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on behalf of himself and others similarly situated

ELECTRONICALLY FILED
Superior Court of California,
County of San Diego

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Clerk of the Superior Court
By Shiela Retez, Deputy Clerk

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO

MICHAEL CHESTANG, an individual on
behalf of himself and all others similarly
situated,

Plaintiff,

vs.

RNLAWAD, LLC a Texas limited liability
company; CAMPOS FOODS, LLC, a
California limited liability company;
MARANATHA FOODS, LLC, a California
limited liability company; BLUE SKIES
FOODS, LLC, a California limited liability
company; FAM GSM, LLC, a Texas limited
liability company; RAMZI AWAD, an
individual; and DOES 1 through 50,
inclusive,

Defendants.

Case No.: 37-2024-00018557

CLASS ACTION

Assigned for All Purposes To:

Hon. Carolyn Caietti
Dept.: C-70

**FIRST AMENDED CLASS ACTION
COMPLAINT FOR:**

1. Failure to Pay Minimum Wages;
2. Failure to Pay Wages and Overtime Under Labor Code § 510;
3. Meal Period Liability Under Labor Code § 226.7;
4. Rest-Break Liability Under Labor Code § 226.7;
5. Violation of Labor Code § 226(a);
6. Violation of Labor Code § 203;
7. Violation of Labor Code § 204;
8. Failure to Keep Required Payroll Records under Labor Code §§ 1174 and 1174.5;
9. Violation of Labor Code § 246;
10. Failure to Reimburse Necessary Business Expenses § 2802;
11. Violation of Business & Professions Code § 17200 *et seq.*; and
12. Penalties under PAGA; Labor Code § 2698

DEMAND FOR JURY TRIAL

INTRODUCTION

1. Plaintiff MICHAEL CHESTANG (“Plaintiff”) brings this action on behalf of himself and the Class Members who are defined as “all current and former employees within the State of California who, at any time from four (4) years prior to the filing of this lawsuit, are or were employed as non-exempt hourly employees by Defendants RNLAWAD, LLC, a Texas limited liability company; CAMPOS FOODS, LLC; a California limited liability company; MARANATHA FOODS, LLC, a California limited liability company; BLUE SKIES FOODS, LLC, a California limited liability company; FAM GSM, LLC, a Texas limited liability company; RAMZI AWAD, an individual and DOES 1 through 50” (all defendants being collectively referred to herein as “Defendants”).

2. Plaintiff alleges that Defendants, and each of them, violated various provisions of the California Labor Code, relevant orders of the Industrial Welfare Commission (IWC), and the California Business & Professions Code, and seeks redress for these violations.

3. Upon information and belief, Plaintiff was employed by Defendants and (1) shared similar job duties and responsibilities; (2) was subjected to the same policies and practices; and (3) endured similar violations at the hands of Defendants as the other Class Members who served in similar and related positions.

THE PARTIES

A. The Plaintiff

4. Plaintiff MICHAEL CHESTANG resides in California, during the time period relevant to this Complaint, was employed by Defendants as a non-exempt hourly employee within the State of California.

B. The Defendants

5. Defendant RNLAWAD, LLC, is a Texas limited liability company with its principal offices in San Diego, California and is registered with the California Secretary of State. Defendant RNLAWAD, LLC, has been the employer listed on the wage statements and employment records issued to Plaintiff during the relevant time period that Plaintiff was employed with Defendants. RNLAWAD, LLC, employs Plaintiff and the Class Members in California,

1 including at Defendants' offices and facilities in San Diego, California, and throughout California,
2 and conducts business throughout California. Upon information and belief, Defendant
3 RNLAWAD, LLC acted as an integrated enterprise with the other Defendants.

4 6. Defendant CAMPOS FOODS, LLC is a California limited liability company and is
5 registered with the California Secretary of State. Upon information and belief, Defendant
6 CAMPOS FOODS, LLC acted as an integrated enterprise with the other Defendants.

7 7. Defendant MARANATHA FOODS, LLC is a California limited liability company
8 and is registered with the California Secretary of State. Upon information and belief, Defendant
9 MARANATHA FOODS, LLC acted as an integrated enterprise with the other Defendants.

10 8. Defendant BLUE SKIES FOODS, LLC is a California limited liability company
11 and is registered with the California Secretary of State. Upon information and belief, Defendant
12 BLUE SKIES FOODS, LLC acted as an integrated enterprise with the other Defendants.

13 9. Defendant FAM GSM, LLC is a Texas limited liability company and is registered
14 with the California Secretary of State. Upon information and belief, Defendant FAM GSM, LLC
15 acted as an integrated enterprise with the other Defendants.

16 10. Plaintiff is informed and believes Defendant RAMZI AWAD is a natural person
17 who employed Plaintiff and the Class Members.

18 11. At all times herein mentioned, Defendant RNLAWAD LLC; CAMPOS FOODS
19 LLC; MARANATHA FOODS, LLC; BLUE SKIES FOODS, LLC; and FAM GSM, LLC are
20 referred to as (the "Companies").

21 12. Plaintiff is informed and believes and thereon alleges that the Companies and
22 Owner acted in all respects pertinent to this action as an integrated enterprise. Upon information
23 and belief, the Companies share common management, an interrelationship between operations, a
24 centralized control of labor relations and common ownership or financial control.

25 13. Plaintiff is informed and believes and based thereon alleges that RAMZI AWAD is
26 a natural person who is the owner, director, officer, or managing agent of the Companies, who
27 violated, or caused to be violated, the Labor Code Sections alleged herein, and is liable under
28 Labor Code §558.1.

1 Plaintiff is informed and believes and thereon alleges that Defendant RAMZI AWAD, at all times
2 relevant to this complaint, was the alter ego of the Companies. Plaintiff alleges, upon information
3 and belief, that Defendant RAMZI AWAD, either individually or with members of his family,
4 owned, controlled, and dominated the Companies; that he commingled the funds of the Companies
5 with his personal assets, as well as the assets of other entities owned in whole or in part by them;
6 that the failed to segregate the funds of these separate entities; that they wrongly diverted
7 corporate funds or assets to non-corporate uses; that he treated the assets of the Companies as his
8 own; that he held himself out as being personally liable for the debts of the Companies; that he
9 failed to maintain minutes or adequate corporate records and confused the records of various
10 entities; that he used the same office or business location and employed the same employees and
11 attorneys for all entities; that he failed to adequately capitalize the Companies; that he used the
12 Companies as a mere shell, instrumentality, or conduit for the business of an individual or
13 individuals, namely, himself and his family; that he disregarded legal formalities and failed to
14 maintain arm's-length relationships among related entities; that he used the corporate entity to
15 procure labor, services, and merchandise for himself or other entities; that he diverted assets from
16 the Companies to the detriment of creditors, or manipulated assets and liabilities between entities
17 so as to concentrate the assets in one and the liabilities in another; that he used the Companies as
18 subterfuges of illegal transactions; and that he formed and used the Companies to transfer to it his
19 existing liabilities. Plaintiff further avers that recognizing the acts and conduct described in this
20 complaint as those only of the Companies would promote an inequitable and unjust result, namely,
21 the deprivation of Plaintiff's fundamental rights under the Labor Code, as described herein.

22 14. The true names and capacities, whether individual, corporate, associate, or
23 whatever else, of the Defendants sued herein as Does 1 through 50, inclusive, are currently
24 unknown to Plaintiff, who therefore sue these Defendants by such fictitious names under Code of
25 Civil Procedure § 474. Plaintiff is informed and believes and thereon alleges that Defendants
26 designated herein as Does 1 through 50, inclusive, and each of them, are legally responsible in
27 some manner for the unlawful acts referred to herein. Plaintiff will seek leave of court to amend
28 this Complaint to reflect the true names and capacities of the Defendants designated herein as

Does 1 through 50 when their identities become known.

15. Plaintiff is informed and believes and thereon alleges that each Defendant acted in all respects pertinent to this action as the agent of the other Defendants, that Defendants carried out a joint scheme, business plan, or policy in all respects pertinent hereto, and that the acts of each Defendant are legally attributable to the other Defendants. Furthermore, Defendants acted in all respects as the employers or joint employers of Class Members. Defendants, and each of them, exercised control over the wages, hours or working conditions of Class Members, or suffered or permitted Class Members to work, or engaged, thereby creating a common law employment relationship, with Class Members. Therefore, Defendants, and each of them, employed or jointly employed Class Members.

16. Whenever and wherever reference is made in this Complaint to any act by a defendant or defendants, such allegations and references shall also be deemed to mean the acts and failures to act of each defendant acting individually, jointly, and severally.

17. Whenever and wherever reference is made to individuals who are not named as a Defendant in this Complaint but were agents, servants, employees and/or supervisors of Defendants, such individuals at all relevant times acted on behalf of Defendants within the scope of their employment.

JURISDICTION AND VENUE

18. This Court has jurisdiction over this Action pursuant to California Code of Civil Procedure § 410.10 and California Business & Professions Code § 17203. This Action is brought as a Class Action on behalf of similarly situated Class Members of Defendants pursuant to California Code of Civil Procedure § 382. Venue as to Defendants is also proper in this judicial district pursuant to California Code of Civil Procedure § 395 *et seq.* Upon information and belief, the obligations and liabilities giving rise to this lawsuit occurred in part in San Diego County. Defendants maintain and operate facilities in San Diego County and employs Plaintiff and other Class Members in San Diego County, while doing business throughout California.

FACTUAL BACKGROUND

19. Class Members consistently worked at Defendants behest without being paid all

1 wages due. Class Members were either not paid by Defendants for all hours worked or were not
2 paid at the appropriate minimum, regular and overtime rates. Plaintiff also contends that
3 Defendants failed to pay Class Members all wages due and owing, including by requiring off the
4 clock work, failing to incorporate non-discretionary bonuses and/or commissions into the regular
5 rate of pay used to calculate and pay for overtime pay, sick pay, and meal and rest break
6 premiums, failing to provide meal and rest breaks, failing to furnish accurate wage statements,
7 failing to timely pay wages including final wages, failing to provide sick pay, failing to maintain
8 accurate records, and failing to reimburse necessary business expenses all in violation of various
9 provisions of the California Labor Code and applicable Wage Orders.

10 20. During the course of Class Members' employment with Defendants, they were not
11 paid all wages they were owed, including for all work performed resulting in off the clock work.
12 Defendants required Class Members to perform pre-shift and post-shift off the clock work. For
13 instance, Class Members were required to clean the worksite prior to clocking in. Furthermore,
14 Defendants frequently contacted Class Members on their personal cell phones with work demands
15 outside of scheduled work hours, and Class Members were not compensated for this time.

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

22 22. By implementing policies, programs, practices, procedures and protocols which
23 resulted in off the clock work, and the failure to incorporate non-discretionary bonuses and/or
24 commissions into the regular rate of pay, Defendants' willful actions resulted in the systematic
25 underpayment of wages to Class Members, including underpayment of overtime pay to Class
26 Members over the relevant time period. For example, the above described off the clock work
27 addressed above caused Plaintiff to begin receiving overtime pay later than they should have.

28 23. As a result of the above described requirements to work off the clock, the failure to

1 incorporate non-discretionary bonuses and/or commissions into the regular rate of pay, and the
2 other wage violations they endured at Defendants' hands, Class Members were not properly paid
3 all wages earned and all wages owed to them by Defendants, including when working more than
4 eight (8) hours in any given day and/or more than forty (40) hours in any given week.

5 24. As a result of Defendants' unlawful policies and practices, Class Members incurred
6 overtime hours worked for which they were not adequately and completely compensated, in
7 addition to the hours they were required to work off the clock. To the extent applicable,
8 Defendants also failed to pay Class Members at an overtime rate of 1.5 times the regular rate for
9 the first eight hours of the seventh consecutive work day in a week and overtime payments at the
10 rate of 2 times the regular rate for hours worked over eight (8) on the seventh consecutive work
11 day, as required under the Labor Code and applicable IWC Wage Orders.

12 25. Therefore, from at least four (4) years prior to the filing of this lawsuit and
13 continuing to the present, Defendants had a consistent policy or practice of failing to pay Class
14 Members for all hours worked, and failing to pay minimum wages for all time worked, as required
15 by California law. Defendants thus failed to pay Class Members at least minimum wages for all
16 the time they worked for Defendants in violation of the Labor Code and applicable IWC Wage
17 Orders as the actual times when Class Members were under the control and direction of
18 Defendants was under reported in the hours reflected on the timekeeping records. Furthermore,
19 Defendants' willful actions resulted in the systematic underpayment of wages to Class Members,
20 including underpayment of overtime pay to Class Members over a period of time.

21 26. Therefore, from at least four (4) years prior to the filing of this lawsuit and
22 continuing to the present, Defendants had a consistent policy or practice of failing to pay Class
23 Members for all hours worked. Also, from at least four (4) years prior to the filing of this lawsuit
24 and continuing to the present, Defendants also had a consistent policy or practice of failing to pay
25 Class Members their true and correct overtime compensation at premium overtime rates for all
26 hours worked in excess of eight (8) hours a day and/or forty (40) hours a week, and double-time
27 rates for all hours worked in excess of twelve (12) hours a day, in violation of Labor Code § 510
28 and the corresponding sections of IWC Wage Orders.

1 27. Additionally, Defendants failed to provide all the legally required unpaid, off-duty
2 meal periods and all the legally required paid, off-duty rest periods to Class Members, as required
3 by the applicable Wage Order and Labor Code. Class Members were required to perform work as
4 ordered by Defendants for more than five (5) hours during a shift but were often required to do so
5 without receiving a lawful and timely meal break. In addition to untimely meal periods,
6 Defendants also required Class Members to respond to work demands. Defendants placed their
7 needs over Class Members lawful meal and rest breaks and this resulted in Class Members often
8 having to work through their scheduled meal and/or rest breaks, or otherwise taking shortened
9 ones, because the demands of the job would not avail them the opportunity to take a lawfully
10 uninterrupted and off duty meal and/or rest break. Additionally, to the extent Class Members were
11 permitted to take rest breaks, they were prohibited from leaving the premises.

12 28. On the occasions when Class Members worked over 10 hours in a shift, Defendants
13 also failed to provide them with a second, uninterrupted, timely and duty-free meal period. As a
14 result, Defendants' failure to provide Class Members with all legally required off-duty, unpaid
15 meal periods and all the legally required off-duty, paid rest periods is and will be evidenced by
16 Defendants' business records, or lack thereof. Defendants also failed to pay Class Members
17 "premium pay," i.e. one hour of wages at each Class Member's effective hourly rate of pay, for
18 each meal period or rest break that Defendants failed to provide or deficiently provided.

19 29. Therefore, for at least four years prior to the filing of this action and through to the
20 present, Defendants have regularly required Class Members to work shifts in excess of five (5)
21 hours without providing them with uninterrupted meal periods of not less than thirty (30) minutes,
22 and shifts in excess of (10) hours without providing them with second meal periods of not less
23 than thirty minutes; nor did Defendants pay Class Members "premium pay," i.e. one hour of
24 wages at each Class Member's effective hourly rate of pay, for each meal period that Defendants
25 failed to provide or deficiently provided.

26 30. Meal period violations thus occurred in one or more of the following manners:

- 27 (a) Class Members were not provided full thirty-minute duty free meal periods
28 for work days in excess of five (5) hours and were not compensated one (1)

hour's wages in lieu thereof, all in violation of, among others, Labor Code
§§ 226.7, 512, and the applicable Industrial Welfare Commission Wage
Order(s);

(b) Class Members were not provided second full thirty-minute duty free meal
periods for work days in excess of ten (10) hours;

(c) Class Members were required to work through at least part of their daily
meal period(s);

(d) Meal periods were provided after five (5) hours of continuous work during
a shift; and

(e) Class Members were restricted in their ability to take a full thirty-minute
meal period.

31. Class Members were also not authorized and permitted to take lawful rest periods,
were systematically required by Defendants to work through or during breaks and were not
provided with one (1) hour's wages in lieu thereof. Class Members were restricted in their ability
to take their full ten (10) minutes net rest time or were otherwise not provided with duty-free rest
periods. Therefore, from at least four years prior to the filing of this lawsuit and continuing to the
present, Defendants have consistently failed to provide Class Members with paid rest breaks of not
less than ten minutes for every work period of four or more consecutive hours; or major fraction
thereof, nor did Defendant pay Class Members premium pay for each day on which requisite rest
breaks were not provided or were deficiently provided.

32. Rest period violations therefore arose in one or more of the following manners:

(a) Class Members were required to work without being provided a minimum
ten (10) minute rest period for every four (4) hours or major fraction
thereof worked and were not compensated one (1) hour of pay at their
regular rate of compensation for each workday that a rest period was not
provided;

(b) Class Members were not authorized and permitted to take timely rest
periods for every four hours worked, or major fraction thereof; and

1 (c) Class Members were required to remain on-duty during rest periods or
2 otherwise had their rest periods interrupted by work demands.

3 33. Defendants also consistently failed to issue accurate itemized wage statements as
4 required by Labor Code § 226(a). Specifically, the wage statements given to Class Members failed
5 to accurately account for unpaid wages and overtime because their actual hours worked were
6 under-reported due to off the clock work. Moreover, the wage statements given to Class Members
7 failed to incorporate non-discretionary bonuses and/or commissions into the regular rate of pay
8 used to calculate and pay overtime compensation. Additionally, the wage statements given to
9 Class Members failed to accurately account for premium pay for deficiently provided meal periods
10 and rest breaks. Moreover, the wage statements given to Class Members failed to account for tips
11 and cash payments they received.

12 34. From at least four (4) years prior to filing this lawsuit and continuing to the present,
13 Defendants have thus also had a consistent policy of failing to pay all wages owed to Class
14 Members at the time of their termination of within seventy-two (72) hours of their resignation, as
15 required by California wage-and-hour laws. Specifically, Plaintiff and Class Members were not
16 paid all regular and overtime wages because Defendants failed to pay for all hours worked by
17 requiring off the clock work, and failed to incorporate non-discretionary bonuses and/or
18 commissions into the regular rate of pay used to calculate and pay for overtime pay, sick pay, and
19 meal and rest break premiums. Additionally, Defendants failed to pay premium wages owed for
20 unprovided meal periods and rest periods, as further detailed in this Complaint. Defendants'
21 failure to pay said wages within the required time was willful within the meaning of Labor Code §
22 203.

23 35. Additionally, from at least four (4) years prior to the filing of this lawsuit and
24 continuing to the present, Defendants have regularly required Class Members to incur business
25 expenses in the course of performing their required job duties for Defendants including for cell
26 phone expenses and mileage. Upon information and belief, Class Members incurred similar costs.
27 These expenses incurred by Class Members were necessary and required of them in performing
28 their assigned job duties, but Defendants failed to reimburse Class Members for all such necessary

1 expenditures, thus entitling them to reimbursement according to proof as required under Labor
2 Code § 2802 and the applicable provisions of the IWC Wage Orders.

3 36. Defendants also violated California Labor Code § 246 by not providing all required
4 paid sick days to Plaintiff and the Class Members. Labor Code § 246 provides that an Employee
5 who “works in California for the same employer for 30 or more days within a year from the
6 commencement of employment is entitled to paid sick days as specified in this section.”
7 Defendants failed to provide Plaintiffs and the other Class Members with all their required and
8 earned sick days, in violation of Labor Code § 246.

9 37. Defendants also failed to provide suitable seating to Class Members. The
10 operations at Defendant’s facilities allowed for the presence and use of a stool or seat by Class
11 Members during the performance of their work duties. The nature of the effected job positions can
12 reasonably be accomplished while using a seat or stool. However, Defendant failed to provide
13 Class Members suitable seating when the nature of these employees’ work reasonably permitted
14 sitting.

15 38. In light of the foregoing, Plaintiff and Class Members bring this action pursuant to,
16 *inter alia*, Labor Code §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 246, 248, 510, 512, 558,
17 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2698 *et seq.*, 2802 and
18 California Code of Regulations, Title 8, section 11000 *et seq.*

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

23 **CLASS ALLEGATIONS**

24 40. Plaintiff seeks to represent the Subclasses composed of and defined as follows:

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

27 b. Subclass 2. Wages and Overtime Subclass. All Class Members who were not
28 compensated for all hours worked for Defendants at the required rates of pay, including for all

1 hours worked in excess of eight in a day and/or forty in a week.

2 c. Subclass 3. Meal Period Subclass. All Class Members who were subject to
3 Defendants' policy and/or practice of failing to provide unpaid 30-minute uninterrupted and duty-
4 free meal periods or one hour of pay at the Class Member's regular rate of pay in lieu thereof.

5 d. Subclass 4. Rest Break Subclass. All Class Members who were subject to
6 Defendants' policy and/or practice of failing to authorize and permit Class Members to take
7 uninterrupted, duty-free, 10-minute rest periods for every four hours worked, or major fraction
8 thereof, and failing to pay one hour of pay at the Class Member's regular rate of pay in lieu
9 thereof.

10 e. Subclass 5. Wage Statement Subclass. All Class Members who, within the
11 applicable limitations period, were not provided with accurate itemized wage statements.

12 f. Subclass 6. Termination Pay Subclass. All Class Members who, within the
13 applicable limitations period, either voluntarily or involuntarily separated from their employment
14 and were subject to Defendants' policy and/or practice of failing to timely pay wages upon
15 termination.

16 g. Subclass 7: Failure to Timely Pay Wages Twice Monthly Subclass. All Class
17 Members who were subject to Defendants' policy and practice of not timely paying all wages
18 earned when they were due and payable at least twice monthly.

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

22 i. Subclass 9. Sick Days Subclass. All Class Members who, within the applicable
23 limitations period, were not paid for their sick days.

24 j. Subclass 10. Expense Reimbursement Subclass. All Class Members who incurred
25 necessary and reasonable expenses in connection with performing their job duties for Defendant
26 and who were subject to a policy and/or practice under which such expenses were not reimbursed.

27 k Subclass 11. UCL Subclass. All Class Members who are owed restitution as a
28 result of Defendants' business acts and practices, to the extent such acts and practices are found to

1 be unlawful, deceptive, and/or unfair.

2 41. Plaintiff reserves the right under California Rule of Court 3.765 to amend or
3 modify the class description with greater particularity or further division into subclasses or
4 limitation to particular issues. To the extent equitable tolling operates to toll claims by the Class
5 against Defendants, the Class Period should be adjusted accordingly.

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

15 43. This action has been brought and may properly be maintained as a class action
16 under the provisions of Code of Civil Procedure § 382 because there is a well-defined community
17 of interest in litigation and proposed class is easily ascertainable.

18 **A. Numerosity**

19 44. The potential members of the class as defined are so numerous that joinder of all
20 the member of the class is impracticable. While the precise number of class member has not been
21 determined at this time, Plaintiff is informed and believes that Defendants employ or, during the
22 time period relevant to this lawsuit, hundreds of employees who satisfy the Class definition within
23 the State of California.

24 45. Accounting for employee turnover during the relevant time period increases this
25 number substantially. Plaintiff alleges that Defendants’ employment records will provide
26 information as to the number and location of all Class Members.

27 **B. Commonality**

28 46. There are questions of law and fact common to the Class that predominates over

any questions affecting only individual Class Members. These common questions of law and fact include:

- a. Whether Defendants failed to pay Class Members minimum wages;
- b. Whether Defendants failed to pay Class Members wages for all hours worked;
- c. Whether Defendants failed to pay Class Members overtime as required under Labor Code § 510;
- d. Whether Defendants violated Labor Code §§ 226.7 and 512, and the applicable IWC Wage Orders, by failing to provide Class Members with requisite meal periods or premium pay in lieu thereof;
- e. Whether Defendants violated Labor Code §§ 226.7, and the applicable IWC Wage Orders, by failing to authorize and permit Class Members to take requisite rest breaks or provide premium pay in lieu thereof;
- f. Whether Defendants violated Labor Code § 226(a) by providing Class Members with inaccurate wage statements;
- g. Whether Defendants violated Labor Code §§ 201, 202, and 203 by failing to pay wages and compensation due and owing at the time of termination of employment;
- h. Whether Defendants' conduct was willful;
- i. Whether Defendants violated Labor Code § 226 and § 1174 and the IWC Wage Orders by failing to maintain accurate records of Class Members' earned wages and work periods;
- j. Whether Defendants violated Labor Code § 1194 by failing to compensate all Class Members during the relevant time period for all hours worked, whether regular or overtime;
- k. Whether Defendants violated Labor Code § 204 by failing to timely pay wages;
- l. Whether Defendants failed to pay Class Members for sick days;
- m. Whether Defendants violated Labor Code § 2802 by failing to reimburse all necessary business expenses Defendants required them to incur in performing their job duties;

- 1 n. Whether Defendants violated Business and Professions Code § 17200 *et seq.*; and
2 o. Whether Class Members are entitled to equitable relief pursuant to Business and
3 Professions Code § 17200 *et seq.*

4 **C. Typicality**

5 47. The claims of the named plaintiff is typical of those of Class Members. The Class
6 Members all sustained injuries and damages arising out of and caused by Defendants' common
7 course of conduct in violation of statutes, as well as regulations that have the force and effect of
8 law, as alleged herein.

9 **D. Adequacy of Representation**

10 48. Plaintiff will fairly and adequately represent and protect the interest of the Class
11 Members. Counsel who represents Class Members are experienced and competent in litigating
12 employment class actions.

13 **E. Superiority of Class Action**

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

20 50. As to the issues raised in this case, a class action is superior to all other methods for
21 the fair and efficient adjudication of this controversy, as joinder of all Class Members is
22 impracticable and many legal and factual questions to be adjudicated apply uniformly to all Class
23 Members. Further, as the economic or other loss suffered by vast numbers of Class Members may
24 be relatively small, the expense and burden of individual actions makes it difficult for the Class
25 Members to individually redress the wrongs they have suffered. Moreover, in the event
26 disgorgement is ordered, a class action is the only mechanism that will permit the employment of
27 a fluid fund recovery to ensure that equity is achieved. There will be relatively little difficulty in
28 managing this case as a class action, and proceeding on a class-wide basis will permit Class

1 Members to vindicate their rights for violations they endured which they would otherwise be
2 foreclosed from receiving in a multiplicity of individual lawsuits that would be cost prohibitive to
3 them.

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

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

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

25 **FIRST CAUSE OF ACTION**
26 **FAILURE TO PAY MINIMUM WAGES**
27 **(Against All Defendants)**

28 54. Plaintiff re-alleges and incorporate all preceding paragraphs, as though set forth in

1 full herein.

2 55. Defendants failed to pay Class Members minimum wages for all hours worked.
3 Defendants had a consistent policy of misstating Class Members' time records and failing to pay
4 Class Members for all hours worked. Class Members would work hours and not receive wages,
5 including as alleged above in connection with off the clock work. Additionally, Defendants failed
6 to incorporate non-discretionary bonuses and/or commissions into the regular rate of pay used to
7 calculate and pay overtime. Defendants, and each of them, have intentionally and improperly
8 changed, adjusted and/or modified the hours of Class Members, which resulted in off the clock
9 work and underpayment of all wages owed to Class Members over a period of time, while
10 benefiting Defendants. During the relevant time period, Defendants thus regularly failed to pay
11 minimum wages to Class Members, to their detriment. Additionally, Defendants had a consistent
12 policy of failing to pay Class Members for hours worked during alleged meal and rest periods for
13 which Class Members were consistently denied, as also addressed herein. Defendants' uniform
14 pattern of unlawful wage and hour practices manifested, without limitation, applicable to the Class
15 as a whole, as a result of implementing a uniform policy and practice that denied accurate
16 compensation to Class Members as to minimum wage pay.

17 56. In California, employees must be paid at least the then applicable state minimum
18 wage for all hours worked. (IWC Wage Order MW-2014). Additionally, pursuant to California
19 Labor Code § 204, other applicable laws and regulations, and public policy, an employer must
20 timely pay its employees for all hours worked. Defendants failed to do so.

21 57. California Labor Code § 1197, entitled "Pay of Less Than Minimum Wage" states:
22 "The minimum wage for employees fixed by the commission is the minimum wage to be paid to
23 employees, and the payment of a less wage than the minimum so fixed is unlawful."

24 58. The applicable minimum wages fixed by the commission for work during the
25 relevant period is found in Paragraph 4(A)-4(D) of the IWC Wage Orders.

26 59. The minimum wage provisions of California Labor Code are enforceable by private
27 civil action pursuant to Labor Code § 1194(a) which states: "Notwithstanding any agreement to
28 work for a lesser wage, any employee receiving less than the legal minimum wage or the legal

overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney's fees and costs of suit."

60. As described in California Labor Code §§ 1185 and 1194.2, any action for wages incorporates the applicable Wage Order of the California Industrial Welfare Commission. Also, California Labor Code §§ 1194, 1197, 1197.1 and those Industrial Welfare Commission Wage Orders entitle non-exempt employees to an amount equal to or greater than the minimum wage for all hours worked. All hours must be paid at the statutory or agreed rate and no part of this rate may be used as a credit against a minimum wage obligation.

61. In committing these violations of the California Labor Code, Defendants inaccurately recorded, or required Class Members to input times that did not reflect their actual hours worked, or calculated the correct time worked and consequently underpaid the actual time worked by Class Members. Defendants acted in an illegal attempt to avoid the payment of all earned wages, and other benefits in violation of the California Labor Code, the Industrial Welfare Commission requirements and other applicable laws and regulations. As a result of these violations, Defendant also failed to timely pay all wages earned in accordance with California Labor Code § 1194.

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

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

64. Pursuant to California Labor Code § 1194.2, Class Members are further entitled to recover liquidated damages in an amount equal to wages unlawfully unpaid and interest thereon.

65. Defendants have the ability to pay minimum wages for all time worked and have

willfully refused to pay such wages with the intent to secure for Defendants a discount upon this indebtedness with the intent to annoy, harass, oppress, hinder, delay, or defraud Class Members.

66. Wherefore, Class Members are entitled to recover the unpaid minimum wages (including double minimum wages), liquidated damages in an amount equal to the minimum wages unlawfully unpaid, interest thereon and reasonable attorney's fees and costs of suit pursuant to California Labor Code § 1194(a). Plaintiff and the other members of the Class further request recovery of all unpaid wages, according to proof, interest, statutory costs, as well as the assessment of any statutory penalties against Defendants, in a sum as provided by the California Labor Code, including § 558, and/or other applicable statutes.

SECOND CAUSE OF ACTION

FAILURE TO PAY WAGES AND OVERTIME UNDER LABOR CODE § 510

(Against All Defendants)

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

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

69. By their conduct, as set forth herein, Defendants violated California Labor Code § 510 (and the relevant orders of the Industrial Welfare Commission) by failing to pay Class Members: (a) time and one-half their regular hourly rates for hours worked in excess of eight (8) hours in a workday or in excess of forty (40) hours in any workweek or for the first eight (8) hours worked on the seventh day of work in any one workweek; or (b) twice their regular rate of pay for hours worked in excess of twelve (12) hours in any one (1) day or for hours worked in excess of eight (8) hours on any seventh day of work in a workweek.

70. Defendants had a consistent policy of not paying Class Members wages for all

1 hours worked, including by requiring off the clock work, as addressed above. Additionally,
2 Defendants failed to incorporate non-discretionary bonuses and/or commissions into the regular
3 rate of pay used to calculate and pay overtime. Defendants, and each of them, have intentionally
4 and improperly changed, adjusted and/or modified certain employees' hours, including Plaintiff's,
5 in order to avoid paying Class Members all earned and owed straight time and overtime wages and
6 other benefits, in violation of the California Labor Code, the California Code of Regulations and
7 the IWC Wage Orders and guidelines set forth by the Division of Labor Standards and
8 Enforcement. Defendants have also violated these provisions by requiring Class Members to work
9 through portions of their meal period. Therefore, Class Members were not properly compensated,
10 nor were they paid overtime rates for hours worked in excess of eight hours in a given day, and/or
11 forty hours in a given week. Based on information and belief, Defendants did not make available
12 to Class Members a reasonable protocol for correcting time records when Class Members worked
13 overtime hours or to fix incorrect time entries.

14 71. Defendants' failure to pay Class Members the unpaid balance of regular wages
15 owed and overtime compensation, as required by California law, violates the provisions of Labor
16 Code §§ 510 and 1198, and is therefore unlawful.

17 72. Additionally, Labor Code § 558(a) provides "any employer or other person acting
18 on behalf of an employer who violates, or causes to be violated, a section of this chapter or any
19 provisions regulating hours and days of work in any order of the IWC shall be subject to a civil
20 penalty as follows: (1) For any violation, fifty dollars (\$50) for each underpaid employee for each
21 pay period for which the employee was underpaid in addition to an amount sufficient to recover
22 underpaid wages. (2) For each subsequent violation, one hundred dollars (\$100) for each
23 underpaid employee for each pay period for which the employee was underpaid in addition to an
24 amount sufficient to recover underpaid wages. (3) Wages recovered pursuant to this section shall
25 be paid to the affected employee." Labor Code § 558(c) states, "the civil penalties provided for in
26 this section are in addition to any other civil or criminal penalty provided by law." Defendants
27 have violated provisions of the Labor Code regulating hours and days of work as well as the IWC
28 Wage Orders. Accordingly, Plaintiff and the Class Members seek the remedies set forth in Labor

1 Code § 558.

2 73. Defendants' failure to pay compensation in a timely fashion also constituted a
3 violation of California Labor Code § 204, which requires that all wages shall be paid
4 semimonthly. From four (4) years prior to the filing of this lawsuit to the present, in direct
5 violation of that provision of the California Labor Code, Defendants have failed to pay all wages
6 and overtime compensation earned by Class Members. Each such failure to make a timely
7 payment of compensation to Class Members constitutes a separate violation of California Labor
8 Code § 204.

9 74. Class Members have been damaged by these violations of California Labor Code
10 §§ 204 and 510 (and the relevant orders of the Industrial Welfare Commission).

11 75. Consequently, pursuant to the California Labor Code, including Labor Code §§
12 204, 510, 558, and 1194, and the applicable IWC Wage Order, paragraph 3(A) and 4(B),
13 Defendants are liable to Class Members for the full amount of all their unpaid wages and overtime
14 compensation, with interest, plus their reasonable attorneys' fees and costs, as well as the
15 assessment of any statutory penalties against Defendants, and each of them, and any additional
16 sums as provided by the Labor Code and/or other statutes.

17 **THIRD CAUSE OF ACTION**

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

19 **(Against All Defendants)**

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

22 77. Class Members regularly worked shifts greater than five (5) hours and in some
23 instances, greater than ten (10) hours. Pursuant to Labor Code § 512 an employer may not employ
24 someone for a shift of more than five (5) hours without providing him or her with a meal period of
25 not less than thirty (30) minutes or for a shift of more than ten (10) hours without providing him or
26 her with a second meal period of not less than thirty (30) minutes.

27 78. Defendants failed to provide Class Members with meal periods as required under
28 the Labor Code. Defendants placed their needs over Class Members lawful meal breaks and this

1 resulted in Class Members consistently having to work through their scheduled meal breaks
2 because the demands of the job would not avail them the opportunity to take a lawfully
3 uninterrupted and off-duty meal break. Furthermore, upon information and belief, on the occasions
4 when Class Members worked more than ten (10) hours in a given shift, they did so without
5 receiving a second uninterrupted thirty (30) minute meal period as required by law. Additionally,
6 to the extent Class Members were permitted to take meal periods, they were prohibited from
7 leaving the premises.

8 79. Defendants thus failed to provide Class Members with meal periods as required by
9 the Labor Code, including by not providing them with the opportunity to take meal breaks, by
10 providing them late or for less than thirty (30) minutes, or by requiring them to perform work
11 during breaks.

12 80. Moreover, Defendants failed to compensate Class Members for each meal period
13 not provided or inadequately provided, as required under Labor Code § 226.7 and paragraph 11 of
14 the applicable IWC Wage Orders, which provide that, if an employer fails to provide an employee
15 a meal period in accordance with this section, the employer shall pay the employee one (1) hour of
16 pay at the employee's regular rate of compensation for each workday that the meal period is not
17 provided. Defendants failed to compensate Class Members for each meal period not provided or
18 inadequately provided, as required under Labor Code § 226.7.

19 81. Therefore, pursuant to Labor Code § 226.7 and the applicable IWC Wage Order,
20 paragraph 11, Class Members are entitled to damages in an amount equal to one (1) hour of wages
21 at their effective hourly rates of pay for each meal period not provided or deficiently provided, a
22 sum to be proven at trial, as well as the assessment of any statutory penalties against the
23 Defendants, and each of them, in a sum as provided by the Labor Code and other statutes.

24 **FOURTH CAUSE OF ACTION**

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

26 **(Against All Defendants)**

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

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

84. Class Members consistently worked consecutive four (4) hour shifts and were generally scheduled for shifts of greater than 3.5 hours total, thus requiring Defendants to authorize and permit them to take rest periods. Pursuant to the Labor Code and the applicable IWC Wage Order, Class Members were entitled to paid rest breaks of not less than ten (10) minutes for each consecutive four (4) hour shift, and Defendants failed to provide Class Members with timely rest breaks of not less than ten (10) minutes for each consecutive four (4) hour shift. Defendants placed their needs over Class Members lawful rest breaks and this resulted in Class Members consistently having to work through their scheduled rest breaks because the demands of the job would not avail them the opportunity to take a lawfully uninterrupted and off-duty rest break. Additionally, to the extent Class Members were permitted to take rest periods, they were prohibited from leaving the premises. Thus, Class Members were consistently denied of their rest breaks.

85. Labor Code §§ 226.7 and paragraph 12 of the applicable IWC Wage Orders provide that if an employer fails to provide an employee rest period in accordance with this section, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each workday that the rest period is not provided.

86. Defendants, and each of them, have therefore intentionally and improperly denied rest periods to Class Members in violation of Labor Code §§ 226.7 and 512 and paragraph 12 of the applicable IWC Wage Orders.

87. Defendants failed to authorize and permit Class Members to take rest periods, as required by the Labor Code. Moreover, Defendants did not compensate Class Members with an additional hour of pay at each Class Member's effective hourly rate for each day that Defendants failed to provide them with adequate rest breaks, as required under Labor Code § 226.7.

88. Therefore, pursuant to Labor Code § 226.7 and paragraph 12 of the applicable IWC Wage Orders, Class Members are entitled to damages in an amount equal to one (1) hour of wages

1 at their effective hourly rates of pay for each day worked without the required rest breaks, a sum to
2 be proven at trial, as well as the assessment of any statutory penalties against Defendants, and each
3 of them, in a sum as provided by the Labor Code and/or other statutes.

4 **FIFTH CAUSE OF ACTION**
5 **VIOLATION OF LABOR CODE § 226(a)**
6 **(Against All Defendants)**

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

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

16 91. Defendants failed to provide Class Members with accurate itemized wage
17 statements in writing, as required by the Labor Code. Specifically, the wage statements given to
18 Class Members failed to accurately account for unpaid wages and overtime because their actual
19 hours worked were under-reported due to off the clock work. Moreover, the wage statements
20 given to Class Members failed to incorporate non-discretionary bonuses and/or commissions into
21 the regular rate of pay used to calculate and pay overtime compensation. Additionally, the wage
22 statements given to Class Members failed to accurately account for premium pay for deficiently
23 provided meal periods and rest breaks. Moreover, the wage statements given to Class Members
24 failed to account for tips and cash payments they received.

25 92. Throughout the liability period, Defendants intentionally failed to furnish to Class
26 Members, upon each payment of wages, itemized statements accurately showing: (1) gross wages
27 earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any
28 applicable piece rate paid on a piece-rate basis, (4) all deductions, (5) net wages earned, (6) the

1 inclusive dates of the period for which the employee is paid, (7) the name of the employee and
2 only the last four digits of his or her social security number or an employee identification number
3 other than a social security number, (8) the name and address of the legal entity that is the
4 employer and (9) all applicable hourly rates in effect during the pay period and the corresponding
5 number of hours worked at each hourly rate by the employee pursuant to Labor Code § 226,
6 amongst other statutory requirements. Defendants knowingly and intentionally failed to provide
7 Class Members with such timely and accurate wage and hour statements.

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

23 94. Therefore, as a direct and proximate cause of Defendants' violation of Labor Code
24 § 226(a), Class Members suffered injuries, including among other things confusion over whether
25 they received all wages owed them, the difficulty and expense involved in reconstructing pay
26 records, and forcing them to make mathematical computations to analyze whether the wages paid
27 in fact compensated them correctly for all hours worked.

28 95. Pursuant to Labor Code §§ 226(a) and 226(e) and 1174, and the applicable IWC

1 Wage Order, paragraph 7(B), Class Members are entitled to recover the greater of all actual
2 damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one
3 hundred dollars (\$100) for each violation in a subsequent pay period, not exceeding an aggregate
4 penalty of four thousand dollars (\$4,000). They are also entitled to an award of costs and
5 reasonable attorneys' fees.

6 **SIXTH CAUSE OF ACTION**
7 **VIOLATION OF LABOR CODE § 203**
8 **(Against All Defendants)**

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

11 97. Numerous Class Members are no longer employed by Defendants; they either quit
12 Defendants' employ or were fired therefrom.

13 98. Defendants failed to pay these Class Members all wages due and certain at the time
14 of termination or within seventy-two (72) hours of resignation.

15 99. The wages withheld from these Class Members by Defendants remained due and
16 owing for more than thirty (30) days from the date of separation from employment.

17 100. Defendants failed to pay Class Members without abatement, all wages as defined
18 by applicable California law. Specifically, Plaintiff and Class Members were not paid all regular
19 and overtime wages because Defendants failed to pay for all hours worked by requiring off the
20 clock work, and failed to incorporate non-discretionary bonuses and/or commissions into the
21 regular rate of pay used to calculate and pay for overtime pay, sick pay, and meal and rest break
22 premiums. Additionally, Defendants failed to pay premium wages owed for unprovided meal
23 periods and rest periods, as further detailed in this Complaint. Defendants' failure to pay said
24 wages within the required time was willful within the meaning of Labor Code § 203.

25 101. Defendants' failure to pay wages, as alleged entitles these Class Members to
26 penalties under Labor Code § 203, which provides that an employee's wages shall continue until
27 paid for up to thirty (30) days from the date they were due.

28 ///

SEVENTH CAUSE OF ACTION
VIOLATION OF LABOR CODE § 204
(Against All Defendants)

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

103. Labor Code § 204 instructs that: “All wages, ...earned by any person in any employment are due and payable twice during each calendar month, on days designated in advance by the employer as the regular paydays. Labor performed between the 1st and 15th days, inclusive, of any calendar month shall be paid for between the 16th and the 26th day of the month during which the labor was performed, and labor performed between the 16th and the last day, inclusive, of any calendar month, shall be paid for between the 1st and 10th day of the following month.” Additionally, the requirements of this section shall be deemed satisfied by the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more than seven calendar days following the close of the payroll period.” As detailed above, Defendants maintained a consistently applied policy and practice of not paying all wages earned between the 1st and 15th days of a month between the 16th and 26th day and failed to pay all wages earned between the 16th and the last day of the month between the 1st and 10th day of the following month. Defendants similarly failed to pay all wages earned by not more than seven calendar days following the close of the payroll period. These failures arose from Defendants’ failure to pay for all hours worked.

104. All wages due and owing to Plaintiff and the Class Members, including as required under Labor Code § 510, were therefore not timely paid by Defendants, as addressed in detail above. Additionally, wages required by Labor Code § 1194 and other sections became due and payable to each Class Member in each pay period that he or she was not provided with a meal period or rest period or paid straight or overtime wages or commissions to which he or she was entitled.

105. Defendants thus violated Labor Code § 204 by systematically refusing to pay wages due under the Labor Code, as addressed above. Additionally, under paragraph 4(B) of the

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

8 106. As a result of the unlawful acts of Defendants, Plaintiff and Class Members seek to
9 represent they have been deprived of wages in amounts to be determined at trial, and they are
10 entitled to recovery of such amounts, plus interest and penalties thereon, attorneys’ fees, and costs,
11 pursuant to Labor Code § 210, 218.5, 1194 and 1198, and paragraphs 4(B) and 20 of the
12 applicable IWC Wage Orders.

13 **EIGHTH CAUSE OF ACTION**

14 **FAILURE TO KEEP REQUIRED PAYROLL RECORDS UNDER LABOR CODE § 1174**
15 **AND 1174.5**

16 **(Against All Defendants)**

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

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

23 109. During the course of Plaintiff’s and Class Members’ employment, Defendants
24 consistently failed to maintain accurate time and wage records for Plaintiff and Class Members as
25 required by California Labor Code § 1174 by failing to pay Plaintiff and Class Members proper
26 wages, overtime, and premium pay as discussed above.

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

NINTH CAUSE OF ACTION
VIOLATION OF LABOR CODE § 246
(Against All Defendants)

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

112. Labor Code Section 246(i) requires that employers notify employees each pay period of the paid sick leave they have available for use. Pursuant to Labor Code §246(i), “An employer shall provide an employee with written notice that sets forth the amount of paid sick leave available, or paid time off leave an employer provides in lieu of sick leave, for use on either the employee’s itemized wage statement described in Section 226 or in a separate writing provided on the designated pay date with the employee’s payment of wages. If an employer provides unlimited paid sick leave or unlimited paid time off to an employee, the employer may satisfy this section by indicating on the notice or the employee’s itemized wage statement ‘unlimited.’”

113. Defendants failed to provide required California paid sick days and further failed to distribute and maintain required documentation concerning how many sick days were available, in violation of Labor Code §§246, 246(a), 246(b)(1), and 247.5.

TENTH CAUSE OF ACTION
REIMBURSEMENT OF NECESSARY EXPENDITURES UNDER LABOR CODE § 2802
(Against All Defendants)

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

115. Under Labor Code § 2802(a) an employer must indemnify its employees for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer.

116. Defendants have regularly required Class Members to incur business expenses in the course of performing their required job duties for Defendants including for cell phone expenses and mileage. These expenses incurred by Class Members were necessary and required of them in performing their assigned job duties, but Defendants failed to reimburse Class Members for all such

1 necessary expenditures. Class Members were not reimbursed for those lawful and necessary work
2 related expenses or losses incurred in direct discharge of their job duties during employment with
3 Defendants and at the direction of the Defendants pursuant to Labor Code § 2802(a) and the
4 applicable IWC Wage Orders, paragraph 9.

5 117. As a result of the unlawful acts of Defendants, Class Members have been deprived
6 of reimbursement in amounts to be determined at trial; they are entitled to recovery of such amounts,
7 plus interest and penalties thereon, attorneys' fees, and costs.

8 **ELEVENTH CAUSE OF ACTION**
9 **VIOLATION OF BUSINESS & PROFESSIONS CODE § 17200 *ET SEQ.***
10 **(Against All Defendants)**

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

13 119. Plaintiff, on behalf of himself, Class Members, and the general public, brings this
14 claim pursuant to Business & Professions Code § 17200 *et seq.* The conduct of Defendants as
15 alleged in this Complaint has been and continues to be unfair, unlawful, and harmful to Class
16 Members and the general public. Plaintiff seeks to enforce important rights affecting the public
17 interest within the meaning of Code of Civil Procedure § 1021.5.

18 120. Plaintiff is a "person" within the meaning of Business & Professions Code
19 § 17204, has suffered injury, and therefore has standing to bring this cause of action for injunctive
20 relief, restitution, and other appropriate equitable relief.

21 121. Business & Professions Code § 17200 *et seq.* prohibits unlawful and unfair
22 business practices. By the conduct alleged herein, Defendants' practices were deceptive and
23 fraudulent in that Defendants' policy and practice failed to provide the required amount of
24 compensation for missed meal and rest breaks, and failed to adequately compensate Class
25 Members for all hours worked, due to systematic business practices as alleged herein that cannot
26 be justified, pursuant to the applicable California Labor Code and Industrial Welfare Commission
27 requirements in violation of California Business and Professions Code §§ 17200, *et seq.*, and for
28 which this Court should issue injunctive and equitable relief, pursuant to California Business &

1 Professions Code § 17203, including restitution of wages wrongfully withheld.

2 122. Wage-and-hour laws express fundamental public policies. Paying employees their
3 wages and overtime, providing them with meal periods and rest breaks, etc., are fundamental
4 public policies of California. Labor Code § 90.5(a) articulates the public policies of this State
5 vigorously to enforce minimum labor standards, to ensure that employees are not required or
6 permitted to work under substandard and unlawful conditions, and to protect law-abiding
7 employers and their employees from competitors who lower costs to themselves by failing to
8 comply with minimum labor standards.

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

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

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

21 126. By the conduct alleged herein, Defendants have engaged and continue to engage in
22 a business practice which violates California and federal law, including but not limited to, the
23 applicable Industrial Wage Order(s), the California Code of Regulations, and the California Labor
24 Code including Sections 203, 204, 226, 226.7, 512, 1194, 1197, and 1198, for which this Court
25 should issue declaratory and other equitable relief pursuant to California Business & Professions
26 Code § 17203 as may be necessary to prevent and remedy the conduct held to constitute unfair
27 competition, including restitution of wages wrongfully withheld.

28 127. As a proximate result of the above-mentioned acts of Defendants, Class Members

1 have been damaged, in a sum to be proven at trial.

2 128. Unless restrained by this Court Defendants will continue to engage in such
3 unlawful conduct as alleged above. Pursuant to the Business & Professions Code, this Court
4 should make such orders or judgments, including the appointment of a receiver, as may be
5 necessary to prevent the use by Defendants or their agents or employees of any unlawful or
6 deceptive practice prohibited by the Business & Professions Code, including but not limited to the
7 disgorgement of such profits as may be necessary to restore Class Members to the money
8 Defendants have unlawfully failed to pay.

9 **TWELFTH CAUSE OF ACTION**
10 **VIOLATION OF LABOR CODE § 2698, ET SEQ.**
11 **(Against All Defendants)**

12 129. Plaintiff realleges and incorporates all preceding paragraphs, as though set forth in
13 full herein.

14 130. Plaintiff and the Employees in the Class are also Class Members as defined under
15 Labor Code § 2699(c) in that they suffered the violations alleged in this Complaint and either were
16 or are employed by the alleged violators, Defendants (“Class Members”) during the relevant time
17 period.

18 131. In failing to pay Class Members minimum wages and overtime, not providing
19 proper meal periods, failing to provide accurate wage statements, and failing to Pay Employees
20 upon termination or timely upon resignation, all discussed above, Defendants failed to timely pay
21 Class Members wages on a semimonthly basis as required under Labor Code § 204. Defendants
22 also failed to maintain records showing accurate hours worked daily and the wages paid to Class
23 Members, as required by Labor Code § 1174 and paragraph 7 of the applicable IWC Wage Orders.

24 132. As such, Employees seek wages and penalties under Labor Code §§ 2698 and 2699
25 for Defendants’ violation of Labor Code provisions included under Labor Code 2699.5, including
26 the penalty provisions, without limitation, based, inter alia, on the following California Labor
27 Code sections: 201, 202, 203, 204, 226, 226.2, 226.7, 510, 512, 558, 1174, 1174.5, 1185, 1194,
28 1194.1, 1194.2, 1197, 1197.1, 1198, 1199, and 2698 *et seq.*

133. More specifically, after complying with the notice procedures of Labor Code § 2699.3, Plaintiff asserts, as a representative action on behalf of the California Attorney General and other similarly Class Members, a PAGA claim for violations of the above addressed underlying claims and seeking penalties as specified by the applicable corresponding provisions, including as follows:

(a) Wage Claims: For failure to provide Plaintiff and the Class Members all earned regular pay and minimum wages for regular hours worked and for failure to pay overtime premium wages for overtime hours worked under Labor Code §§ 226.2, 510, 1194(a), 1197, and 1198, and paragraphs 2(K), 3(A), 4(A), 4(B) and 20 of the applicable IWC Wage Order(s) seeking all civil and statutory penalties available and applicable, and wages, under Labor Code §§ 510, 558, 1194.2, 1197.1, 1199, 2699(f)(2), and 2699.5, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1);

(b) Meal Period Claims: For failure to provide Plaintiff and the Class Members off-duty, timely, and unpaid meal periods and failure to pay one hour of regular pay in lieu thereof, under Labor Code §§ 512, 1198, and 226.7, and Sections 11 of the applicable IWC Wage Order(s) seeking all civil and statutory penalties available and applicable, including under paragraph 20 of the applicable IWC Wage Orders, and wages under Labor Code §§ 226.7, 512, 558, including sections 558(a)(1)-(3), 1199, and 2699(f)(2), and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1);

(c) Inaccurate Wage Statements and Failure to Maintain Records: For failure to provide Plaintiff and Class Members with accurate, itemized wage statements and failure to maintain employment records for Plaintiff and Class Members under Labor Code §§ 226, 1174, and 1198.5, and Sections 7(A), 7(B), and 7(C) of the applicable IWC Wage Order(s) seeking all civil and statutory penalties and wages available and applicable under Labor Code §§ 226, 226.3, 558, 1174.5, 1199, 2699(f)(2), and paragraph 20 of the applicable IWC Wage Order, and also for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1). More specifically, by providing inaccurate wage statements and failing to maintain records as required under Labor Code § 226(a), Defendants committed ongoing violations giving rise to civil penalties under Labor Code § 226.3,

1 which in addition to other penalties provided by law, subjects Defendants to “a penalty in the
2 amount of two hundred fifty dollars (\$250) per employee per violation in an initial citation and
3 one thousand dollars (\$1,000) per employee for each violation in a subsequent citation, ...”

4 (d) Failure to Timely Pay Wages: For failure to timely pay all wages owed, including at
5 least semi-monthly and upon separation or termination, under Labor Code §§ 201, 201, 203, 204,
6 226.2, 1197.5, 2926, and 2927 seeking all civil penalties available and applicable, and wages,
7 under Labor Code §§ 201, 202, 203, 210, 558, 1197, 1198, 1199 and 2699(f)(2), and paragraph 20
8 of the applicable IWC Wage Orders, and also for attorneys’ fees and costs pursuant to Labor Code
9 § 2699(g)(1);

10 (e) Failure to Properly Provide Paid Sick Days: For Defendants’ failure to properly
11 provide Employees with all their required and earned sick days in violation of Labor Code §§ 245
12 *et seq.* and 246 the civil and statutory penalties available and applicable under Labor Code §§
13 245 *et seq.* and 246, 1194.2, 1197.1, 1198, 1199, 2699.3(b), and 2699(f)(2), and also for attorneys’
14 fees and costs pursuant to Labor Code § 2699(g)(1);

15 (f) Failure to Reimburse Business Expenses: For Defendants’ failure to reimburse the
16 necessary work related expenses incurred under Labor Code §§ 1197, 1197.1, 1198, and 2802, and
17 Sections 2(K), 4, 9, and 20 of the applicable IWC Wage Order(s), seeking civil penalties available
18 and applicable under Labor Code §§ 1197, 1197.1, 1198, 2802, 2699.5, and 2699(f)(2) and
19 paragraph 9 and 20 of the IWC Wage Orders, and also attorneys’ fees and costs pursuant to Labor
20 Code § 2699(g)(1);

21 (g) All Alleged Violations of the IWC Wage Orders and Other Labor Code
22 Sections: For any above addressed violation of the applicable provisions of the IWC Wage
23 Orders, each of which constitute separate violations of Labor Code § 1198 and Labor Code §
24 2699.5, and seeking penalties available and applicable under Labor Code § 2699(f)(2) and
25 paragraph 20 of the applicable IWC Wage Orders, and for attorneys’ fees and costs pursuant to
26 Labor Code § 2699(g)(1).

27 134. As also addressed above, Plaintiff, on behalf of the Class Members, also seeks the
28 penalties and remedies set forth in Labor Code § 558, which states:

(a) Any employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provision regulating hours and days of work in any order of the 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 in addition to an amount sufficient to recover underpaid wages. (2) For any subsequent violation, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount sufficient to recover underpaid wages. (3) Wages recovered pursuant to this section shall be paid to the affected employee.

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

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

135. Plaintiff has exhausted her administrative remedies by sending a certified letter to the LWDA and Defendants postmarked on **December 15, 2023**, addressing in detail the specific provisions of the Labor Code Defendants have violated and addressing the facts and legal theories to support the alleged violations and requested penalties. The LWDA has not provided notice of its intent to investigate the alleged violations within 65 calendar days of the postmark date of the letter, and Plaintiff adds this claim seeking penalties under the PAGA for the violations addressed herein and in the PAGA Notice Letter and the original Complaint.

RELIEF REQUESTED

WHEREFORE, Plaintiff prays for the following relief:

1. For an order certifying this action as a class action;
2. For compensatory damages in the amount of the unpaid minimum wages for work

1 performed by Class Members and unpaid overtime compensation from at least four (4) years prior
2 to the filing of this action, as may be proven;

3 3. For liquidated damages in the amount equal to the unpaid minimum wage and
4 interest thereon, from at least four (4) years prior to the filing of this action, according to proof;

5 4. For compensatory damages in the amount of all unpaid wages, including overtime
6 and double-time pay, as may be proven;

7 5. For compensatory damages in the amount of the hourly wage made by Class
8 Members for each missed or deficient meal period where no premium pay was paid therefor from
9 four (4) years prior to the filing of this action, as may be proven;

10 6. For compensatory damages in the amount of the hourly wage made by Class
11 Members for each day requisite rest breaks were not provided or were deficiently provided where
12 no premium pay was paid therefor from at least four (4) years prior to the filing of this action, as
13 may be proven;

14 7. For penalties pursuant to Labor Code § 226(e) for Class Members, as may be
15 proven;

16 8. For penalties pursuant to Labor Code § 203 for all Class Members who quit or were
17 fired in an amount equal to their daily wage times thirty (30) days, as may be proven;

18 9. For restitution and/or damages for all amounts unlawfully withheld from the wages
19 for all class members in violation of Labor Code § 204, as may be proven;

20 10. For penalties pursuant to Labor Code § 246, as may be proven;

21 11. For restitution and/or damages for all amounts unlawfully withheld from the wages
22 for all Class Members in violation of Labor Code § 2802, as may be proven;

23 12. For restitution for unfair competition pursuant to Business & Professions Code
24 § 17200 *et seq.*, including disgorgement or profits, as may be proven;

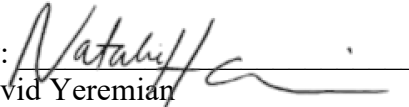
25 13. For an order enjoining Defendants and their agents, servants, and employees, and
26 all persons acting under, in concert with, or for them, from acting in derogation of any rights or
27 duties adumbrated in this Complaint;

28 14. For penalties pursuant to Labor Code § 2698 *et seq.*, as may be proven;

15. For other wages and penalties under the Labor Code as may be proven;
16. For all general, special, and incidental damages as may be proven;
17. For an award of pre-judgment and post-judgment interest;
18. For an award providing for the payment of the costs of this suit;
19. For an award of attorneys' fees; and
20. For such other and further relief as this Court may deem proper and just.

DATED: June 21, 2024

D.LAW, INC.

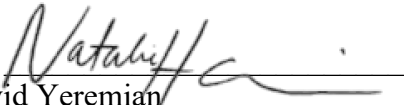
By: 
David Yeremian
Natalie Haritonian
Jonas Agle
Attorneys for Plaintiff MICHAEL
CHESTANG, and all others similarly situated

DEMAND FOR JURY TRIAL

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

DATED: June 21, 2024

D.LAW, INC.

By: 
David Yeremian
Natalie Haritounian
Jonas Agle
Attorneys for Plaintiff MICHAEL
CHESTANG, and all others similarly situated

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PROOF OF SERVICE

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES:

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

On June 21, 2024, I served the foregoing: **FIRST AMENDED CLASS ACTION COMPLAINT** on Interested Parties in this action by placing a true copy thereof, enclosed in a sealed envelope, addressed as follows:

Adam C. Hackett (SBN 220679)
adam.hackett@ogletree.com
OGLETREE DEAKINS
19191 S. Vermont Avenue, Suite 950
Torrance, CA 90502

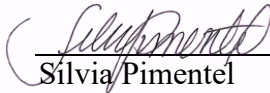
☒ **(BY MAIL)** I placed such envelope with postage thereon fully paid in the United States mail at Glendale, California. I am "readily familiar" with this firm's practice of collecting and processing correspondence for mailing. It is deposited with U.S. Postal Service on that same day in the ordinary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

☐ **(BY OVERNIGHT DELIVERY)** I enclosed the documents in an envelope or package provided by an overnight delivery carrier and addressed to the persons at the address above. I placed the envelope or package for collection and overnight delivery at an office or a regularly utilized drop box of the overnight delivery carrier.

☒ **(COURTESY COPY BY ELECTRONIC TRANSMISSION)** by use of email by scanning the documents and any and all documents and emailing them to email addresses above.

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

Executed on June 21, 2024, at Glendale, California.



Silvia Pimentel