personal errands. Thus, Defendants effectively maintained control over
23 Plaintiff and class members during rest periods.

24 82. As a result of Defendants’ practices and policies, Plaintiff and class members
25 worked shifts in excess of 3.5 hours, in excess of 6 hours, and/or in excess of 10 hours without
26 receiving all uninterrupted rest periods to which they were entitled. For example, Plaintiff
27 occasionally missed his rest periods due to the lack of coverage and Defendants’ failure to
28 schedule rest periods for employees.

83. Defendants have also engaged in a company-wide practice and/or policy of not paying rest period premiums owed when compliant rest periods are not authorized and permitted. Because of this practice and/or policy, Plaintiff and class members have not received premium pay for all missed rest periods.

84. Defendants' conduct violates the applicable IWC Wage Order and California Labor Code sections 226.7, 516, and 1198. Plaintiff and class members are therefore entitled to recover from Defendants one (1) additional hour of pay at the employee's regular rate of compensation for each work day that a compliant rest period was not authorized and permitted.

FIFTH CAUSE OF ACTION

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

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

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

87. At all relevant times, Defendants have knowingly and intentionally provided Plaintiff and Subclass members with uniform, incomplete, and inaccurate wage statements. For example, Defendants issued uniform wage statements to Plaintiff and Subclass members that fail to correctly list: gross wages earned; total hours worked; net wages earned; and all applicable hourly rates in effect during the pay period, including rates of pay for overtime wages, and the corresponding number of hours worked at each hourly rate. Specifically, Defendants violated sections 226(a)(1), 226(a)(2), 226(a)(5), and 226(a)(9).

88. Because Defendants did not record the time Plaintiff and Subclass members

1 spent working off the clock, Defendants did not list the correct amount of gross wages and net
2 wages earned by Plaintiff and Subclass members in compliance with sections 226(a)(1) and
3 226(a)(5). For the same reason, Defendants failed to accurately list the total number of hours
4 worked by Plaintiff and Subclass members, in violation of section 226(a)(2), and failed to list
5 the applicable hourly rates of pay in effect during the pay period and the corresponding
6 accurate number of hours worked at each hourly rate, in violation of section 226(a)(9).

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

15 90. California Labor Code section 1174(d) provides that “[e]very person employing
16 labor in this state shall . . . [k]eep a record showing the names and addresses of all employees
17 employed and the ages of all minors” and “[k]eep, at a central location in the state or at the
18 plants or establishments at which employees are employed, payroll records showing the hours
19 worked daily by and the wages paid to, and the number of piece-rate units earned by and any
20 applicable piece rate paid to, employees employed at the respective plants or
21 establishments” At all relevant times, and in violation of Labor Code section 1174(d),
22 Defendants willfully failed to maintain accurate payroll records for Plaintiff and Subclass
23 members showing the daily hours they worked and the wages paid thereto as a result of failing
24 to record the off-the-clock hours that they worked.

25 91. California Labor Code section 1198 provides that the maximum hours of work
26 and the standard conditions of labor shall be those fixed by the Labor Commissioner and as
27 set forth in the applicable IWC Wage Order. Section 1198 further provides that “[t]he
28 employment of any employees for longer hours than those fixed by the order or under

conditions of labor prohibited by the order is unlawful.” Pursuant to the applicable IWC Wage Order, employers are required to keep accurate time records showing when the employee begins and ends each work period and meal period. During the relevant time period, Defendants engaged in company-wide practices and/or policies of failing to record actual hours worked, and thereby failed to keep accurate records of work period and meal period start and end times for Plaintiff and Subclass members, in violation of section 1198.

92. Plaintiff and Subclass members are entitled to recover from Defendants the greater of their actual damages caused by Defendants’ failure to comply with California Labor Code section 226(a), or an aggregate penalty not exceeding four thousand dollars (\$4,000) per employee.

SIXTH CAUSE OF ACTION

Violation of California Labor Code § 227.3—Failure to Pay All Vested Vacation Time Upon Termination (Against all Defendants)

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

94. At all relevant times herein set forth, California Labor Code section 227.3 provides that whenever a contract of employment or employer policy provides for paid vacations, and an employee is terminated without having taken his or her vested vacation time, all vested vacation shall be paid to him or her as wages at his or her final rate in accordance with such contract of employment or employer policy respecting eligibility or time served.

95. During the relevant time period, Defendants had a company-wide policy and practice of failing to pay Plaintiff and class members vested vacation wages that were owed to them at the end of their employment, in violation of California Labor Code section 227.3. For example, Plaintiff had earned vested vacation pay until his employment with Defendants ended on or about December 8, 2023. However, Defendants did not pay Plaintiff the balance of his accrued and unused vacation wages at the end of his employment.

96. Defendants' failure to pay Plaintiff and class members all vested vacation wages at the end of their employment has caused a forfeiture of vested vacation wages, in violation of California Labor Code section 227.3. Accordingly, Plaintiff and Subclass members are entitled to recover from their unpaid vested vacation wages due to them, plus interest.

SEVENTH CAUSE OF ACTION

Violation of California Labor Code §§ 201 and 202—Wages Not Timely Paid Upon Termination
(Against all Defendants)

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

98. This cause of action is dependent upon, and wholly derivative of, the overtime wages, minimum wages, meal and rest period premiums, and/or vested vacation wages that were not timely paid to Plaintiff those class members no longer employed by Defendants upon their termination.

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

100. Defendants willfully failed to pay Plaintiff and class members who are no longer employed by Defendants the earned and unpaid wages set forth above, including but not limited to, overtime wages, minimum wages, meal and rest period premiums, and/or vested vacation wages, either at the time of discharge, or within seventy-two (72) hours of their leaving Defendants' employ.

101. Defendants' failure to pay Plaintiff and class members who are no longer

1 employed by Defendants their wages earned and unpaid at the time of discharge, or within
2 seventy-two (72) hours of their leaving Defendants' employ, violates Labor Code sections 201
3 and 202. Plaintiff and class members are therefore entitled to recover from Defendants the
4 statutory penalty wages for each day they were not paid, at their regular rate of pay, up to a
5 thirty (30) day maximum pursuant to California Labor Code section 203.

6 **EIGHTH CAUSE OF ACTION**

7 **Violation of California Labor Code § 204—Failure to Timely Pay Wages During** 8 **Employment** 9 **(Against all Defendants)**

10 102. Plaintiff incorporates by reference and re-alleges as if fully stated herein each
11 and every allegation set forth above.

12 103. This cause of action is dependent upon, and wholly derivative of, the overtime
13 wages, minimum wages, and/or meal and rest period premiums that were not timely paid to
14 Plaintiff and class members during their employment.

15 104. At all times relevant herein set forth, Labor Code section 204 provides that all
16 wages earned by any person in any employment between the first (1st) and the fifteenth (15th)
17 days, inclusive, of any calendar month, other than those wages due upon termination of an
18 employee, are due and payable between the sixteenth (16th) and the twenty-sixth (26th) day of
19 the month during which the labor was performed.

20 105. At all times relevant herein, Labor Code section 204 provides that all wages
21 earned by any person in any employment between the sixteenth (16th) and the last day,
22 inclusive, of any calendar month, other than those wages due upon termination of an
23 employee, are due and payable between the first (1st) and the tenth (10th) day of the following
24 month.

25 106. At all times relevant herein, Labor Code section 204 provides that all wages
26 earned for labor in excess of the normal work period shall be paid no later than the payday for
27 the next regular payroll period. Alternatively, at all times relevant herein, Labor Code section
28 204 provides that the requirements of this section are deemed satisfied by the payment of

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

107. During the relevant time period, Defendants willfully failed to pay Plaintiff and class members all wages due including, but not limited to, overtime wages, minimum wages, and/or meal and rest period premiums, within the time periods specified by California Labor Code section 204.

108. Defendants' failure to pay Plaintiff and class members all wages due violates Labor Code section 204. Plaintiff and class members are therefore entitled to recover from Defendants the statutory penalty wages pursuant to California Labor Code section 210.

NINTH CAUSE OF ACTION

Violation of California Labor Code § 2802—Unpaid Business-Related Expenses (Against all Defendants)

109. Plaintiff incorporates by reference and re-alleges as if fully stated herein each and every allegation set forth above. At all times herein set forth, California Labor Code section 2802 provides that an employer must reimburse employees for all necessary expenditures and losses incurred by the employee in the performance of his or her job. The purpose of Labor Code section 2802 is to prevent employers from passing off their cost of doing business and operating expenses on to their employees. *Cochran v. Schwan's Home Service, Inc.*, 228 Cal. App. 4th 1137, 1144 (2014). The applicable wage order, IWC Wage Order No. 9-2001, provides that: "[w]hen the employer requires the use of tools or equipment or are necessary to the performance of a job, such tools and equipment shall be provided and maintained by the employer, except that an employee whose wages are at least two (2) times the minimum wage provided herein may provide and maintain hand tools and equipment customarily required by the trade or craft."

110. During the relevant time period, Defendants, on a company-wide basis, required that Plaintiff and class members use their own personal vehicles to travel to different drug testing facilities to take mandatory drug tests. For example, approximately four (4) times per year, Plaintiff was required to travel a total of 30-40 minutes to and from a drug testing

1 facility chosen by Defendants. Although Defendants required Plaintiff and class members to
2 utilize their personal vehicles to carry out their work-related responsibilities, Defendants
3 failed to reimburse them for their mileage or travel expenses.

4 111. Defendants could have provided Plaintiff and class members with company
5 vehicles, or, Defendants could have reimbursed employees for the cost of their mileage and
6 travel expenses. Instead, Defendants passed these operating costs off onto Plaintiff and class
7 members.

8 112. Defendants' company-wide policy and/or practice of not reimbursing
9 employees for expenses necessarily incurred and passing on their operating costs to Plaintiff
10 and class members violates California Labor Code section 2802. Defendants have
11 intentionally and willfully failed to reimburse Plaintiff and class members for necessary
12 business-related expenses and costs.

13 113. Plaintiff and class members are entitled to recover from Defendants their
14 business-related expenses incurred during the course and scope of their employment, plus
15 interest.

16 **TENTH CAUSE OF ACTION**

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

18 **(Against all Defendants)**

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

21 115. California Labor Code §§ 2698, *et seq.* ("PAGA") permits Plaintiff to recover
22 civil penalties for the violation(s) of the Labor Code sections enumerated in Labor Code
23 section 2699.5. Section 2699.5 enumerates Labor Code sections 201, 202, 204, 226(a), 226.7,
24 227.3, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, and 2802. Labor Code section
25 2699.3(c) permits aggrieved employees, including Plaintiff, to recover civil penalties for
26 violations of those Labor Code sections not found in section 2699.5, including sections 516,
27 1182.12, 1198.5, and 2810.5.

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

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

- 2 (a) Violation of Labor Code sections 510 and 1198, and the applicable IWC
3 Wage Order for Defendants' failure to compensate Plaintiff and other
4 aggrieved employees with all required overtime pay, as alleged herein;
- 5 (b) Violation of Labor Code sections 1182.12, 1194, 1197, 1197.1, and
6 1198, and the applicable IWC Wage Order for Defendants' failure to
7 compensate Plaintiff and other aggrieved employees with at least
8 minimum wages for all hours worked, as alleged herein;
- 9 (c) Violation of Labor Code sections 226.7, 512(a), 516, and 1198, and the
10 applicable IWC Wage Order for Defendants' failure to provide Plaintiff
11 and other aggrieved employees with meal periods, as alleged herein;
- 12 (d) Violation of Labor Code sections 226.7, 516, and 1198, and the
13 applicable IWC Wage Order for Defendants' failure to authorize and
14 permit Plaintiff and other aggrieved employees to take rest periods, as
15 alleged herein;
- 16 (e) Violation of Labor Code sections 226(a) and 1198, and the applicable
17 IWC Wage Order for failure to provide accurate and complete wage
18 statements to Plaintiff and other aggrieved employees, as alleged herein;
- 19 (f) Violation of Labor Code sections 1174(d) and 1198, and the applicable
20 IWC Wage Order for failure to maintain payroll records, as alleged
21 herein;
- 22 (g) Violation of Labor Code sections 201 and 202 for failure to pay all
23 earned wages upon termination, as alleged herein;
- 24 (h) Violation of Labor Code section 227.3 for failure to pay Plaintiff and
25 other aggrieved employees all vested vacation time upon termination, as
26 alleged herein;
- 27 (i) Violation of Labor Code section 204 for failure to pay all earned wages
28 during employment, as alleged herein;

(j) Violation of Labor Code section 2802 for failure to reimburse Plaintiff and other aggrieved employees for all business expenses necessarily incurred, as alleged herein; and

(k) Violation of Labor Code section 2810.5 for failure to provide notice of material terms of employment, as set forth below.

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

118. At all relevant times, on information and belief, Defendants failed, on a company-wide basis, to provide written notice to Plaintiff and other aggrieved employees that lists the requisite information set forth in Labor Code section 2810.5(a)(1)(A)-(C). Defendants' failure to provide Plaintiff and other aggrieved employees with written notice of basic information regarding their employment with Defendants is in violation of California Labor Code section 2810.5. Plaintiff and other aggrieved employees are therefore entitled to recover civil penalties pursuant to Labor Code sections 2699(a), (f), and (g).

ELEVENTH CAUSE OF ACTION

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

Unlawful Business Practices

(Against all Defendants)

119. Plaintiff incorporates by reference and re-alleges as if fully stated herein each

1 and every allegation set forth above.

2 120. Defendants are “persons” as defined by California Business & Professions
3 Code section 17201, as they are corporations, firms, partnerships, joint stock companies,
4 and/or associations.

5 121. Defendants’ conduct, as alleged herein, has been, and continues to be, unfair,
6 unlawful and harmful to Plaintiff, class members, and to the general public. Plaintiff has
7 suffered injury in fact and has lost money as a result of Defendants’ unlawful business
8 practices. Plaintiff seeks to enforce important rights affecting the public interest within the
9 meaning of Code of Civil Procedure section 1021.5.

10 122. Defendants’ activities, as alleged herein, are violations of California law, and
11 constitute unlawful business acts and practices in violation of California Business &
12 Professions Code sections 17200, *et seq.*

13 123. A violation of California Business & Professions Code sections 17200, *et seq.*
14 may be predicated on the violation of any state or federal law. In the instant case, Defendants’
15 policies and practices have violated state law in at least the following respects:

- 16 (a) Requiring non-exempt, hourly paid employees, including Plaintiff and
17 class members, to work overtime without paying them proper
18 compensation in violation of California Labor Code sections 510 and
19 1198, and the applicable IWC Wage Order, as alleged herein;
- 20 (b) Failing to pay at least minimum wage to Plaintiff and class members in
21 violation of California Labor Code sections 1182.12, 1194, 1197,
22 1197.1, and 1198, and the applicable IWC Wage Order, as alleged
23 herein;
- 24 (c) Failing to provide all meal periods to Plaintiff and class members in
25 violation of California Labor Code sections 226.7, 512(a), 516, and
26 1198, and the applicable IWC Wage Order, as alleged herein;
- 27 (d) Failing to authorize and permit Plaintiff and class members to take all
28 rest periods in violation of California Labor Code sections 226.7, 516,

- 1 and 1198, and the applicable IWC Wage Order, as alleged herein;
- 2 (e) Failing to provide Plaintiff and class members with accurate wage
- 3 statements and failing to maintain accurate payroll records in violation
- 4 of California Labor Code sections 226(a), 1174(d), and 1198, and the
- 5 applicable IWC Wage Order, as alleged herein;
- 6 (f) Failing to pay all vested vacation wages to Plaintiff and class members
- 7 upon termination in violation of California Labor Code section 227.3, as
- 8 alleged herein;
- 9 (g) Failing timely to pay all earned wages to Plaintiff and class members in
- 10 violation of California Labor Code section 204, as alleged herein;
- 11 (h) Failing to reimburse Plaintiff and class members for all business
- 12 expenses necessarily incurred in violation of California Labor Code
- 13 section 2802, as alleged herein; and
- 14 (i) Failing to provide written notice of information material to Plaintiff's
- 15 and class members' employment with Defendants in violation of
- 16 California Labor Code section 2810.5(a)(1)(A)-(C), as set forth below.

17 124. At all relevant times herein, California's Wage Theft Prevention Act was

18 enacted to ensure that employers provide employees with basic information material to their

19 employment relationship at the time of hiring, and to ensure that employees are given written

20 and timely notice of any changes to basic information material to their employment. Codified

21 at California Labor Code section 2810.5, the Wage Theft Prevention Act provides that at the

22 time of hiring, an employer must provide written notice to employees containing basic and

23 material payroll information, including, among other things, the rate(s) of pay and basis

24 thereof, whether paid by the hour, shift, day, week, salary, piece, commission, or otherwise,

25 including any rates for overtime, the regular payday designated by the employer, and any

26 allowances claims as part of the minimum wage, including meal or lodging allowances. Labor

27 Code § 2810.5(a)(1)(A)-(C).

28 125. At all relevant times, on information and belief, Defendants failed, on a

1 company-wide basis, to provide written notice to Plaintiff and class members that lists the
2 requisite information set forth in Labor Code section 2810.5(a)(1)(A)-(C). Defendants' failure
3 to provide Plaintiff and class members with written notice of basic information regarding their
4 employment with Defendants is in violation of California Labor Code section 2810.5.

5 126. As a result of the violations of California law herein described, Defendants
6 unlawfully gained an unfair advantage over other businesses. Plaintiff and class members
7 have suffered pecuniary loss by Defendants' unlawful business acts and practices alleged
8 herein.

9 127. Pursuant to California Business & Professions Code sections 17200, *et seq.*,
10 Plaintiff and class members are entitled to restitution of the wages withheld and retained by
11 Defendants during a period that commences four years prior to the filing of the initial
12 complaint; a permanent injunction requiring Defendants to pay all outstanding wages due to
13 Plaintiff and class members; and an award of attorneys' fees pursuant to California Code of
14 Civil Procedure section 1021.5 and other applicable laws; and an award of costs.

15 **TWELFTH CAUSE OF ACTION**

16 **Violation of California Business & Professions Code §§ 17200, *et seq.* –**

17 **Unfair Business Practices**

18 **(Against all Defendants)**

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

21 129. Defendants are "persons" as defined by California Business & Professions
22 Code section 17201, as they are corporations, firms, partnerships, joint stock companies,
23 and/or associations.

24 130. Defendants' conduct, as alleged herein, has been, and continues to be, unfair,
25 and harmful to Plaintiff, class members, and to the general public. Plaintiff has suffered
26 injury in fact and has lost money as a result of Defendants' unfair business practices. Plaintiff
27 seeks to enforce important rights affecting the public interest within the meaning of Code of
28 Civil Procedure section 1021.5.

131. Defendants’ activities, namely Defendants’ company-wide practice and/or policy of not paying Plaintiff and class members all meal and rest period premiums due to them under Labor Code section 226.7, deprived Plaintiff and class members of the compensation guarantee and enhanced enforcement implemented by section 226.7. The statutory remedy provided by section 226.7 is a “‘dual-purpose’ remedy intended primarily to compensate employees, and secondarily to shape employer conduct.” *Safeway, Inc. v. Superior Court*, 238 Cal. App. 4th 1138, 1149 (2015). The statutory benefits of section 226.7 were guaranteed to Plaintiff and class members as part of their employment with Defendants, and thus Defendants’ practice and/or policy of denying these statutory benefits constitutes an unfair business practice in violation of California Business & Professions Code sections 17200, *et seq.* (*Id.*)

132. A violation of California Business & Professions Code sections 17200, *et seq.* may be predicated on any unfair business practice. In the instant case, Defendants’ policies and practices have violated the spirit of California’s meal and rest period laws and constitute acts against the public policy behind these laws.

133. Pursuant to California Business & Professions Code sections 17200, *et seq.*, Plaintiff and class members are entitled to restitution for the class-wide loss of the statutory benefits implemented by section 226.7 withheld and retained by Defendants during a period that commences four years prior to the filing of the initial complaint; a permanent injunction requiring Defendants to pay all statutory benefits implemented by section 226.7 due to Plaintiff and class members; an award of attorneys’ fees pursuant to California Code of Civil Procedure section 1021.5 and other applicable laws; and an award of costs.

REQUEST FOR JURY TRIAL

Plaintiff requests a trial by jury.

PRAYER FOR RELIEF

Plaintiff, on behalf of all others similarly situated, prays for relief and judgment against Defendants, jointly and severally, as follows:

1. For damages, unpaid wages, penalties, injunctive relief, and attorneys’ fees in

1 excess of twenty-five thousand dollars (\$25,000), exclusive of interest and costs. Plaintiff
2 reserves the right to amend his prayer for relief to seek a different amount.

3 **Class Certification**

4 2. That this case be certified as a class action;

5 3. That Plaintiff be appointed as the representative of the Class and Subclass;

6 4. That counsel for Plaintiff be appointed as class counsel.

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

8 5. That the Court declare, adjudge, and decree that Defendants violated California
9 Labor Code sections 510 and 1198, and the applicable IWC Wage Order by willfully failing to
10 pay all overtime wages due to Plaintiff and class members;

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

13 7. For pre-judgment interest on any unpaid overtime compensation commencing
14 from the date such amounts were due, or as otherwise provided by law;

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

17 9. For such other and further relief as the Court may deem equitable and
18 appropriate.

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

20 10. That the Court declare, adjudge and decree that Defendants violated California
21 Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198, and the applicable IWC Wage
22 Order by willfully failing to pay minimum wages to Plaintiff and class members;

23 11. For general unpaid wages and such general and special damages as may be
24 appropriate;

25 12. For pre-judgment interest on any unpaid compensation from the date such
26 amounts were due, or as otherwise provided by law;

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

1 14. For liquidated damages pursuant to California Labor Code section 1194.2; and
2 15. For such other and further relief as the Court may deem equitable and
3 appropriate.

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

5 16. That the Court declare, adjudge, and decree that Defendants violated California
6 Labor Code sections 226.7, 512(a), 516, and 1198, and the applicable IWC Wage Order by
7 willfully failing to provide all meal periods to Plaintiff and class members;

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

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

13 19. For premiums pursuant to California Labor Code section 226.7(c);

14 20. For pre-judgment interest on any unpaid meal period premiums from the date
15 such amounts were due, or as otherwise provided by law;

16 21. For attorneys' fees pursuant to California Code of Civil Procedure section
17 1021.5, or as otherwise provided by law; and

18 22. For such other and further relief as the Court may deem equitable and
19 appropriate.

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

21 23. That the Court declare, adjudge and decree that Defendants violated California
22 Labor Code sections 226.7, 516, and 1198, and the applicable IWC Wage Order by willfully
23 failing to authorize and permit Plaintiff and class members to take all rest periods;

24 24. That the Court make an award to the Plaintiff and class members of one (1) hour
25 of pay at each employee's regular rate of pay for each workday that a rest period was not
26 authorized and permitted;

27 25. For all actual, consequential, and incidental losses and damages, according to
28 proof;

- 1 26. For premiums pursuant to California Labor Code section 226.7(c);
- 2 27. For pre-judgment interest on any unpaid rest period premiums from the date
- 3 such amounts were due, or as otherwise provided by law;
- 4 28. For attorneys' fees pursuant to California Code of Civil Procedure section
- 5 1021.5, or as otherwise provided by law; and
- 6 29. For such other and further relief as the Court may deem equitable and
- 7 appropriate.

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

- 9 30. That the Court declare, adjudge and decree that Defendants violated the
- 10 recordkeeping provisions of California Labor Code section 226(a) and the applicable IWC
- 11 Wage Order as to Plaintiff and Subclass members, and willfully failed to provide accurate
- 12 itemized wage statements thereto;
- 13 31. For all actual, consequential, and incidental losses and damages, according to
- 14 proof;
- 15 32. For injunctive relief pursuant to California Labor Code section 226(h);
- 16 33. For statutory penalties pursuant to California Labor Code section 226(e);
- 17 34. For attorneys' fees and costs pursuant to California Labor Code section
- 18 226(e)(1); and
- 19 35. For such other and further relief as the Court may deem equitable and
- 20 appropriate.

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

- 22 36. That the Court declare, adjudge and decree that Defendants violated California
- 23 Labor Code section 227.3 by willfully failing to pay vested vacation wages owed at the time
- 24 of termination of the employment of Plaintiff and other terminated class members;
- 25 37. For all actual, consequential, and incidental losses and damages, according to
- 26 proof;
- 27 38. For prejudgment interest on any unpaid wages from the date of such amounts
- 28 were due, or as otherwise provided by law;

1 39. For attorneys' fees and costs pursuant to California Labor Code section 1021.5,
2 or as otherwise provided by law; and

3 40. For such other and further relief as the Court may deem equitable and
4 appropriate.

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

6 41. That the Court declare, adjudge and decree that Defendants violated California
7 Labor Code sections 201 and 202 by willfully failing to pay overtime wages, minimum wages,
8 meal and rest period premiums, and/or vested vacation wages owed at the time of termination
9 of the employment of Plaintiff and other terminated class members;

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

12 43. For waiting time penalties according to proof pursuant to California Labor
13 Code section 203 for all employees who have left Defendants' employ;

14 44. For pre-judgment interest on any unpaid wages from the date such amounts
15 were due, or as otherwise provided by law;

16 45. For attorneys' fees pursuant to California Code of Civil Procedure section
17 1021.5, or as otherwise provided by law; and

18 46. For such other and further relief as the Court may deem equitable and
19 appropriate.
20

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

22 47. That the Court declare, adjudge and decree that Defendants violated California
23 Labor Code section 204 by willfully failing to timely pay Plaintiff and class members
24 overtime wages, minimum wages, and/or meal and rest period premiums, during their
25 employment;

26 48. For all actual, consequential and incidental losses and damages, according to
27 proof;

28 49. For statutory penalties according to proof pursuant to California Labor Code

1 section 210;

2 50. For pre-judgment interest on any unpaid wages from the date such amounts
3 were due, or as otherwise provided by law;

4 51. For attorneys' fees pursuant to California Code of Civil Procedure section
5 1021.5, or as otherwise provided by law; and

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

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

9 53. That the Court declare, adjudge and decree that Defendants violated California
10 Labor Code section 2802 by willfully failing to reimburse and/or indemnify all business-
11 related expenses and costs incurred by Plaintiff and class members;

12 54. For unpaid business-related expenses and such general and special damages as
13 may be appropriate;

14 55. For pre-judgment interest on any unpaid business-related expenses from the
15 date such amounts were due, or as otherwise provided by law;

16 56. For all actual, consequential, and incidental losses and damages, according to
17 proof;

18 57. For attorneys' fees and costs pursuant to California Labor Code section
19 2802(c), or as otherwise provided by law; and

20 58. For such other and further relief as the Court may deem equitable and
21 appropriate.

22 **As to the Tenth Cause of Action**

23 59. That the Court declare, adjudge and decree that Defendants violated the
24 following California Labor Code provisions as to Plaintiff and/or other aggrieved employees:
25 510 and 1198 (by failing to pay all overtime compensation); 1182.12, 1194, 1197, 1197.1, and
26 1198 (by failing to pay at least minimum wages for all hours worked); 226.7, 512(a), 516, and
27 1198 (by failing to provide all meal periods); 226.7, 516, and 1198 (by failing to authorize and
28 permit all rest periods); 226(a), 1174(d), and 1198 (by failing to provide accurate wage

statements and maintain accurate payroll records); 227.3 (by failing to pay all vested vacation days upon termination); 201 and 202 (by failing to timely pay all earned wages upon termination); 204 (by failing to timely pay all earned wages during employment); 2802 (by failing to reimburse business expenses; and 2810.5 (by failing to provide notice of material terms of employment);

60. For civil penalties pursuant to the California Labor Code, including sections 210, 226.3, 256, 558, 1174.5, 2699(a), (f), and (g), for violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 227.3, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2802, and 2810.5;

61. For attorneys' fees and costs pursuant to California Labor Code section 2699(g)(1), and any and all other relevant statutes, for Defendants' violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 227.3, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2802, and 2810.5;

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

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

As to the Eleventh Cause of Action

64. That the Court declare, adjudge and decree that Defendants' conduct of failing to provide Plaintiff and class members all overtime wages due to them, failing to provide Plaintiff and class members all minimum wages due to them, failing to provide Plaintiff and class members all meal periods, failing to authorize and permit Plaintiff and class members to take all rest periods, failing to provide Plaintiff and class members accurate and complete wage statements, failing to maintain accurate payroll records for Plaintiff and class members, , failing to pay Plaintiff and class members all vested vacation wages, failing to timely pay Plaintiff and class members all earned wages during employment, failing to reimburse Plaintiff and class members for business-related expenses, and failing to provide written notice of material terms of employment, constitutes an unlawful business practice in violation of California Business and Professions Code sections 17200, *et seq.*;

1 65. For restitution of unpaid wages to Plaintiff and all class members and
2 prejudgment interest from the day such amounts were due and payable;

3 66. For the appointment of a receiver to receive, manage, and distribute any and all
4 funds disgorged from Defendants and determined to have been wrongfully acquired by
5 Defendants as a result of violations of California Business & Professions Code sections
6 17200, *et seq.*;

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

9 68. For such other and further relief as the Court may deem equitable and
10 appropriate.

11 **As to the Twelfth Cause of Action**

12 69. That the Court declare, adjudge and decree that Defendants' conduct of denying
13 Plaintiff and class members the statutory benefits guaranteed under section 226.7 constitutes
14 an unfair business practice in violation of California Business and Professions Code sections
15 17200, *et seq.*;

16 70. For restitution of the statutory benefits under section 226.7 unfairly withheld
17 from Plaintiff and class members and prejudgment interest from the day such amounts were
18 due and payable;

19 71. For the appointment of a receiver to receive, manage, and distribute any and all
20 funds disgorged from Defendants and determined to have been wrongfully acquired by
21 Defendants as a result of violations of California Business & Professions Code sections
22 17200, *et seq.*;

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

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

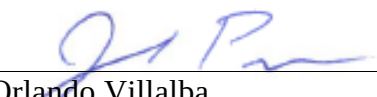
26 74. For such other and further relief as the Court may deem equitable and
27 appropriate.

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Dated: November 13, 2024

Respectfully submitted,
Capstone Law APC

By: 
Orlando Villalba
Helga Hakimi
Joseph D. Parsons

Attorneys for Plaintiff Luis Corona

EXHIBIT “1”



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March 26, 2024

VIA ONLINE SUBMISSION

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

Subject: *Luis Corona v. S. P. Richards Company*

Dear PAGA Administrator:

This office represents Luis Corona in connection with his claims under the California Labor Code. Mr. Corona was an employee of S. P. RICHARDS COMPANY (doing business as California as “, GEORGIA S. P. RICHARDS COMPANY”) (“SPR”).

The employer may be contacted directly at the address below:

S. P. RICHARDS COMPANY
4300 WILDWOOD PARKWAY
ATLANTA, GA 30339

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

SPR employed Mr. Corona as an hourly paid, non-exempt employee from approximately June 2016 to April 2023. Mr. Corona worked for SPR as a Maintenance Employee, Warehouse Associate, and Order Puller at its facility in Mira Loma, California. During his employment, Mr. Corona typically worked eight (8) hours or more per day and five (5) days or more per week. At the time his employment ended, Mr. Corona was compensated approximately \$22.63 per hour. His primary job duties included, without limitation, folding cardboard boxes of various sizes and disposing of them in the compactor, operating forklifts, unloading inventory from trucks, dismantling defective furniture, sweeping, and mopping.

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

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

S. P. RICHARDS COMPANY (doing business in California as “, GEORGIA S. P. RICHARDS COMPANY”) is a Georgia corporation. SPR is an independent wholesaler and distributor of stationery and office supplies, such as office furniture, general office supplies, janitorial products, warehouse items, and breakroom supplies through its network of 30 distribution centers across the United States, with two (2) facilities located in California. Upon information and belief, SPR maintains a single, centralized Human Resources (HR) department at its corporate headquarters in Atlanta, Georgia, for all non-exempt, hourly paid employees working for SPR in California, including Mr. Corona and other aggrieved employees. At all relevant times, SPR issued and maintained uniform, standardized scheduling and timekeeping practices and procedures for all non-exempt, hourly paid employees in California, including Mr. Corona and other aggrieved employees, regardless of their location or position.

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

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

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

SPR willfully failed to pay all overtime wages owed to Mr. Corona and other aggrieved employees. During the relevant time period, Mr. Corona and other aggrieved employees were not paid overtime

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

premiums for all of the hours they worked in excess of eight (8) hours in a day, in excess of twelve (12) hours in a day, and/or in excess of forty (40) hours in a week, because all hours that they worked were not recorded.

First, during the relevant time period, SPR had, and continues to have, a company-wide policy and/or practice of discouraging and impeding Mr. Corona and other aggrieved employees from recording hours worked that were outside of their scheduled shifts in order to limit the amount of overtime employees could accrue. On information and belief, this policy of limiting overtime, coupled with SPR's practices of understaffing and assigning heavy workloads (*see infra*), led Mr. Corona and other aggrieved employees to work off-the-clock outside of their scheduled shift times in order to complete their assigned tasks. For example, approximately three (3) times per week for about 20 minutes per instance, Mr. Corona was required to complete tasks prior to the start of his shift, such as cleaning up spills on the warehouse floor and collecting and disposing of garbage, but, upon information and belief, when Mr. Corona attempted to clock in as soon as he reported to work, SPR's management would not permit him to clock in and record this time spent working until three (3) minutes before the start of his scheduled shift. Thus, SPR failed to track all of the time that employees spent performing work-related tasks before their shifts, and Mr. Corona and other aggrieved employees received no compensation for this time.

Second, SPR had, and continues to have, company-wide policies and/or practices of understaffing its locations while assigning heavy workloads, including pressuring employees to meet productivity expectations. SPR's policies and/or practices resulted in a failure to provide Mr. Corona and other aggrieved employees with adequate meal period coverage, and thus, Mr. Corona and other aggrieved employees were not always afforded uninterrupted 30-minute meal periods during shifts when they were entitled to receive a meal period. Also, SPR has systematically, and on a company-wide basis, understaffed its locations by adopting a single-staffing model for some positions, whereby only one (1) employee was scheduled to work at certain times, thereby failing to provide adequate meal period coverage to permit those employees to take compliant meal periods. SPR also had a practice of failing to schedule meal periods, which further caused Mr. Corona and other aggrieved employees to not be relieved of their duties for compliant meal periods. For example, Mr. Corona's meal periods were often interrupted when he was required to unload inventory from delivery trucks that arrived at SPR's warehouse during his meal periods, due to the lack of coverage. As another example, SPR's managers would also interrupt Mr. Corona's meal periods to discuss tasks Mr. Corona was to complete after he returned from his meal period. SPR did not compensate Mr. Corona and other aggrieved employees for the time they spent working off the clock during unpaid meal periods.

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

Moreover, SPR did not pay other aggrieved employees the correct overtime rate for the recorded overtime hours that they generated. In addition to an hourly wage, SPR paid other aggrieved employees shift differential pay, incentive pay, nondiscretionary bonuses, and/or other forms of remuneration. However, in violation of the California Labor Code, SPR failed to incorporate all compensation, including shift differential pay, incentive pay, nondiscretionary bonuses, and/or other

forms of remuneration, into the calculation of the regular rate of pay for purposes of calculating the overtime wage rate. Therefore, during times when other aggrieved employees worked overtime and received these other forms of pay, SPR failed to pay all overtime wages by paying a lower overtime rate than required.

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

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

California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198 require employers to pay employees the minimum wage fixed by the IWC. The payment of a lesser wage than the minimum so fixed is unlawful. Compensable work time is defined in IWC Wage Order No. 9-2001 as "the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so." Cal. Code Regs. tit. 8, § 11090(2)(H) (defining "Hours Worked").

As set forth above, as a result of SPR's policy of limiting the amount of overtime employees could accrue, SPR required Mr. Corona and other aggrieved employees to perform work off-the-clock before their scheduled shifts, such as cleaning spills on the warehouse floor and collecting and disposing of garbage. SPR failed to track this time that Mr. Corona and other aggrieved employees spent working off-the-clock, and Mr. Corona and other aggrieved employees received no compensation for this time.

Further, as also stated, due to SPR's policies and/or practices of understaffing its facilities while assigning heavy workloads, including pressure to meet productivity expectations, and failing to schedule meal periods, Mr. Corona and other aggrieved employees were impeded from taking all uninterrupted meal periods to which they were entitled and were required to work off-the-clock during meal periods, have their meal periods interrupted, and/or were otherwise not relieved of all duties during unpaid meal periods.

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

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

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

California Labor Code sections 226.7, 512(a), 516, and 1198, and the applicable IWC Wage Order require employers to provide meal periods and to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a meal or rest period is not provided. Pursuant to Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order, an employer may not require, cause or permit an employee to work for a period of more than five (5) hours per day without providing the employee with an uninterrupted meal period of not less than thirty (30) minutes, except that if the total work period per day of the employee is not more than six (6) hours, the meal period may be waived by mutual consent of both the employer and the employee. Under California law, first meal periods must start after no more than five hours. *Brinker Rest. Corp. v. Superior Court*, 53 Cal. 4th 1004, 1041-1042 (2012). Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order also require employers to provide a second meal period of not less than thirty (30) minutes if an employee works over ten (10) hours per day or to pay an employee one (1) additional hour of pay at the employee's regular rate, except that if the total hours worked is no more than twelve (12) hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived.

As stated, SPR had, and continues to have, company-wide policies and/or practices of understaffing and/or single-staffing while assigning heavy workloads, including pressuring employees to meet productivity expectations, which has resulted in a lack of meal period coverage and prevented Mr. Corona and other aggrieved employees from taking all timely, uninterrupted meal periods to which they were entitled. Further, as stated, SPR had a company-wide practice and/or policy of failing to schedule meal periods, which further caused Mr. Corona and other aggrieved employees to not be relieved of their duties for compliant meal periods.

As a result, Mr. Corona and other aggrieved employees had to work through all or part of their meal periods, had their meal periods interrupted, and/or had to wait extended periods of time before taking meal periods. For example, as stated, about three (3) times per week, Mr. Corona's meal periods were interrupted when he was required to unload inventory from delivery trucks that arrived at SPR's warehouse during his meal periods or to discuss with management the tasks he was to complete after he returned from his meal periods. Additionally, about twice per week, Mr. Corona took his meal periods late, after the fifth hour of work, due to the lack of coverage and instruction from SPR's managers to immediately attend to inventory trucks arriving at SPR's warehouse before taking his meal period.

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

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

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

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

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

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

To comply with its obligation to authorize and permit rest periods under California Labor Code section 226.7 and the applicable IWC Wage Order, an employer must "relinquish any control over how employees spend their break time, and relieve their employees of all duties—including the obligation that an employee remain on call. A rest period, in short, must be a period of rest." *Augustus, et al. v. ABM Security Services, Inc.*, 2 Cal. 5th 257, 273 (2016). Labor Code section 226.7 and the applicable IWC Wage Order also provide that rest periods shall be counted as hours worked for which there shall be no deduction from wages.

During the relevant time period, SPR regularly failed to authorize and permit Mr. Corona and other aggrieved employees to take a ten (10) minute rest period per each four (4) hour period worked or major fraction thereof. As with meal periods, SPR's company-wide practices, including understaffing and/or single-staffing and assigning heavy workloads, prevented Mr. Corona and other aggrieved employees from being relieved of all duty to take rest periods. Additionally, SPR failed to schedule rest periods, which, coupled with SPR's failure to provide adequate rest period coverage, further led to Mr. Corona and other aggrieved employees not being authorized and permitted to take rest periods.

Furthermore, on information and belief, SPR maintained and implemented a company-wide on-premises rest period policy, which effectively required that Mr. Corona and other aggrieved employees remain on the premises during their rest periods. Because Mr. Corona and other aggrieved employees were restricted from leaving SPR's premises during rest periods, they were

denied the ability to use their rest periods freely for their own purposes, such as completing personal errands. Thus, SPR effectively maintained control over Mr. Corona and other aggrieved employees during rest periods.

As a result of SPR's practices and policies, Mr. Corona and other aggrieved employees worked shifts in excess of 3.5 hours, in excess of 6 hours, and/or in excess of 10 hours without receiving all uninterrupted rest periods to which they were entitled. For example, approximately twice per week, Mr. Corona missed his rest periods due to the lack of coverage and SPR's failure to schedule rest periods for employees.

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

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

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

California Labor Code section 226(a) requires employers to make, keep, and provide true, accurate, and complete employment records. SPR has not provided Mr. Corona and other aggrieved employees with properly itemized wage statements. Labor Code section 226(e) provides that if an employer fails to comply with providing an employee with properly itemized wage statements as set forth in 226(a), then the employee is entitled to recover the greater of all actual damages or \$50 for the initial pay period in which a violation occurs and \$100 per employee for each violation in a subsequent pay period, not to exceed \$4,000. Further, Labor Code section 226.3 provides that any employer who violates section 226(a) shall be subject to a civil penalty in the amount of \$250 per employee per violation in an initial citation and \$1,000 per employee for each violation in a subsequent citation, for which the employer fails to provide the employee a wage statement or fails to keep the required records pursuant to Section 226(a).

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

Because SPR did not record the time Mr. Corona and other aggrieved employees spent working off-the-clock, SPR did not list the correct amount of gross wages and net wages earned by Mr. Corona

and other aggrieved employees in compliance with section 226(a)(1) and section 226(a)(5), respectively. For the same reason, SPR failed to accurately list the total number of hours worked by Mr. Corona and other aggrieved employees, in violation of section 226(a)(2), and failed to list the applicable hourly rates of pay in effect during the pay period and the corresponding accurate number of hours worked at each hourly rate, in violation of section 226(a)(9).

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

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

California Labor Code section 1174(d) provides that "[e]very person employing labor in this state shall . . . [k]eep a record showing the names and addresses of all employees employed and the ages of all minors" and "[k]eep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments" At all relevant times, and in violation of Labor Code section 1174(d), SPR willfully failed to maintain accurate payroll records for Mr. Corona and other aggrieved employees showing the daily hours they worked and the wages paid thereto as a result of failing to record the off-the-clock hours that they worked.

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

Because SPR failed to provide the correct net and gross wages earned, applicable rates of pay, and number of total hours worked on wage statements, Mr. Corona and other aggrieved employees have been prevented from verifying, solely from information on the wage statements themselves, that they were paid correctly and in full. Instead, Mr. Corona and other aggrieved employees have had to look

to sources outside of the wage statements themselves and reconstruct time records to determine whether in fact they were paid correctly and the extent of underpayment, thereby causing them injury.

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

Violation of California Labor Code § 204 – Failure to Timely Pay Wages During Employment

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. Alternatively, California Labor Code section 204 provides that the requirements of this section are deemed satisfied by the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more than seven (7) calendar days following the close of the payroll period.

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

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

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

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

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

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

Violation of California Labor Code § 227.3 – Failure to Pay Vested Vacation Wages

California Labor Code section 227.3 provides that if a contract of employment or employer policy provides for paid vacations and an employer terminates an employee, all vested vacation shall be paid to the employee at the employee's final rate of pay, in accordance with such contract of employment or employer policy respecting eligibility or time served. Vacation time vests on a pro-rata basis and, upon termination, an employee is entitled to a pro rata share of vested vacation pay. An employer may not require an employee to forfeit earned but unused vacation pay.

During the relevant time period, SPR had a company-wide policy and practice of failing to pay Mr. Corona and other aggrieved employees vested vacation wages that were owed to them at the end of their employment, in violation of California Labor Code section 227.3. For example, Mr. Corona had earned vested vacation pay until his employment with SPR ended on or about December 8, 2023. However, SPR did not pay Mr. Corona the balance of his accrued and unused vacation wages at the end of his employment.

SPR's failure to pay Mr. Corona and other aggrieved employees all vested vacation wages at the end of their employment has caused a forfeiture of vested vacation wages in violation of California Labor Code section 227.3. Mr. Corona and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 2699(a), (f)-(g).

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

At all relevant times herein, California Labor Code sections 245.5, 246, 246.5, 247, 247.5, 248.5, and 249 provide employees who have worked in California for 30 or more days from the commencement of employment with paid sick days, to be accrued at least one hour for every 30 hours worked. California Labor Code section 246(l) provides that an employer shall calculate paid sick leave by using one of two calculations: 1) "[p]aid sick time for nonexempt employees shall be calculated in the same manner as the regular rate of pay for the workweek in which the employee uses paid sick time, whether or not the employee actually works overtime in that workweek[;]" or 2) "[p]aid sick time for nonexempt employees shall be calculated by dividing the employee's total wages, not including overtime premium pay, by the employee's total hours worked in the full pay periods of the prior 90 days of employment."

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

SPR's failure to properly calculate the sick leave rates of pay based on all remuneration paid has resulted in an underpayment of sick leave benefits to other aggrieved employees on a company-wide basis in violation of Labor Code section 246(l).

Other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 248.5 and/or 2699(a), (f)-(g).

Violation of California Labor Code § 2802 – Unreimbursed Business Expenses

California Labor Code section 2802 requires employers to pay for all necessary expenditures and losses incurred by the employee in the performance of his or her job. The purpose of Labor Code section 2802 is to prevent employers from passing off their cost of doing business and operating expenses on to their employees. *Cochran v. Schwan's Home Service, Inc.*, 228 Cal. App. 4th 1137, 1144 (2014). The applicable wage order, IWC Wage Order No. 9-2001, provides that: "[w]hen tools or equipment are required by the employer or are necessary to the performance of a job, such tools and equipment shall be provided and maintained by the employer, except that an employee whose wages are at least two (2) times the minimum wage provided herein may be required to provide and maintain hand tools and equipment customarily required by the trade or craft."

During the relevant time period, SPR, on a company-wide basis, required Mr. Corona and other aggrieved employees use their own personal vehicles to travel to different drug testing facilities to take mandatory drug tests. For example, approximately four (4) times per year, Mr. Corona was required to travel a total of 30-40 minutes to and from a drug testing facility chosen by SPR. Although SPR required Mr. Corona and other aggrieved employees to utilize their personal vehicles to carry out their work-related responsibilities, SPR failed to reimburse them for their mileage or travel expenses.

SPR could have provided Mr. Corona and other aggrieved employees with company vehicles, or, SPR could have reimbursed employees for the cost of their mileage and travel expenses. Instead, SPR passed these operating costs off onto Mr. Corona and other aggrieved employees. At all relevant times, Mr. Corona did not earn at least two (2) times the minimum wage.

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

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

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

During the relevant time period, on information and belief, SPR failed, on a company-wide basis, to provide written notice to Mr. Corona and other aggrieved employees that lists the requisite information set forth in Labor Code section 2810.5(a)(1)(A)-(C). SPR's failure to provide Mr. Corona and other aggrieved employees with written notice of basic information regarding their employment with SPR is in violation of California Labor Code section 2810.5.

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

California Labor Code § 558(a)

California Labor Code section 558(a) provides "[a]ny employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provision regulating hours and days of work in any order of the Industrial Welfare Commission shall be subject to a civil penalty as follows: (1) For any initial violation, fifty dollars (\$50) for each underpaid employee for each pay period for which the employee was underpaid (2) For each subsequent violation, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee was underpaid" Labor Code section 558(c) provides that "[t]he civil penalties provided for in this section are in addition to any other civil or criminal penalty provided by law." SPR, at all relevant times, was an employer or person acting on behalf of an employer(s) who violated Mr. Corona's and other aggrieved employees' rights by violating various sections of the California Labor Code.

Accordingly, Mr. Corona seeks the remedies set forth in Labor Code section 558 for himself, the State of California, and all other aggrieved employees. Specifically, pursuant to PAGA, and in particular California Labor Code sections 2699(a), 2699.3(a) and 2699.3(c), 2699.5, and 558, Mr. Corona, acting in the public interest as a private attorney general, seeks assessment and collection of civil penalties for himself, all other aggrieved employees, and the State of California against SPR for violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 227.3, 246, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2802, and 2810.5.

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

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

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

Best Regards,

A handwritten signature in black ink, appearing to read 'Alexander Lima', followed by three dots.

Alexander Lima

Copy: S. P. RICHARDS COMPANY (via U.S. Certified Mail)

Capstone Law, APC
1875 Century Park, East, 1000
Los Angeles, CA. 90067



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S. P. RICHARDS COMPANY
4300 WILDWOOD PARKWAY
ATLANTA, GA 30339

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ATLANTA, GA 30339



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☐ Agent
☐ Addressee

D. Is delivery address different from item 1? ☐ Yes

If YES, enter delivery address below: ☐ No

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4300 WILDWOOD PARKWAY
ATLANTA, GA 30339

PROOF OF SERVICE

I am employed in the State of California, County of Los Angeles. I am over the age of 18 and not a party to the within suit; my business address is 1875 Century Park East, Suite 1000 Los Angeles, California 90067.

On **November 13, 2024**, I served the document described as:

FIRST AMENDED CLASS ACTION COMPLAINT & ENFORCEMENT ACTION UNDER THE PRIVATE ATTORNEYS GENERAL ACT, CALIFORNIA LABOR CODE §§ 2698, ET SEQ. on the interested parties in this action by sending ☐ the original [or] ☒ a true copy thereof ☒ to interested parties as follows [or] ☐ as stated on the attached service list:

DIANA CABRERA-VEGA
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Attorneys for Defendant:
S.P. RICHARDS COMPANY
(erroneously sued as S. P. RICHARDS
COMPANY, doing business in California
as, GEORGIA S. P. RICHARDS
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☐ **BY MAIL (ENCLOSED IN A SEALED ENVELOPE):** I deposited the envelope(s) for mailing in the ordinary course of business at Los Angeles, California. I am “readily familiar” with this firm’s practice of collection and processing correspondence for mailing. Under that practice, sealed envelopes are deposited with the U.S. Postal Service that same day in the ordinary course of business with postage thereon fully prepaid at Los Angeles, California.

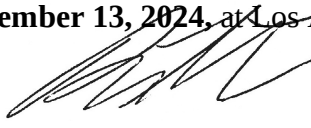
☐ **BY E-MAIL:** I hereby certify that this document was served from Los Angeles, California, by e-mail delivery on the parties listed herein at their most recent known e-mail address or e-mail of record in this action.

☒ **BY ELECTRONIC SERVICE:** I caused the document(s) to be transmitted electronically via One Legal eService to the individuals listed above, as they exist on that database. This will constitute service of the document(s).

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on **November 13, 2024**, at Los Angeles, California.

Riley McIntire

Type/Print Name



Signature