

TWOMEY LAW, P.C.
J.B. Twomey [SBN 294206]
JB@JBTwomeyLaw.com
10940 Wilshire Boulevard, Suite 1600
Los Angeles, California 90024
Telephone: (310) 980-6357
Facsimile: (818) 937-6897

Attorney for Plaintiffs,
DEBORAH GOODLOE, BETTY
GLENN, and RUTH GORDON

**SUPERIOR COURT OF THE STATE OF CALIFORNIA FOR
THE COUNTY OF LOS ANGELES – CENTRAL – STANLEY MOSK COURTHOUSE**

DEBORAH GOODLOE, an individual, on behalf
of herself, other current and former aggrieved
employees, and the State of California, as a
private attorneys general; BETTY GLENN, an
individual; and RUTH GORDON, an individual,

Plaintiffs,

vs.

LIVHOME, INC., a Delaware corporation d/b/a
AROSA a/k/a AROSA+LIVHOME; AROSA
ACQUISITIONS, LLC, a North Carolina limited
liability company d/b/a AROSA a/k/a
AROSA+LIVHOME; ARI MEDOFF, an
individual; WEI WEI MANGUSON, an
individual; and DOES 1 through 25, Inclusive,

Defendants.

Case No. 24STCV22425

COMPLAINT FOR DAMAGES FOR:

1. Violations of *Cal. Labor Code* §§ 1194 & 1194.2
2. Violations of *Cal. Labor Code* § 510
3. Violations of *Cal. Labor Code* § 1454
4. Violations of *Cal. Labor Code* § 226.7
5. Violations of *Cal. Labor Code* §§ 512 & 226.7
6. Violations of *Cal. Labor Code* §§ 204 & 210
7. Violations of *Cal. Labor Code* § 226
8. Violations of *Cal. Labor Code* § 2802
9. Violations of *Cal. Labor Code* § 203
10. Violations of *Cal. Bus. & Prof. Code* § 17200
11. Violations of *Cal. Labor Code* § 2698, *et. seq.*

**DEMAND FOR JURY TRIAL FOR ALL
ELIGIBLE CAUSES OF ACTION**

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1 Plaintiff DEBORAH GOODLOE (hereinafter individually referred to as “DEBORAH” or
2 “PLAINTIFF GOODLOE”), an individual, on behalf of herself, other current and former aggrieved
3 employees of DEFENDANTS (as defined below), and the State of California, as a private attorneys
4 general under the Private Attorneys General Act of 2004, *California Labor Code* section 2698, *et*
5 *seq.* (hereinafter referred to as “PAGA”), Plaintiff BETTY GLENN, an individual (hereinafter
6 individually referred to as “BETTY” or “PLAINTIFF GLENN”), and Plaintiff RUTH GORDON,
7 an individual (hereinafter individually referred to as “RUTH” or “PLAINTIFF GORDON”) hereby
8 allege and state as follows:

9 **PARTIES**

- 10 1. At all times relevant herein, Defendant LIVHOME, INC. a Delaware corporation d/b/a AROSA
11 a/k/a AROSA+LIVHOME (hereinafter referred to as “DEFENDANT LIVHOME”) is/was
12 conducting business and employing persons in the State of California as a foreign corporation
13 that was/is organized and existing under the laws of Delaware.
- 14 2. At all times relevant herein, AROSA ACQUISITIONS, LLC, a North Carolina limited liability
15 company d/b/a AROSA a/k/a AROSA+LIVHOME (hereinafter referred to as “DEFENDANT
16 AROSA”) was/is conducting business and employing persons in the State of California as a
17 foreign corporation that was/is organized and existing under the laws of North Carolina.
- 18 3. Hereinafter, DEFENDANT LIVHOME, DEFENDANT AROSA and DOES 1 through 25 are
19 collectively referred to as “CORPORATE DEFENDANTS.” CORPORATE DEFENDANTS
20 claim to provide non-medical health care services by and through their employment of persons
21 in various states throughout the United States, including, as just mentioned above, California.
- 22 4. CORPORATE DEFENDANTS’ website’s legal notice states in part: “Welcome to the Arosa
23 website (the “Site”) which includes our mobile websites, mobile apps, blogs and website. This
24 Arosa Terms of Use Agreement (“Agreement”) sets forth the agreement between **LivHOME,**
25 **Inc. and Arosa Acquisitions, LLC and affiliated companies** (together “Arosa”, “We”, “Us”,
26 or “Our”)” (<https://arosacare.com/legal-notice/>) (emphasis added.)

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- 1 5. During all times relevant, the natural person, Defendant ARI MEDOFF (hereinafter,
2 “DEFENDANT MEDOFF”), was/is the owner, CEO, Director, officer and managing
3 officer/agent of/for CORPORATE DEFENDANTS, and was/is conducting business and acting
4 within a supervisory and/or managerial in relation to CORPORATE DEFENDANTS’
5 employees in the State of California, including but not limited to in Los Angeles County.
- 6 6. At all times relevant, DEFENDANT MEDOFF was and is acting as a “managing and/or
7 supervisory agent” of CORPORATE DEFENDANTS’ in State of California, County of Los
8 Angeles as the terms was/were defined by the California Supreme Court in *White v. Ultramar*,
9 *Inc.* (1999) 21 Cal.4th 563 and Section 3294 of the *Code Civil Procedure*.
- 10 7. During all times relevant, the natural person, Defendant WEI WEI MAGNUSON (hereinafter,
11 “DEFENDANT MAGNUSON”), was/is Los Angeles’ Area Manager, thus, a managing
12 officer/agent of/for CORPORATE DEFENDANTS and and was/is conducting business and
13 acting within a supervisory and/or managerial in relation to CORPORATE DEFENDANTS’
14 employees in the State of California, County of Los Angeles.
- 15 8. At all times relevant, DEFENDANT MAGNUSON was and is acting as a “managing and/or
16 supervisory agent” of CORPORATE DEFENDANTS’ in State of California, County of Los
17 Angeles as the terms was/were defined by the California Supreme Court in *White v. Ultramar*,
18 *Inc.* (1999) 21 Cal.4th 563 and Section 3294 of the *Code Civil Procedure*.
- 19 9. Hereinafter, DEFENDANT MEDOFF, DEFENDANT MAGNUSON and DOES 1 through 25
20 are collectively referred to as “INDIVIDUAL DEFENDANTS”
- 21 10. Hereinafter, CORPORATE DEFENDANTS, INDIVIDUAL DEFENDANTS and DOES 1
22 through 25 are collectively referred to as “DEFENDANTS.”
- 23 11. Hereinafter, DEBORAH, BETTY, and RUTH are collectively referred to as “PLAINTIFFS.”
- 24 12. At all times relevant herein, PLAINTIFFS were employed by and worked for DEFENDANTS,
25 and each of them, in the State of California, County of Los Angeles.

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1 13. Hereinafter, “AGGRIEVED EMPLOYEES” refers to any and all of DEFENDANTS’ current
2 and former non-exempt California employees, including *but not limited to* PLAINTIFFS, all
3 DEFENDANTS’ caregivers/personal attendants and all DEFENDANTS’ Care Specialists
4 working at, for, or out of any and all of DEFENDANTS’ California regional offices, including
5 *but not limited to* offices in the Central Coast (Santa Barbara; San Luis Obispo), Coachella
6 Valley (Palm Desert), East Bat (Walnut Creek), Inland Empire (Riverside), Los Angeles (Los
7 Angeles; Pasadena), North County San Diego (Carlsbad), Orange County (Irvine), San Gabriel
8 Valley (Pasadena), San Diego, San Francisco, Silicone Valley (Mountain View), and South Bay
9 (Hermosa Beach).

10 14. The true names and capacities, whether individual, corporate, associate, or otherwise, of the
11 Defendant(s) named herein as DOES 1 through 25, Inclusive, and each of them, are unknown to
12 PLAINTIFFS, who therefore bring this action against said Defendant(s) by their fictitious
13 names pursuant to *Cal. Code Civ. Pro.* § 474.

14 15. PLAINTIFFS and each of them therefore reserve(s) the right to seek leave to amend this
15 Complaint to include the true names and capacities of said DOE Defendant(s) in the event that
16 identification of such DOE parties is ascertained.

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1 16. PLAINTIFFS is informed and believe and based thereupon allege that at all relevant times
2 herein mentioned each of the DEFENDANTS and DOES 1 through 25, inclusive, were the
3 agents, servants and/or employees, partner, predecessor-in-interest, successor-in-interest,
4 beneficiary, executor, fictitious business name, trustee, subsidiary, related/affiliated entity,
5 assignee, assignor, legal representative, general administrator, member, co-conspirator, and/or
6 joint venturer or occupied other relationships with each of the other named DEFENDANTS
7 and at all times herein mentioned acted within the course and scope of said agency and/or
8 employment and/or other relationship and each other DEFENDANTS have ratified, consented
9 to, had actual and/or constructive knowledge of, was bound by, approved or, and/or failed to
10 prevent the acts of their agents, employees, predecessor-in-interest, successor-in-interest,
11 trustees, trustors, and/or representatives, and that each actively, passively, acquiesced,
12 participated in, allowed, aided and abetted, assisted, acted, or failed to act, with one another in
13 the commission of the wrongdoing alleged in this Complaint.

14 **JURISDICTION AND VENUE**

15 17. PLAINTIFFS re-allege and incorporate by reference all preceding paragraphs as though fully
16 set forth herein.

17 18. The above-captioned Court has jurisdiction over the subject matter of this action and has
18 personal jurisdiction over DEFENDANTS, which: (1) conduct business in the State of
19 California; (2) hires and maintains employees in the State of California; and (3) avails
20 itself/themselves of the protection of the laws of the State of California.

21 19. Venue in the above-captioned Court is proper because DEFENDANTS committed some of the
22 acts complained of herein in Los Angeles County and DEFENDANTS' have a place of business
23 located in the County of Los Angeles; in fact, DEFENDANTS' principal address in California
24 is in the County of Los Angeles, 10020 National Boulevard, Suite 1, Los Angeles, CA 90034.
25 At all times relevant herein, PLAINTIFFS were employed by and worked for DEFENDANTS,
26 and each of them, in the State of California, County of Los Angeles.

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FACTUAL ALLEGATIONS

20. PLAINTIFFS re-allege and incorporate by reference all preceding paragraphs as though fully set forth herein.

21. Bain Capital and Nurse Care of North Carolina’s acquired LIVHOME, INC. in or around 2018. DEFENDANT MEDOFF explains, “That combination of LivHome and Nurse Care of North Carolina in 2018 really formed the basis for what became Arosa, when we rebranded in 2021.” (<https://homehealthcarenews.com/2023/07/arosa-ceo-on-transforming-the-traditional-home-care-business-model/>.) DEFENDANT MEDOFF further states, “In late 2020, **we had a bunch of different brands, though we were operating as one entity**. We really felt the need to unify our brand, our values, and so we rebranded as Arosa.” (*Id*) (emphasis added.) Also, “Arosa is one of the largest non-franchised home care companies in the country. It has grown significantly over the years — and it’s banking on doing the same in the near-term future.” (*Id*.) “[W]e [Arosa] are the largest provider of private-pay care management in the country.” (*Id*.)

22. DEFENDANT MEDOFF admits, “It’s no secret what our business model is in non-medical home care: It is ‘to bill 2X and pay X.’” (<https://homehealthcarenews.com/2023/07/arosa-ceo-on-transforming-the-traditional-home-care-business-model/>.)

23. DEFENDANT MEDOFF further admits “Maybe in San Francisco, we’ll bill \$40 and we’ll pay \$20. In a place like Durham, North Carolina, maybe it’s billing \$30 or \$32, and paying \$15 or \$16 an hour.” (<https://homehealthcarenews.com/2023/07/arosa-ceo-on-transforming-the-traditional-home-care-business-model/>.)

24. Based on the business model just-described by DEFENDANT MEDOFF, DEFENDANTS generate an annual revenue of \$54,000,000.00 for.¹

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¹ “Based in Los Angeles, CA, Arosa is a key player in the health care industry with 1,329 employees and an annual revenue of \$54.0M.” (<https://www.zippia.com/livhome-careers-29706/>.)

25. DEFENDANTS’ business model is applied to any and all AGGREIVED EMPLOYEES at all of DEFENDANTS’ locations/California regional offices, including *but not limited to* offices in the Central Coast (Santa Barbara; San Luis Obispo), Coachella Valley (Palm Desert), East Bat (Walnut Creek), Inland Empire (Riverside), Los Angeles (Los Angeles; Pasadena), North County San Diego (Carlsbad), Orange County (Irvine), San Gabriel Valley (Pasadena), San Diego, San Francisco, Silicone Valley (Mountain View), and South Bay (Hermosa Beach).

26. Thus, despite DEFENDANTS being one of the largest non-franchised home care companies in the country with an annual revenue of \$54,000,000.00, as detailed herein, DEFENDANTS’ willful and intentional company-wide policies and practices result in, *inter alia*, various forms of wage theft, failing to provide any and all AGGREIVED EMPLOYEES lawful meal and rest periods, failing to reimburse any and all AGGREIVED EMPLOYEES for all out pocket business expenditures they incur carrying out their duties for DEFENDANTS, or at the direction of DEFENDANTS, all in violation of the California Labor Code and/or IWC Wage Order Number 15-2001—Household Occupations (codified in *California Code of Regulations* tit. 8 Section 11150), *i.e.*, IWC 15 based on DEFENDANTS’ business industry (hereinafter referred to as “IWC 15”). Reference to the “IWC” is also reference to the applicable Section found in *California Code of Regulations* tit. 8 Section 11150 and vice versa.

PLAINTIFF GOODLOE

27. PLAINTIFFS re-allege and incorporate by reference all preceding paragraphs as though fully set forth herein.

28. DEBORAH was hired by DEFENDANTS in or around 2007 as a non-exempt office assistant and receptionist in the State of California at DEFENDANTS’ Los Angeles regional office located on National Boulevard. DEFENDANTS changed DEBORAH’s title in or around 2020 to a non-exempt “Care Specialist” and DEBOROH held this position until her termination on or around March 13, 2024. DEFENDANTS’ Care Specialists, including DEBORAH, are office-based employees with the primary function of scheduling DEFENDANTS’ caregivers to DEFENDANTS’ clients.

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- 1 29. During all times relevant, DEBORAH and all DEFENDANTS' office workers were victim of
2 DEFENDANTS' below-described wage theft.
- 3 30. First, DEFENDANTS required DEBORAH to involuntarily work through her meal periods.
4 Each workday, a pre-set notification would display on DEBORAH's screen, (and each non-
5 exempt office employees' screen) instructing her/them to clock-out for a meal period. One hour
6 later, a similar pre-set notification would display on their screens instructing them to clock-in
7 from the meal periods.
- 8 31. However, during the hour-long period during which DEBORAH was purportedly clocked out,
9 DEFENDANTS never in fact made a meal period available to DEBORAH or any other of
10 DEFENDANTS' non-exempt office workers (hereinafter, collectively, "PAGA OFFICE
11 WORKERS") – DEFENDANTS' workflow made it impossible for DEBORAH and any PAGA
12 OFFICE WORKERS to take an hour-long, or even 30-minute uninterrupted meal period. In
13 short, every workday was comprised of, *inter alia*, DEFENDANTS' phones ringing off the
14 hooks, and scheduling complexities/issues being addressed/remedied/dealt with. For this same
15 reason, DEFENDANTS simply failed to provide DEBORAH and all DEFENDANTS' PAGA
16 OFFICE WORKERS with/make rest periods available to them.
- 17 32. DEBORAH's supervisors, the area directors, who worked alongside DEBORAH in the office,
18 including the acting area director at the time of her termination DEFENDANT MAGNUSON,
19 knew she/DEFENDANTS were in fact not providing DEBORAH and the PAGA OFFICE
20 WORKERS ten-minute rest periods, or hour-long (or even 30-minute) uninterrupted meal
21 periods.
- 22 33. The area directors knew DEBORAH and the PAGA OFFICE WORKERS were not in fact
23 receiving lawful meal and/or rest periods as they witnessed it every workday.
- 24 34. As for the meal periods, the pre-set meal period notifications were instituted by the area
25 directors, including DEFENDANT MAGNUSON (as well as, DEFENDANT MEDOFF), the
26 notifications would display on all of DEFENDANTS' office workers computers, including the
27 area directors' computers, but all PAGA OFFICE WORKERS would merely clock out as
28 prompted by the notification and go right on working.

1 35. DEFENDANTS’ area directors, including but not limited to, DEFENDANT MAGNUSON
2 knew this because the area directors witnessed the PAGA OFFICE WORKERS being required
3 to work during these periods – the workflow did not permit them to take any sort of break, and
4 furthermore, the area directors engaged the PAGA OFFICE WORKERS with/about work
5 during these clocked out periods, thus, the PAGA OFFICE WORKERS were never fully
6 released of their duties.

7 36. Also, when DEBORAH questioned DEFENDANT MAGNUSON about not receiving rest
8 periods and the practice of clocking-out but continuing to work during meal periods,
9 DEFENDANT MAGNUSON explained if DEBORAH and all DEFENDANTS’ PAGA
10 OFFICE WORKERS did not clock out, DEFENDANTS would get “penalized by the labor
11 board.”

12 37. DEFENDANTS’ just-described willful, intentional and unlawful company-wide policies and
13 practices also result in penalty.

14 38. DEFENDANTS’ willful, intentional and unlawful actions failed to abide by the “**MEAL AND**
15 **REST PERIODS**” section in DEFENDANTS’ own handbook, which states in part: “Any
16 supervisor who knows or should reasonably know that a meal or rest period was not provided in
17 accordance with this Policy should arrange for a premium to issue to the employee.”

18 39. DEFENDANTS’ willful, intentional and unlawful actions failed to abide by California law.

19 40. Despite DEFENDANTS’ area directors, including, DEFENDANT MAGNUSON, knowing or
20 reasonably should know/have known, DEBORAH and all PAGA OFFICE WORKERS are not
21 being provided meal and rest periods, DEFENDANTS never paid DEBORAH or any PAGA
22 OFFICE WORKERS a premium equal to one-hour at their regular hourly rates.

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1 41. Moreover, because DEBORAH or any PAGA OFFICE WORKERS were working through
2 these purported one-hour long meal periods during which they were clocked out,
3 DEFENDANTS' area directors, including, DEFENDANT MAGNUSON, knew/know
4 DEBORAH or any PAGA OFFICE WORKERS were/are not being paid California's then
5 prevailing minimum wage, or overtime if applicable, for no less than (1) hour per day because
6 their daily worktimes were/are being artificially reduced by one (1) hour when clocked out, but
7 still being required to work. Thus, DEFENDANTS willfully and intentionally fail/ed to pay
8 DEBORAH or any PAGA OFFICE WORKERS all wages they earn/ed, including California's
9 prevailing minimum wage, and/or overtime wages when applicable.

10 42. DEFENDANTS' further form of wage theft came in the context of DEFENDANTS requiring
11 DEBORAH and all PAGA OFFICE WORKERS to be on-call.

12 43. During the vast majority of all relevant time, DEFENDANTS required DEBORAH and all
13 PAGA OFFICE WORKERS to be on-call during one out of every three weeks, Monday
14 through Sunday.

15 44. Thereafter, DEFENDANTS required/are requiring DEBORAH and all PAGA OFFICE
16 WORKERS to be on-call during one out of every five weeks, Monday through Friday.

17 45. During this on-call work, and in addition to their scheduled office hours, DEBORAH and all
18 PAGA OFFICE WORKERS were required to respond to calls about, *inter alia*,
19 scheduling/caregiver call-offs/client complaints/needs, etc. during all times. The preceding
20 duties began from the moment they clocked out of the office, throughout the evening, into the
21 night, threw the early AM hours beginning at midnight, up until they clocked back in at the
22 office.²

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25 ² DEFENDANT MEDOFF: "We are an around-the-clock operation. Every single one of our teammates,
26 showing up on time with a smile, ready to get a great bit of work done is very hard. Oftentimes it's an
27 emotionally and physically tall order. It's a simple business model but it's tough to execute. Fundamentally, I
28 think that we need innovation around that business model." (<https://homehealthcarenews.com/2023/07/arosa-ceo-on-transforming-the-traditional-home-care-business-model/>.)

- 1 46. And the calls about, *inter alia*, scheduling/caregiver call-offs/client complaints/needs, etc. were
2 fast, furious and numerous.
- 3 47. DEFENDANTS required on-call work made DEBORAH and all PAGA OFFICE WORKERS
4 prisoners of their own homes – knowing when the calls came through, they needed immediate
5 computer access to DEFENDANTS’ online company portal necessary to take all appropriate
6 steps to remedy the issues arising based on the varying and numerous calls.
- 7 48. Despite DEBORAH and all PAGA OFFICE WORKERS being under the control of
8 DEFENDANTS 24 hours during these on-call shifts, thus, earning significant wages, including
9 no less than California’s minimum wage, plus time and on-half and double overtime wages,
10 DEFENDANTS only paid DEBORAH and all PAGA OFFICE WORKERS \$25.00 per on-call
11 day. Accordingly, DEFENDANTS intentionally and willfully failed to pay DEBORAH and all
12 PAGA OFFICE WORKERS significant amounts of minimum wages and overtime wages.
- 13 49. DEFENDANTS also failed to reimburse DEBORAH and all PAGA OFFICE WORKERS for
14 being required to use their own personal cellular phone service, and personal internet service to
15 carry out all or most of the above-described duties for DEFENDANTS.
- 16 50. At a certain point, DEFENDANTS issued an addendum to their handbook that identified
17 DEBORAH would be reimbursed \$12.50 for use of her personal cellular phone, but that
18 addendum was merely uploaded to DEFENDANTS’ ADP online service accounts for
19 DEBORAH and all PAGA OFFICE WORKERS, apparently requiring an acknowledgment of
20 receipt be signed, but DEBORAH was never aware of the addendum, thus, never signed an
21 acknowledgement.
- 22 51. While DEBORAH and all PAGA OFFICE WORKERS did receive \$12.50 reimbursements, this
23 amount fails to reimburse DEBORAH and all PAGA OFFICE WORKERS for all use of their
24 personal cellular phones, and fails to reimburse them for any use of their personal internet
25 services.

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52. Additionally, DEBORAH and all PAGA OFFICE WORKERS were at times required to use their personal automobiles to travel from the office to various of DEFENDANTS' clients' homes for various purposes. DEFENDANTS never reimbursed DEBORAH and all PAGA OFFICE WORKERS for the costs / mileage accrued related to use of their personal automobiles.

PLAINTIFF GLENN and PLAINTIFF GORDON

53. PLAINTIFFS re-allege and incorporate by reference all preceding paragraphs as though fully set forth herein.

54. BETTY was hired by DEFENDANTS in or around 2008 as a non-exempt caregiver in the State of California. BETTY provided caregiving to DEFENDANTS' clients until her termination on or around January 30, 2024.

55. RUTH was hired by DEFENDANTS in or around 2015 as a non-exempt caregiver in the State of California. RUTH provided caregiving to DEFENDANTS' clients until her resignation on or around March 22, 2024.

56. Based on DEBORAH's experience and role during her employment at DEFENDANTS, she is aware, she is informed and she believes and thereon she alleges that all PAGA CAREGIVERS were victim of the same violations described by BETTY and RUTH.

57. During all times relevant, BETTY, RUTH and all DEFENDANTS' caregivers (hereinafter, collectively referred to as "PAGA CAREGIVERS") were victim of DEFENDANTS' below-described wage theft.

58. First, BETTY, RUTH and all or many of the PAGA CAREGIVERS would/do work shifts that result/ed in them working up to 16 hours in a given day. However, DEFENDANTS would/do not pay them time and one-half their regular rate for all hours worked past 9 hours in that day; in short, DEFENDANTS shave/d time using the stroke of midnight as a diversion to confuse BETTY, RUTH and all PAGA CAREGIVERS about the number of hours they in fact work/ed during any given 24-hour period.

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1 59. Moreover, BETTY, RUTH and all or many of the PAGA CAREGIVERS were/are required by
2 DEFENDANTS and DEFENDANTS' clients to perform significant amounts of time/work
3 performing functions/duties other than supervising, feeding and dressing DEFENDANTS'
4 clients; thus, losing their personal attendant status. When this occurs/occurred, DEFENDANTS
5 were/are required, but fail/ed to pay BETTY, RUTH and all PAGA CAREGIVERS overtime
6 wages according to IWC 15 and *Labor Code* 510, not *Labor Code* 1454. Also, when this
7 occurs/occurred, DEFENDANTS fail/ed to inform BETTY, RUTH and all PAGA
8 CAREGIVERS about their entitlement to, and fail/ed to provide them, lawful/compliant meal
9 and rest periods. When DEFENDANTS fail/ed to make these meal and rest periods available as
10 required under California law, DEFENDANTS secondarily fail/ed to pay BETTY, RUTH and
11 all PAGA CAREGIVERS a one-hour premium at their regular rates of pay.

12 60. Moreover, when DEFENDANTS double-book/ed a client with 2 caregivers, the caregiver that
13 was/is required to go home and not fulfill the caregiving was/is paid nothing, *i.e.*, not paid any
14 reporting time pay.

15 61. Additionally, on occasion, certain of DEFENDANTS' caregivers abandon their caregiving shift,
16 requiring, at times, DEFENDANTS' clients to make urgent calls to the caregiver that was/are
17 scheduled to relieve the abandoning caregiver. Despite the relieving caregiver assuming
18 caregiving duties, thus, working hours in advance of their scheduled time, DEFENDANTS
19 would/do not pay them, including BETTY and RUTH, for any of this caregiving/worktime;
20 thus, did/do not pay them California's minimum wage, or if applicable, any overtime wages
21 earned and owing.

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1 62. Furthermore, on occasion, BETTY, RUTH and all PAGA CAREGIVERS would be/are
2 informed they were/are being scheduled to one of DEFENDANTS' new clients/one-off
3 clients/emergency clients; thus, spent/d time discussing the scheduling/details/circumstances of
4 the same, and otherwise preparing to assume caregiving duties only to find out, in the eleventh
5 hour, including while enroute or having already arrived at DEFENDANTS' client's/s' home,
6 they in fact will not be proving caregiving duties. When this occurs/occurred, DEFENDANTS
7 fail/ed to pay BETTY, RUTH and all PAGA CAREGIVERS any compensation, including
8 California's minimum wage, if applicable overtime wages and/or reporting time pay.

9 63. Also, when BETTY, RUTH and all PAGA CAREGIVERS were/are required to travel distances
10 exceeding their normal caregiving duties to assume caregiving for one of DEFENDANTS' new
11 clients/one-off clients/emergency clients, DEFENDANTS fail/ed to pay them this compensable
12 driving time. Similarly, when BETTY, RUTH and all PAGA CAREGIVERS were/are required
13 to travel between DEFENDANTS' clients to provide caregiving duties, DEFENDANTS fail/ed
14 to pay them for this compensable time. Thus, DEFENDANTS fail/ed to pay BETTY, RUTH
15 and all PAGA CAREGIVERS California's minimum wage, or if applicable, overtime wages for
16 DEFENDANTS just-described failures.

17 64. Finally, BETTY, RUTH and all PAGA CAREGIVERS earn/ed various straight time rates of
18 pay depending on which of DEFENDANTS' clients they were/are caregiving, thus, their
19 accurate overtime rate(s) of pay were/are to be determined using the weighted average method.
20 However, DEFENDANTS did/do not use the weighted average method and their failure to do
21 so always results/ed in BETTY, RUTH and all PAGA CAREGIVERS being paid an overtime
22 rate of pay that is less than California law requires/d.

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65. DEFENDANTS also fail/ed to reimburse BETTY, RUTH and all PAGA CAREGIVERS for being required to use their own personal cellular phone service, and personal internet service to carry out all or most of the above-described duties for DEFENDANTS. At a certain point, DEFENDANTS issued an addendum to their handbook that identified office workers would be reimbursed \$12.50 for use of her personal cellular phone. This addendum was not issued to the caregivers and DEFENDANTS never reimburse/d them for use of their personal cellular service despite during the vast majority of all relevant time, they were/are required to not only use their cell phones for contact between/among DEFENDANTS and DEFENDANTS' clients, but also required to download an app names "Axis Care" to use for timekeeping (previously, BETTY, RUTH and all PAGA CAREGIVERS were required to use their cell phones to call into an automated system to record their hours).

66. DEFENDANTS fail/ed entirely to reimburse BETTY, RUTH and all PAGA CAREGIVERS for all use of their personal cellular phones, and fails to reimburse them for any use of their personal internet services, when required. Additionally, BETTY, RUTH and all PAGA CAREGIVERS were/are also required to use their personal automobiles to travel from one DEFENDANTS' clients' residences to other of DEFENDANTS' clients' residences. DEFENDANTS were/are required to reimburse BETTY, RUTH and all PAGA CAREGIVERS for the costs / mileage accrued from this use of their personal automobiles, however, DEFENDANTS did/do not.³

PLAINTIFFS and AGGRIEVED EMPLOYEES GENERALLY

67. PLAINTIFFS re-allege and incorporate by reference all preceding paragraphs as though fully set forth herein.

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³ DEFENDANT MEDOFF admits, "Sometimes our caregivers might work 40 or 50 hours a week if they have a consistent client, but sometimes their hours might bounce around. It might be 40 or 50 hours one week and it might be 10 or 20 hours the next week. Sometimes we might be offering days, sometimes we might be offering nights. Sometimes a client might be three or four miles away and other times we may be asking a caregiver if he or she is willing to drive 20 miles or 30 miles and maybe that takes an hour." (<https://homehealthcarenews.com/2023/07/arosa-ceo-on-transforming-the-traditional-home-care-business-model/>.)

1 68. Upon PLAINTIFFS' and any and all AGGRIEVED EMPLOYEES hirings, DEFENDANTS
2 fail/ed to provide them written notices containing (a) the rate or rates of pay and basis thereof,
3 (b) any allowances claimed as part of the minimum wage, including meal or lodging
4 allowances, (c) the regular payday designated by DEFENDANTS, (d) DEFENDANTS' name,
5 including any and all of its "doing business as" names, (e) the physical address of
6 DEFENDANTS' main office / principal place of business / mailing address, (f)
7 DEFENDANTS' telephone number, (g) the name, address, and telephone number of
8 DEFENDANTS' workers' compensation insurance carrier, and (h) information about
9 PLAINTIFFS and any and all AGGRIEVED EMPLOYEES accruing and using sick leave; and
10 having the right to request and use accrued paid sick leave without fear of being terminated or
11 retaliated against for using or requesting the use of accrued paid sick leave, and that
12 PLAINTIFFS and any and all AGGRIEVED EMPLOYEES have the right to file a complaint
13 against DEFENDANTS if DEFENDANTS retaliates.

14 69. Similarly, when DEFENDANTS made/makes any changes to the above-listed information, it
15 further fails/ed to notify PLAINTIFFS and any and all AGGRIEVED EMPLOYEES of those
16 changes within seven calendar days after the changing by notice, other writing or by a timely
17 furnished itemized wage statement.

18 70. Despite paying PLAINTIFFS and all AGGRIEVED EMPLOYEES bi-weekly, DEFENDANTS
19 fail/ed to keep posted conspicuously at its/their places of work/locations/regional offices, or at
20 any other place where it could be seen by PLAINTIFFS and all AGGRIEVED EMPLOYEES, a
21 notice specifying its/their regular pay days and the time and place of payment to PLAINTIFFS
22 and all AGGRIEVED EMPLOYEES.

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1 71. In addition to unpaid wages resulting from DEFENDANTS' ongoing, company-wide pattern
2 and practice of willfully and intentionally failing to pay PLAINTIFFS and all AGGRIEVED
3 EMPLOYEES their meal and rest period premiums, California's minimum wage, all overtime
4 wages earned, compensable drive time, and reporting time pay, DEFENDANTS also willfully
5 fail/ed to pay PLAINTIFFS and all AGGRIEVED EMPLOYEES all wages they earn twice
6 during each calendar month, as well as, all wages owing within the statutorily required time,
7 and place upon DEBORAH and BETTY's termination, RUTH's resignation, and after any one
8 of the AGGRIEVED EMPLOYEES' resignation, or termination from employment.

9 72. Also resulting from, and necessary to conceal DEFENDANTS' ongoing, company-wide pattern
10 of instituting unlawful wage and hour policies and practices, DEFENDANTS also fail/ed to
11 furnish PLAINTIFFS and all AGGRIEVED EMPLOYEES itemized wage statements
12 accurately showing/evidencing/containing/including (a) all forms of compensation earned, (b)
13 the accurate hours/miles/unit/rates associated with any and all forms of wages depicted within
14 the written explanations, (c) the number of meal and rest periods DEFENDANTS failed to
15 make available, as well as, the meal and/or rest period penalties owing, (d) gross and net wages
16 earned, (e) the amount of paid sick leave available, and/or (f) the legal entity that is their
17 employer and the accurate address of the legal entity that is the employer.

18 73. Moreover, DEFENDANTS failed to provide PLAINTIFFS and all AGGRIEVED
19 EMPLOYEES sick days, thus, there was no accrual of sick days at any rate and they were not
20 entitled to sick days.

21 74. Based thereon, DEFENDANTS never provide/d PLAINTIFFS and all AGGRIEVED
22 EMPLOYEES with written notice setting forth the amount of paid sick leave available to them,
23 and never kept record of the sick days accrued/used. And DEFENDANTS fail/ed to display a
24 poster in a conspicuous place containing all information regarding sick days. Similarly,
25 DEFENDANTS fail/ed to keep payroll records showing the hours worked daily by and the
26 wages paid to PLAINTIFFS and all AGGRIEVED EMPLOYEES.

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1 75. During all times relevant, DEFENDANT MEDOFF and other of CORPORATE
2 DEFENDANTS' managing/supervisory agents, such as CORPORATE DEFENDANTS' Area
3 Directors, institute/d, implement/ed and control/led all CORPORATE DEFENDANTS'
4 unlawful company-wide policies, procedures and conditions of employment, including those for
5 wages and hours, under which PLAINTIFFS and any and all AGGRIEVED EMPLOYEES
6 were/are employed and paid.

7 76. During all times relevant, CORPORATE DEFENDANTS' Area Director for Los Angeles,
8 institute/d, implement/ed and control/led all CORPORATE DEFENDANTS' unlawful
9 company-wide policies, procedures and conditions of employment, including those for wages
10 and hours, under which PLAINTIFFS and any and all AGGRIEVED EMPLOYEES in Los
11 Angeles were/are employed and paid.

12 77. And all the herein-detailed violations of the *California Labor Code* and IWC 15 were/are
13 violated, or were/are caused to be violated by INDIVIDUAL DEFENDANTS, *i.e.*,
14 CORPORATE DEFENDANTS' managing agents, the natural persons, DEFENDANT
15 MEDOFF and DEFENDANT MAGNUSON.

16 78. GOODLOE is informed and believes and thereon alleges that any and all AGGRIEVED
17 EMPLOYEES, including any and all of DEFENDANTS' non-exempt California employees
18 other than those in PLAINTIFFS' specific departments, or specific regional office, were/are
19 also subjected to all of DEFENDANTS' herein-detailed violations of the *California Labor Code*
20 and IWC 15 during each and every pay period they, and in any event, in at least one pay period,
21 work/ed during no less than one (1) year back from the date of the PAGA notice described
22 below, and will be further subjected to said violations, up to and including each and every
23 present day until a Court enters judgment on the same.

24 **EXHAUSTION OF PROCEDURAL REQUIREMENTS**

25 79. PLAINTIFFS re-allege and incorporate by reference all preceding paragraphs as though fully
26 set forth herein.

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1 80. On April 8, 2024, DEBORAH sent a written PAGA notice by USPS first-class certified mail to
2 all DEFENDANTS notifying them of the specific violations set forth therein and herein, and the
3 facts and theories supporting the violations. (A true and correct copy of the April 8, 2024
4 PAGA notice is attached hereto as Exhibit 1 and is incorporated herein.)

5 81. On April 8, 2024, DEBORAH submitted the PAGA notice electronically to California's Labor
6 and Workforce Development Agency (hereinafter referred to as the "LWDA").

7 82. The LWDA provided no notice of investigation to DEBORAH within the statutorily required
8 period of time following April 8, 2024. As of the date of this complaint, the LWDA has
9 provided no notice of investigation to DEBORAH.

10 83. Thus, DEBORAH can include a cause of action for violations of the PAGA in this civil action
11 pursuant to *California Labor Code* section 2698, *et. seq.*

12 **TOLLING OF STATUTES OF LIMITATIONS**

13 84. PLAINTIFFS re-allege and incorporate by reference all preceding paragraphs as though fully
14 set forth herein.

15 85. Any application statute of limitation for *California Labor Code* and *California Business and*
16 *Professions Code*, are equitably tolled by virtue of DEBORAH's PAGA Notice.

17 86. The doctrine of equitable tolling is well-recognized in California. In *Elkins v. Derby*, the
18 Supreme Court of California stated, "Defendant's interest in being properly apprised of claims
19 against them in order that they may gather and preserve evidence is fully satisfied when
20 prospective tort intervenors file compensation claims Thus, as the defendants were already
21 in litigation regarding the same sets of facts and circumstances, and no prejudice can be shown
22 towards the defendants, the doctrine of equitable tolling should be recognized...." *Elkins v.*
23 *Derby*, (1974) 12 Cal.3d 410, 417.

24 87. On April 8, 2024, DEBORAH sent written notice by USPS first-class certified mail to all
25 DEFENDANTS notifying them of the specific violations set forth therein and herein, and the
26 facts and theories supporting the violations. (See Exh. 1.) In the same certified correspondence
27 sent DEFENDANTS, DEBORAH also included records requests pursuant to *California Labor*
28 *Code* Sections 226(c), 247.5 and 1198.5.

1 88. The serving and submission of PLAINTIFFS' written PAGA notice and records requests to
2 DEFENDANTS to gather any and all relevant information relating to DEFENDANTS' alleged
3 liability for violations of the *California Labor Code* pertaining to his wages and hours and
4 conditions of his employment. *See McDonald v. Antelope Valley Community College District*,
5 (2008) 45 Cal. 4th 88, 102; *Hopkins v. Kedzierski*, (2014) 255 Cal.App4th 736,750-751;
6 *Structural Steel Fabricators, Inc. v. City of Orange*, (1995) 40 Cal. App.4th 459.

7 89. DEFENDANTS are not prejudiced from the filing of this Complaint because it/they had
8 sufficient time to investigate the facts giving rise to this Complaint based upon PLAINTIFF
9 serving DEFENDANTS with the written PAGA notice.

10
11 **FIRST CAUSE OF ACTION**

12 **Failure to Pay Minimum Wages and Liquidated Damages in Violation of *Cal. Labor Code* §§**
13 **1194 & 1194.2**

14 **(All PLAINTIFFS Against All DEFENDANTS)**

15 90. PLAINTIFFS re-allege and incorporate all preceding paragraphs as though fully set forth
16 herein.

17 91. At all times relevant herein, *California Labor Code* sections 1194, 1194.2, 1197.1, 558.1, as
18 well as, the/any corresponding section(s) of the applicable IWC Wage Order, are and were in
19 full force and effect and are binding on DEFENDANTS.

20 92. "Notwithstanding any agreement to work for a lesser wage, any employee receiving less than
21 the legal minimum wage or the legal overtime compensation applicable to the employee is
22 entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage
23 or overtime compensation, including interest thereon, reasonable attorney's fees, and costs of
24 suit." *Cal. Labor Code* § 1194(a).

25 93. "In any action under Section 98, 1193.6, 1194, or 1197.1 to recover wages because of the
26 payment of a wage less than the minimum wage fixed by an order of the commission or by
27 statute, an employee shall be entitled to recover liquidated damages in an amount equal to the
28 wages unlawfully unpaid and interest thereon." *Id.* at 1194.2(a).

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1 94. Section (4)(B) of the/any corresponding section(s) of the applicable IWC Wage Order states:
2 “Every employer shall pay to each employee, on the established payday for the period involved,
3 not less than the applicable minimum wage for all hours worked in the payroll period, whether
4 the remuneration is measured by time, piece, commission, or otherwise.”

5 95. As set forth herein, PLAINTIFFS were victim of DEFENDANTS’ violations of *California*
6 *Labor Code* sections 1194, 1194.2 and the/any corresponding section(s) of the applicable IWC
7 Wage Order.

8 96. PLAINTIFFS were victim of DEFENDANTS’ said violations in at least one pay period during
9 PLAINTIFFS’ employment with DEFENDANTS.

10 97. DEBORAH is informed and believes and thereon alleges that all AGGRIEVED EMPLOYEES
11 were also victim of DEFENDANTS’ violations of *California Labor Code* sections 1194, 1194.2
12 and the/any corresponding section(s) of the applicable IWC Wage Order.

13 98. DEBORAH is informed and believes and thereon alleges that all AGGRIEVED EMPLOYEES
14 were victim of DEFENDANTS’ said violations in at least one pay period during their
15 employment with DEFENDANTS.

16 99. “Any employer or other person acting on behalf of an employer, who violates, or causes to be
17 violated, any provision regulating minimum wages or hours and days of work in any order of
18 the Industrial Welfare Commission, or violates, or causes to be violated, Sections 203, 226,
19 226.7, 1193.6, 1194, or 2802, may be held liable as the employer for such violation.” *Cal.*
20 *Labor Code* § 558.1(a).

21 100. “Any employer or other person acting either individually or as an officer, agent, or employee of
22 another person, who pays or causes to be paid to any employee a wage less than the minimum
23 fixed by an applicable state or local law, or by an order of the commission shall be subject to a
24 civil penalty, restitution of wages, liquidated damages payable to the employee, and any
25 applicable penalties imposed pursuant to Section 203” *Id.* at 1197.1(a).

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101. INDIVIDUAL DEFENDANTS willfully, knowingly and intentionally violated *California Labor Code* section 1194, the/any corresponding section(s) of the applicable IWC Wage Order and/or the preceding were willfully, knowingly and intentionally caused to be violated by INDIVIDUAL DEFENDANTS, who was/were acting as managing and/or supervisory agent(s) for CORPORATE DEFENDANTS.

102. Accordingly, CORPORATE DEFENDANTS, as well as, INDIVIDUAL DEFENDANTS can be held liable for the damages stemming from the violations of *California Labor Code* section 1194 and the/any corresponding section(s) of the applicable IWC Wage Order, including a restitution of wages, and liquidated damages payable to PLAINTIFFS.

103. “In any action under Section 98, 1193.6, 1194, or 1197.1 to recover wages because of the payment of a wage less than the minimum wage fixed by an order of the commission or by statute, an employee shall be entitled to recover liquidated damages in an amount equal to the wages unlawfully unpaid and interest thereon.” *Id.* at 1194.2(a).

104. “[A]ny 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.” *Id.* at 1194.

105. As a proximate result of DEFENDANTS’ failure to pay PLAINTIFFS the minimum wage, pursuant to the provisions of *California Labor Code* § 1194(a) and the/any corresponding section(s) of the applicable IWC Wage Order, PLAINTIFFS have suffered and will continue to suffer economic damages in an amount to be proven at trial.

106. As a proximate result of DEFENDANTS’ failure to pay PLAINTIFFS the minimum wage, PLAINTIFFS have been forced to hire attorney(s) to prosecute their claims herein, and have incurred and will continue to incur attorney’s/s’ fees and costs in connection therewith.

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1 107. PLAINTIFFS pray that the Court award PLAINTIFFS the unpaid balance of the full amount of
2 PLAINTIFFS' minimum wages, prejudgment interest on these unpaid wages, all civil penalties,
3 statutory penalties, monetary damages, reasonable attorney's/s' fees, costs, liquidated damages,
4 and any other relief available to PLAINTIFFS under the *California Labor Code* and any further
5 relief that the Court deems proper as a result of DEFENDANTS' violations.

6
7 **SECOND CAUSE OF ACTION**

8 **Failure to Pay Overtime Wages in Violation of *Cal. Labor Code* § 510**
9 **(All PLAINTIFFS Against All DEFENDANTS)**

10 108. PLAINTIFFS re-allege and incorporate all preceding paragraphs as though fully set forth
11 herein.

12 109. At all times relevant herein, *California Labor Code* sections 510 and 558.1, as well as, the/any
13 corresponding section(s) of the applicable IWC Wage Order, are and were in full force and
14 effect and are binding on DEFENDANTS.

15 110. "Eight hours of labor constitutes a day's work. Any work in excess of eight hours in one
16 workday and any work in excess of 40 hours in any one workweek and the first eight hours
17 worked on the seventh day of work in any one workweek shall be compensated at the rate of no
18 less than one and one-half times the regular rate of pay for an employee." *Cal. Labor Code* §
19 510(a).

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1 111. Section (3)(A)(1)(a)-(c) of the/any corresponding section(s) of the applicable IWC Wage Order
2 states: “[E]mployees shall not be employed more than eight (8) hours in any workday or more
3 than 40 hours in any workweek unless the employee receives one and one-half (1 1/2) times
4 such employee's regular rate of pay for all hours worked over 40 hours in the workweek. Eight
5 (8) hours of labor constitutes a day's work. Employment beyond eight (8) hours in any workday
6 or more than six (6) days in any workweek is permissible provided the employee is
7 compensated for such overtime at not less than: (a) One and one-half (1 1/2) times the
8 employee's regular rate of pay for all hours worked in excess of eight (8) hours up to and
9 including 12 hours in any workday, and for the first eight (8) hours worked on the seventh (7th)
10 consecutive day of work in a workweek; and (b) Double the employee's regular rate of pay for
11 all hours worked in excess of 12 hours in any workday and for all hours worked in excess of
12 eight (8) hours on the seventh (7th) consecutive day of work in a workweek.(c) The overtime
13 rate of compensation required to be paid to a nonexempt full-time salaried employee shall be
14 computed by using the employee's regular hourly salary as one-fortieth (1/40) of the employee's
15 weekly salary.”

16 112. As set forth herein, PLAINTIFFS were victim of DEFENDANTS’ violations of *California*
17 *Labor Code* section 510 and the/any corresponding section(s) of the applicable IWC Wage
18 Order.

19 113. PLAINTIFFS were victim of DEFENDANTS’ said violations in at least one pay period during
20 PLAINTIFFS’ employment with DEFENDANTS.

21 114. DEBORAH is informed and believes and thereon alleges that all AGGRIEVED EMPLOYEES
22 were also victim of DEFENDANTS’ violations of *California Labor Code* section 510 and
23 the/any corresponding section(s) of the applicable IWC Wage Order.

24 115. DEBORAH is informed and believes and thereon alleges that all AGGRIEVED EMPLOYEES
25 were victim of DEFENDANTS’ said violations in at least one pay period during their
26 employment with DEFENDANTS.

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1 116. “Any employer or other person acting on behalf of an employer, who violates, or causes to be
2 violated, any provision regulating minimum wages or hours and days of work in any order of
3 the Industrial Welfare Commission, or violates, or causes to be violated, Sections 203, 226,
4 226.7, 1193.6, 1194, or 2802, may be held liable as the employer for such violation.” *Cal.*
5 *Labor Code* § 558.1(a).

6 117. INDIVIDUAL DEFENDANTS willfully, knowingly and intentionally violated *California*
7 *Labor Code* section 510, the/any corresponding section(s) of the applicable IWC Wage Order
8 and/or the preceding were willfully, knowingly and intentionally caused to be violated by
9 INDIVIDUAL DEFENDANTS, who was/were acting as managing and/or supervisory agent(s)
10 for CORPORATE DEFENDANTS.

11 118. Accordingly, CORPORATE DEFENDANTS, as well as, INDIVIDUAL DEFENDANTS can
12 be held liable for the damages stemming from the violations of *California Labor Code* section
13 510 and the/any corresponding section(s) of the applicable IWC Wage Order.

14 119. “[A]ny employee receiving less than the legal minimum wage or the legal overtime
15 compensation applicable to the employee is entitled to recover in a civil action the unpaid
16 balance of the full amount of this minimum wage or overtime compensation, including interest
17 thereon, reasonable attorney’s fees, and costs of suit.” *Id.* at 1194.

18 120. As a proximate result of DEFENDANTS’ failure to pay PLAINTIFFS their lawful overtime
19 wages, pursuant to the provisions of *California Labor Code* § 510, PLAINTIFFS are entitled to
20 recover from DEFENDANTS an amount equal to the wages unlawfully unpaid and interest
21 thereon.

22 121. As a proximate result of DEFENDANTS’ failure to pay PLAINTIFFS their lawful overtime
23 wages, PLAINTIFFS have been forced to hire attorney(s) to prosecute their claims herein, and
24 have incurred and will continue to incur attorney’s/s’ fees and costs in connection therewith.

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1 122. PLAINTIFFS pray that the Court award PLAINTIFFS the unpaid balance of the full amount of
2 PLAINTIFFS' overtime wage compensation, prejudgment interest on these unpaid wages, all
3 civil penalties, statutory penalties, monetary damages, reasonable attorney's/s' fees, costs, and
4 any other relief available to PLAINTIFFS under the *California Labor Code* and any further
5 relief that the Court deems proper as a result of DEFENDANTS' violations.

6
7 **THIRD CAUSE OF ACTION**

8 **Failure to Pay Overtime Wages in Violation of *Cal. Labor Code* § 1454**
9 **(PLAINTIFF GLENN and PLAINTIFF GORDON Against All DEFENDANTS)**

10 123. PLAINTIFFS re-allege and incorporate all preceding paragraphs as though fully set forth
11 herein.

12 124. At all times relevant herein, *California Labor Code* section 1454 is and was in full force and
13 effect and is binding on DEFENDANTS.

14 125. "A domestic work employee who is a personal attendant shall not be employed more than nine
15 hours in any workday or more than 45 hours in any workweek unless the employee receives one
16 and one-half times the employee's regular rate of pay for all hours worked over nine hours in
17 any workday and for all hours worked more than 45 hours in the workweek." *Cal. Labor Code*
18 § 1454.

19 126. As set forth herein, BETTY and RUTH were victim of DEFENDANTS' violations of
20 *California Labor Code* section 1494.

21 127. BETTY and RUTH were victim of DEFENDANTS' said violations in at least one pay period
22 during PLAINTIFFS' employment with DEFENDANTS.

23 128. And DEBORAH is informed and believes and thereon alleges that all AGGRIEVED
24 EMPLOYEES were also victim of DEFENDANTS' violations of *California Labor Code*
25 section 1454.

26 129. DEBORAH is informed and believes and thereon alleges that all AGGRIEVED EMPLOYEES
27 were victim of DEFENDANTS' said violations in at least one pay period during their
28 employment with DEFENDANTS.

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1 130. “[A]ny employee receiving less than the legal minimum wage or the legal overtime
2 compensation applicable to the employee is entitled to recover in a civil action the unpaid
3 balance of the full amount of this minimum wage or overtime compensation, including interest
4 thereon, reasonable attorney’s fees, and costs of suit.” *Id.* at 1194.

5 131. As a proximate result of DEFENDANTS’ failure to pay BETTY and RUTH their lawful
6 overtime wages, pursuant to the provisions of *California Labor Code* § 1454, BETTY and
7 RUTH are entitled to recover from DEFENDANTS an amount equal to the wages unlawfully
8 unpaid and interest thereon.

9 132. As a proximate result of DEFENDANTS failure to pay BETTY and RUTH their lawful
10 overtime wages, BETTY and RUTH have been forced to hire attorney(s) to prosecute their
11 claims herein, and have incurred and will continue to incur attorney’s/s’ fees and costs in
12 connection therewith.

13 133. BETTY and RUTH pray that the Court award BETTY and RUTH the unpaid balance of the full
14 amount of their overtime wage compensation pursuant to *California Labor Code* section 1454,
15 prejudgment interest on these unpaid wages, all civil penalties, statutory penalties, monetary
16 damages, reasonable attorney’s/s’ fees, costs, and any other relief available to BETTY and
17 RUTH under the *California Labor Code* and any further relief that the Court deems proper as a
18 result of DEFENDANTS’ violations.

19
20 **FOURTH CAUSE OF ACTION**

21 **Failure to Make Rest Periods Available in Violation of *Cal. Labor Code* § 226.7**

22 **(All PLAINTIFFS Against All DEFENDANTS)**

23 134. PLAINTIFFS re-allege and incorporate all preceding paragraphs as though fully set forth
24 herein.

25 135. At all times relevant herein, *California Labor Code* sections 226.7 and 558.1, as well as, the/any
26 corresponding section(s) of the applicable IWC Wage Order, are and were in full force and
27 effect and are binding on DEFENDANTS.

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1 136. Employees are entitled to a net rest period of at least ten (10) minutes per each consecutive four
2 (4) hour work period or major fraction thereof, after the first three and one-half (3½) hours
3 worked in a workday. *Cal. Lab. Code* § 226.7.

4 137. *California Labor Code* § 226.7 requires an employer to pay an additional hour of compensation
5 for each workday where an employee fails to receive a rest period for each consecutive four (4)
6 hour shift worked. *Id.* at (c).

7 138. Section (12)(A) of the/any corresponding section(s) of the applicable IWC Wage Order states:
8 “Every employer shall authorize and permit all employees to take rest periods, which insofar as
9 practicable shall be in the middle of each work period. The authorized rest period time shall be
10 based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4)
11 hours or major fraction thereof. However, a rest period need not be authorized for employees
12 whose total daily work time is less than three and one-half (3 1/2) hours. Authorized rest period
13 time shall be counted as hours worked for which there shall be no deduction from wages.”

14 139. Section (12)(B) of the/any corresponding section(s) of the applicable IWC Wage Order states:
15 “If an employer fails to provide an employee a rest period in accordance with the applicable
16 provisions of this order, the employer shall pay the employee one (1) hour of pay at the
17 employee's regular rate of compensation for each workday that the rest period is not provided.”
18 *Id.* at.

19 140. As set forth herein, PLAINTIFFS were victim of DEFENDANTS’ violations of *California*
20 *Labor Code* section 226.7 and the/any corresponding section(s) of the applicable IWC Wage
21 Order.

22 141. PLAINTIFFS were victim of DEFENDANTS’ said violations in at least one pay period during
23 PLAINTIFFS’ employment with DEFENDANTS.

24 142. DEBORAH is informed and believes and thereon alleges that all AGGRIEVED EMPLOYEES
25 were also victim of DEFENDANTS’ violations of *California Labor Code* section 226.7 and
26 the/any corresponding section(s) of the applicable IWC Wage Order.

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1 143. DEBORAH is informed and believes and thereon alleges that all AGGRIEVED EMPLOYEES
2 were victim of DEFENDANTS' said violations in at least one pay period during their
3 employment with DEFENDANTS.

4 144. "Any employer or other person acting on behalf of an employer, who violates, or causes to be
5 violated, any provision regulating minimum wages or hours and days of work in any order of
6 the Industrial Welfare Commission, or violates, or causes to be violated, Sections 203, 226,
7 226.7, 1193.6, 1194, or 2802, may be held liable as the employer for such violation." *Cal.*
8 *Labor Code* § 558.1(a).

9 145. INDIVIDUAL DEFENDANTS willfully, knowingly and intentionally violated *California*
10 *Labor Code* section 226.7, the/any corresponding section(s) of the applicable IWC Wage Order
11 and/or the preceding were willfully, knowingly and intentionally caused to be violated by
12 INDIVIDUAL DEFENDANTS, who was/were acting as managing and/or supervisory agent(s)
13 for CORPORATE DEFENDANTS.

14 146. Accordingly, CORPORATE DEFENDANTS, as well as, INDIVIDUAL DEFENDANTS can
15 be held liable for the damages stemming from the violations of *California Labor Code* section
16 226.7 and the/any corresponding section(s) of the applicable IWC Wage Order.

17 147. PLAINTIFFS pray that the Court award PLAINTIFFS the unpaid balance of the full amount of
18 PLAINTIFFS' rest period wages, prejudgment interest on these unpaid wages, all civil
19 penalties, statutory penalties, monetary damages, and any other relief available to PLAINTIFFS
20 under the *California Labor Code* and any further relief that the Court deems proper as a result
21 of DEFENDANTS' violations.

22
23 **FIFTH CAUSE OF ACTION**

24 **Failure to Make Meal Periods Available in Violation of *Cal. Labor Code* §§ 512 & 226.7**
25 **(All PLAINTIFFS Against All DEFENDANTS)**

26 148. PLAINTIFFS re-allege and incorporate all preceding paragraphs as though fully set forth
27 herein.

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1 149. At all times relevant herein, *California Labor Code* sections 512, 226.7, 558.1, as well as,
2 the/any corresponding section(s) of the applicable IWC Wage Order, are and were in full force
3 and effect and are binding on DEFENDANTS.

4 150. "An employer may not employ an employee for a work period of more than five hours per day
5 without providing the employee with a meal period of not less than 30 minutes, except that if
6 the total work period per day of the employee is no more than six hours, the meal period may be
7 waived by mutual consent of both the employer and employee." *Cal. Labor Code* § 512(a).

8 151. "An employer may not employ an employee for a work period of more than 10 hours per day
9 without providing the employee with a second meal period of not less than 30 minutes, except
10 that if the total hours worked is no more than 12 hours, the second meal period may be waived
11 by mutual consent of the employer and the employee only if the first meal period was not
12 waived." *Id.*

13 152. "If an employer fails to provide an employee a meal or rest or recovery period in accordance
14 with a state law, including, but not limited to, an applicable statute or applicable regulation,
15 standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health
16 Standards Board, or the Division of Occupational Safety and Health, the employer shall pay the
17 employee one additional hour of pay at the employee's regular rate of compensation for each
18 workday that the meal or rest or recovery period is not provided." *Id.* at 226.7.

19 153. Section (11)(A) of the/any corresponding section(s) of the applicable IWC Wage Order states in
20 part: "No employer shall employ any person for a work period of more than five (5) hours
21 without a meal period of not less than 30 minutes, except that when a work period of not more
22 than six (6) hours will complete the day's work the meal period may be waived by mutual
23 consent of the employer and employee."

24 154. Section (11)(D) of the/any corresponding section(s) of the applicable IWC Wage Order states in
25 part: "If an employer fails to provide an employee a meal period in accordance with the
26 applicable provisions of this Order, the employer shall pay the employee one (1) hour of pay at
27 the employee's regular rate of compensation for each work day that the meal period is not
28 provided."

1 155. As set forth herein, PLAINTIFFS were victim of DEFENDANTS' violations of *California*
2 *Labor Code* sections 512, 226.7 and the/any corresponding section(s) of the applicable IWC
3 Wage Order.

4 156. PLAINTIFFS were victim of DEFENDANTS' said violations in at least one pay period during
5 PLAINTIFFS' employment with DEFENDANTS.

6 157. And DEBORAH is informed and believes and thereon alleges that all other AGGRIEVED
7 EMPLOYEES were also victim of DEFENDANTS' violations of *California Labor Code*
8 sections 512, 226.7 and the/any corresponding section(s) of the applicable IWC Wage Order.

9 158. DEBORAH is informed and believes and thereon alleges that all AGGRIEVED EMPLOYEES
10 were victim of DEFENDANTS' said violations in at least one pay period during their
11 employment with DEFENDANTS.

12 159. "Any employer or other person acting on behalf of an employer, who violates, or causes to be
13 violated, any provision regulating minimum wages or hours and days of work in any order of
14 the Industrial Welfare Commission, or violates, or causes to be violated, Sections 203, 226,
15 226.7, 1193.6, 1194, or 2802, may be held liable as the employer for such violation." *Cal.*
16 *Labor Code* § 558.1(a).

17 160. INDIVIDUAL DEFENDANTS willfully, knowingly and intentionally violated *California*
18 *Labor Code* sections 512, 226.7, the/any corresponding section(s) of the applicable IWC Wage
19 Order and/or the preceding were willfully, knowingly and intentionally caused to be violated by
20 INDIVIDUAL DEFENDANTS, who was/were acting as managing and/or supervisory agent(s)
21 for CORPORATE DEFENDANTS.

22 161. Accordingly, CORPORATE DEFENDANTS, as well as, INDIVIDUAL DEFENDANTS can
23 be held liable for the damages stemming from the violations of *California Labor Code* sections
24 512, 226.7 and the/any corresponding section(s) of the applicable IWC Wage Order.

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1 162. PLAINTIFFS pray that the Court award PLAINTIFFS the unpaid balance of the full amount of
2 PLAINTIFFS' meal period wages, prejudgment interest on these unpaid wages, all civil
3 penalties, statutory penalties, monetary damages, and any other relief available to PLAINTIFFS
4 under the *California Labor Code* and any further relief that the Court deems proper as a result
5 of DEFENDANTS' violations.

6
7 **SIXTH CAUSE OF ACTION**

8 **Failure to Pay All Wages Earned Twice During a Calendar Month in Violation of *Cal. Labor***
9 ***Code* §§ 204 & 210**
10 **(All PLAINTIFFS Against All DEFENDANTS)**

11 163. PLAINTIFFS re-allege and incorporate all preceding paragraphs as though fully set forth
12 herein.

13 164. At all times relevant herein, *California Labor Code* sections 204, 210 and 558.1, as well as,
14 the/any corresponding section(s) of the applicable IWC Wage Order are and were in full force
15 and effect and are binding on DEFENDANTS.

16 165. "All wages, other than those mentioned in Section 201, 201.3, 202, 204.1, or 204.2, earned by
17 any person in any employment are due and payable twice during each calendar month, on days
18 designated in advance by the employer as the regular paydays." *Cal. Lab. Code* § 204.

19 166. "In addition to, and entirely independent and apart from, any other penalty provided in this
20 article, every person who fails to pay the wages of each employee as provided in Sections 201.3,
21 204, 204b, 204.1, 204.2, 204.11, 205, 205.5, and 1197.5, shall be subject to a penalty as follows:
22 (1) For any initial violation, one hundred dollars (\$100) for each failure to pay each employee.
23 (2) For each subsequent violation, or any willful or intentional violation, two hundred dollars
24 (\$200) for each failure to pay each employee, plus 25 percent of the amount unlawfully
25 withheld. (b) The penalty shall either be recovered by the employee as a statutory penalty
26 pursuant" *Id.* at 210.

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1 167. As set forth herein, PLAINTIFFS were victim of DEFENDANTS' violations of *California*
2 *Labor Code* section 204 because of DEFENDANTS' willful and intentional violations of
3 Sections 1194 and/or 510 and/or 1454, 512 and 226.7, thus, entitling PLAINTIFFS to recover
4 the statutory penalties set forth in Section 210 necessarily resulting from on DEFENDANTS'
5 violations of *California Labor Code* sections 1194 and/or 510.

6 168. PLAINTIFFS were victim of DEFENDANTS' violations of *California Labor Code* sections
7 1194 and/or 510 and/or 1454, 512 and 226.7, thus, Section 204, in at least one pay period during
8 PLAINTIFFS' employment with DEFENDANTS.

9 169. INDIVIDUAL DEFENDANTS willfully, knowingly and intentionally violated *California*
10 *Labor Code* sections 1194, 510/1454, 512, 226.7, the/any corresponding section(s) of the
11 applicable IWC Wage Order and/or the preceding were willfully, knowingly and intentionally
12 caused to be violated by INDIVIDUAL DEFENDANTS, who was/were acting as managing
13 and/or supervisory agent(s) for CORPORATE DEFENDANTS.

14 170. Accordingly, CORPORATE DEFENDANTS, as well as, INDIVIDUAL DEFENDANTS can
15 be held liable for the damages stemming from DEFENDANTS' willful and intentional failure to
16 pay PLAINTIFF all minimum and overtime wages earned in violation of *California Labor Code*
17 sections 1194, 510/1454, 512, 226.7, as well as, the/any corresponding section(s) of the
18 applicable IWC Wage Order, necessarily including the statutory penalties payable to
19 PLAINTIFF pursuant to Section 210.

20 171. "In any action brought for the nonpayment of wages, fringe benefits, or health and welfare or
21 pension fund contributions, the court shall award reasonable attorney's fees and costs to the
22 prevailing party if any party to the action requests attorney's fees and costs upon the initiation
23 of the action." *Id.* at 218.5.

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1 172. PLAINTIFFS pray that the Court award PLAINTIFFS all statutory penalties available under
2 *California Labor Code* section 210, plus twenty-five percent (25%) of the wages unlawfully
3 withheld by DEFENDANTS, reasonable attorney's/s' fees, costs, and any other relief available
4 to PLAINTIFFS under the *California Labor Code* and any further relief that the Court deems
5 proper as a result of DEFENDANTS' violations of *California Labor Code* sections 1194 and
6 510.

7
8 **SEVENTH CAUSE OF ACTION**

9 **Failure to Furnish Accurate Wage Statements in Violation *Cal. Labor Code* § 226**

10 **(All PLAINTIFFS Against All DEFENDANTS)**

11 173. PLAINTIFFS re-allege and incorporate all preceding paragraphs as though fully set forth
12 herein.

13 174. At all times relevant herein, *California Labor Code* sections 226, 558.1 and the/any
14 corresponding section(s) of the applicable IWC Wage Order are and were in full force and
15 effect and are binding on DEFENDANTS.

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1 175. DEFENDANTS, and each of them, were obligated under *California Labor Code* section 226
2 and the/any corresponding section(s) of the applicable IWC Wage Order, to keep an accurate
3 record of the hours of labor worked by PLAINTIFF and all other AGGRIEVED EMPLOYEES
4 and to prepare and furnish PLAINTIFF and all other AGGRIEVED EMPLOYEES with each
5 payment of wages an itemized statement accurately showing nine specific categories of
6 information: “(1) gross wages earned, (2) total hours worked by the employee . . . (3) the
7 number of piece-rate units earned and any applicable piece rate if the employee is paid on a
8 piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the
9 employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive
10 dates of the period for which the employee is paid, (7) the name of the employee and only the
11 last four digits of his or her social security number or an employee identification number other
12 than a social security number, (8) the name and address of the legal entity that is the employer .
13 . . . , and (9) all applicable hourly rates in effect during the pay period and the corresponding
14 number of hours worked at each hourly rate by the employee” *Cal. Lab. Code* § 226(a).

15 176. Section (7)(B) of the/any corresponding section(s) of the applicable IWC Wage Order states:
16 “Every employer shall semimonthly or at the time of each payment of wages furnish each
17 employee, either as a detachable part of the check, draft, or voucher paying the employee's
18 wages, or separately, an itemized statement in writing showing: (1) all deductions; (2) the
19 inclusive dates of the period for which the employee is paid; (3) the name of the employee or
20 the employee's social security number; and (4) the name of the employer, provided all
21 deductions made on written orders of the employee may be aggregated and shown as one item.”

22 177. “An employee suffering injury as a result of a knowing and intentional failure by an
23 employer to comply with subdivision (a) is entitled to recover the greater of all actual damages
24 or fifty dollars (\$50) for the initial pay period in which a violation occurs and one hundred
25 dollars (\$100) per employee for each violation in a subsequent pay period, not to exceed an
26 aggregate penalty of four thousand dollars (\$4,000), and is entitled to an award of costs and
27 reasonable attorney's fees.” *Cal. Lab. Code* § 226(e)(1).

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1 178. As set forth herein, PLAINTIFFS were victim of DEFENDANTS' violations of *California*
2 *Labor Code* section 226 and the/any corresponding section(s) of the applicable IWC Wage
3 Order.

4 179. DEFENDANTS' conduct was willful, and its failure to include this information on wage
5 statements caused PLAINTIFF damage, and resulted in PLAINTIFFS' inability to determine
6 whether she was paid accurately.

7 180. PLAINTIFFS were victim of DEFENDANTS' said violations in at least one pay period during
8 PLAINTIFFS' employment with DEFENDANTS.

9 181. DEBORAH is informed and believes and, on that basis, alleges that DEFENDANTS furnished
10 wage statements containing the same deficiencies set forth herein to all other AGGRIEVED
11 EMPLOYEES.

12 182. DEBORAH is informed and believes and, on that basis, alleges that all other AGGRIEVED
13 EMPLOYEES were victim of DEFENDANTS' said violations in at least one pay period during
14 their employment with DEFENDANTS.

15 183. "Any employer or other person acting on behalf of an employer, who violates, or causes to be
16 violated, any provision regulating minimum wages or hours and days of work in any order of
17 the Industrial Welfare Commission, or violates, or causes to be violated, Sections 203, 226,
18 226.7, 1193.6, 1194, or 2802, may be held liable as the employer for such violation." *Cal.*
19 *Labor Code* § 558.1(a).

20 184. INDIVIDUAL DEFENDANTS willfully, knowingly and intentionally violated *California*
21 *Labor Code* section 226, the/any corresponding section(s) of the applicable IWC Wage Order
22 and/or the preceding were willfully, knowingly and intentionally caused to be violated by
23 INDIVIDUAL DEFENDANTS, who was/were acting as managing and/or supervisory agent(s)
24 for CORPORATE DEFENDANTS.

25 185. Accordingly, CORPORATE DEFENDANTS, as well as, INDIVIDUAL DEFENDANTS can
26 be held liable for the damages stemming from the violations of *California Labor Code* section
27 226 and the/any corresponding section(s) of the applicable IWC Wage Order.

28 ///

1 186. PLAINTIFFS pray that the Court award PLAINTIFFS all statutory penalties available under
2 *California Labor Code* section 226 and any other applicable section of the *California Labor*
3 *Code*, as well as, an award of costs and reasonable attorney's/s' fees and any further relief that
4 the Court deems proper as a result of DEFENDANTS' violations.

5
6 **EIGHTH CAUSE OF ACTION**

7 **Failure to Indemnify PLAINTIFF for Expenses in Violation of *Cal. Labor Code* § 2802**
8 **(All PLAINTIFFS Against All DEFENDANTS)**

9 187. PLAINTIFFS re-allege and incorporate by reference each of the above paragraphs as alleged
10 herein.

11 188. At all times mentioned herein *California Labor Code* sections 2802, 558.1, as well as, the
12 applicable IWC Order were and are in full force and effect and are binding on DEFENDANTS.

13 189. *California Labor Code* section 2802(a) states: "An employer shall indemnify his or her
14 employee for all necessary expenditures or losses incurred by the employee in direct
15 consequence of the discharge of his or her duties, or of his or her obedience to the directions of
16 the employer, even though unlawful, unless the employee, at the time of obeying the directions,
17 believed them to be unlawful."

18 190. "All awards made by a court or by the Division of Labor Standards Enforcement for
19 reimbursement of necessary expenditures under this section shall carry interest at the same rate
20 as judgments in civil actions. Interest shall accrue from the date on which the employee incurred
21 the necessary expenditure or loss." *Id.* at 2802(b).

22 191. "For purposes of this section, the term "necessary expenditures or losses" shall include all
23 reasonable costs, including, but not limited to, attorney's fees incurred by the employee
24 enforcing the rights granted by this section." *Id.* at 2802(c).

25 192. As set forth herein, PLAINTIFFS were victim of DEFENDANTS' violations of *California*
26 *Labor Code* section 2802 and the/any corresponding section(s) of the applicable IWC Wage
27 Order.

28 193. PLAINTIFFS were victim of DEFENDANTS' said violations in at least one pay period during
PLAINTIFFS' employment with DEFENDANTS.

1 194. DEBORAH is informed and believes and thereon alleges that all other AGGRIEVED
2 EMPLOYEES were also victim of DEFENDANTS' violations of *California Labor Code*
3 section 2802 and the/any corresponding section(s) of the applicable IWC Wage Order.

4 195. PLAINTIFF is informed and believes and, on that basis, alleges that all other AGGRIEVED
5 EMPLOYEES were victim of DEFENDANTS' said violations in at least one pay period during
6 their employment with DEFENDANTS.

7 196. "Any employer or other person acting on behalf of an employer, who violates, or causes to be
8 violated, any provision regulating minimum wages or hours and days of work in any order of
9 the Industrial Welfare Commission, or violates, or causes to be violated, Sections 203, 226,
10 226.7, 1193.6, 1194, or 2802, may be held liable as the employer for such violation." *Cal.*
11 *Labor Code* § 558.1(a).

12 197. INDIVIDUAL DEFENDANTS willfully, knowingly and intentionally violated *California*
13 *Labor Code* section 2802, the/any corresponding section(s) of the applicable IWC Wage Order
14 and/or the preceding were willfully, knowingly and intentionally caused to be violated by
15 INDIVIDUAL DEFENDANTS, who was/were acting as managing and/or supervisory agent(s)
16 for CORPORATE DEFENDANTS.

17 198. Accordingly, CORPORATE DEFENDANTS, as well as, INDIVIDUAL DEFENDANTS can
18 be held liable for the damages stemming from the violations of *California Labor Code* section
19 2802 and/or the/any corresponding section(s) of the applicable IWC Wage Order.

20 199. As a proximate result of DEFENDANTS' failure to indemnify PLAINTIFFS for these
21 necessary expenditures pursuant to the provisions of *California Labor Code* section 2802 and
22 the/any corresponding section(s) of the applicable IWC Wage Order, PLAINTIFFS suffered
23 losses all in an amount to be proven at trial.

24 200. As a proximate result of DEFENDANTS' failure to indemnify PLAINTIFFS for these
25 necessary expenditures pursuant to the provisions of *California Labor Code* section 2802 and
26 the/any corresponding section(s) of the applicable IWC Wage Order, PLAINTIFFS have been
27 forced to hire attorney(s) to prosecute PLAINTIFFS' claims herein, and has incurred and will
28 continue to incur attorney's/s' fees and costs in connection therewith.

1 201. PLAINTIFFS pray that the Court award PLAINTIFFS reimbursement of all necessary
2 expenditures and/or losses incurred at the direction of DEFENDANTS and/or in discharging
3 PLAINTIFFS' duties for DEFENDANTS with interest thereon, reasonable attorneys' fees and
4 other costs incurred enforcing PLAINTIFFS' rights granted by *California Labor Code* section
5 2802 and the/any corresponding section(s) of the applicable IWC Wage Order.

6
7 **NINTH CAUSE OF ACTION**

8 **Waiting Time Penalties in Violation of *Cal. Labor Code* §§ 201, 202, 203 & 208**
9 **(Against All DEFENDANTS)**

10 202. PLAINTIFFS re-allege and incorporate all preceding paragraphs as though fully set forth
11 herein.

12 203. At all times relevant herein, *California Labor Code* sections 201, 202, 203, 208 and 558.1 are
13 and were in full force and effect and are binding on DEFENDANTS.

14 204. "If an employer discharges an employee, the wages earned and unpaid at the time of discharge
15 are due and payable immediately." *Cal. Lab. Code* § 201(a).

16 205. Under *California Labor Code* Section "If an employee not having a written contract for a
17 definite period quits his or her employment, his or her wages shall become due and payable not
18 later than 72 hours thereafter, unless the employee has given 72 hours previous notice of his or
19 her intention to quit, in which case the employee is entitled to his or her wages at the time of
20 quitting. Notwithstanding any other provision of law, an employee who quits without providing
21 a 72-hour notice shall be entitled to receive payment by mail if he or she so requests and
22 designates a mailing address. The date of the mailing shall constitute the date of payment for
23 purposes of the requirement to provide payment within 72 hours of the notice of quitting." *Id.*
24 at 202(a).

25 206. "If an employer willfully fails to pay, without abatement or reduction, in accordance with
26 Sections 201, 201.3, 201.5, 201.9, 202, and 205.5, any wages of an employee who is discharged
27 or who quits, the wages of the employee shall continue as a penalty from the due date thereof at
28 the same rate until paid or until an action therefor is commenced; but the wages shall not
continue for more than 30 days." *Id.* at 203(a).

1 207. Pursuant to *California Labor Code* Section 208: “Every employee who is discharged shall be
2 paid at the place of discharge, and every employee who quits shall be paid at the office or
3 agency of the employer in the county where the employee has been performing labor. All
4 payments shall be made in the manner provided by law.” *Id.* at 208.

5 208. “Suit may be filed for these penalties at any time before the expiration of the statute of
6 limitations on an action for the wages from which the penalties arise.” *Id.* at 203(b).

7 209. As set forth herein, PLAINTIFFS were victim of DEFENDANTS’ violations of *California*
8 *Labor Code* sections 201 or 202, plus 203 and 208.

9 210. And DEBORAH is informed and believes and thereon alleges that all AGGRIEVED
10 EMPLOYEES who were terminated or resigned were also victim of DEFENDANTS’ violations
11 of *California Labor Code* sections 201 or 202, plus 203 and 208.

12 211. “Any employer or other person acting on behalf of an employer, who violates, or causes to be
13 violated, any provision regulating minimum wages or hours and days of work in any order of
14 the Industrial Welfare Commission, or violates, or causes to be violated, Sections 203, 226,
15 226.7, 1193.6, 1194, or 2802, may be held liable as the employer for such violation.” *Cal.*
16 *Labor Code* § 558.1(a).

17 212. INDIVIDUAL DEFENDANTS willfully, knowingly and intentionally violated *California*
18 *Labor Code* sections 201, 202, 203, 208, the/any corresponding section(s) of the applicable
19 IWC Wage Order and/or the preceding were willfully, knowingly and intentionally caused to be
20 violated by INDIVIDUAL DEFENDANTS, who was/were acting as managing and/or
21 supervisory agent(s) for CORPORATE DEFENDANTS.

22 213. Accordingly, CORPORATE DEFENDANTS, as well as, INDIVIDUAL DEFENDANTS can
23 be held liable for the damages stemming from the violations of *California Labor Code* sections
24 201, 202, 203 and 208, as well as, the/any corresponding section(s) of the applicable IWC Wage
25 Order.

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1 214. “In any action brought for the nonpayment of wages, fringe benefits, or health and welfare or
2 pension fund contributions, the court shall award reasonable attorney’s fees and costs to the
3 prevailing party if any party to the action requests attorney’s fees and costs upon the initiation
4 of the action.” *Id.* at 218.5.

5 215. PLAINTIFFS pray that the Court award PLAINTIFFS all statutory penalties available under
6 *California Labor Code* section 203 and any other applicable section of the *California Labor*
7 *Code*, as well as, an award of costs and reasonable attorney’s/s’ fees and any further relief that
8 the Court deems proper as a result of DEFENDANTS’ violations.

9
10 **TENTH CAUSE OF ACTION**

11 **Violations of *Cal. Bus. & Prof. Code* § 17200**

12 **(All PLAINTIFFS Against All Non-Individual DEFENDANTS)**

13 216. PLAINTIFFS re-allege and incorporate all preceding paragraphs as though fully set forth
14 herein.

15 217. At all times relevant herein, *California Business and Professions* section 17200, *et seq.* is and
16 was in full force and effect and is binding on all non-individual DEFENDANTS.

17 218. The Unfair Competition Law (“UCL”), which is codified under *California Business and*
18 *Professions* section 17200, *et seq.* prohibits acts of “unfair competition,” including any
19 unlawful, unfair, fraudulent *or* deceptive business act *or* practice as well as “unfair, deceptive,
20 untrue or misleading advertising.”

21 219. By virtue of the direct injuries that PLAINTIFFS sustained from DEFENDANTS’ wrongful
22 conduct, PLAINTIFFS have standing to sue in order to obtain the remedies that are available to
23 PLAINTIFFS under the UCL.

24 220. The UCL authorizes injunctive relief to prevent unlawful, unfair, or fraudulent business acts for
25 practices, and both restitution and disgorgement of money or property wrongfully obtained by
26 means of such unfair competition. *Bus. & Prof. Code* § 17203.

27 221. An action may be brought under the UCL by any person, corporation or association, or by any
28 person action for the interests of itself, its members, or the general public. *Id.* at 17204.

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222. A PLAINTIFFS may bring *California Business and Professions* section 17200, *et seq.* claim even when the underlying statutory violation does not provide the PLAINTIFFS with a private right of action. *See Manser v. Serra Foothills Public Utility Dist.* (E.D. Cal. 2008) 2008 WL 5114619, at * 7; *Kasky v. Nike, Inc.*, 27 Cal. App. 4th 832, 839 (2002).

Unfair Conduct

223. As set forth herein, DEFENDANTS engaged in a pattern of unfair and unlawful business practices with respect to PLAINTIFFS' employment at DEFENDANTS and Limited in violation of *California Business and Professions* section 17200, *et seq.*

224. DEFENDANTS violated the "unfair prong" of *California Business and Professions* section 17200, *et seq.* by engaging in the following, wrongful, improper, and unfair conduct:

- a. DEFENDANTS unfairly failed to pay PLAINTIFFS minimum wages due;
- b. DEFENDANTS unfairly failed to pay PLAINTIFFS overtime wages due;
- c. DEFENDANTS unfairly denied PLAINTIFFS meal periods, and failed to pay PLAINTIFFS the additional hour at PLAINTIFFS' regular rates for denying the meal periods;
- d. DEFENDANTS unfairly denied PLAINTIFFS rest periods, and failed to pay PLAINTIFFS the additional hour at PLAINTIFFS' regular rates for denying the rest periods; and
- e. DEFENDANTS unfairly failed to indemnify PLAINTIFFS for the expenses incurred in discharging PLAINTIFFS' duties for DEFENDANTS.

225. DEFENDANTS' conduct also violated the "unfair" prong of the UCL because the utility of DEFENDANTS' actions and/or omissions was significantly outweighed by the gravity of the harm that it imposed on employees.

226. Further, the public is led to believe that DEFENDANTS provides a fair, safe, and legally sufficient work environment for their employees and complies with California laws governing Labor and Employment issues, despite the fact that both of these impressions are untrue. DEFENDANTS' pattern of wrongful, improper, and unlawful business practices is injurious to DEFENDANTS' employees and consumers alike.

Unlawful Conduct

1 227. “Unlawful” conduct under *California Business and Professions* section 17200, *et seq.* is any
2 practices forbidden by law, whether civil or criminal, federal or state, or municipal, statutory,
3 regulatory, or court made. *See Farmers Ins. Exchange v. Super. Ct.*, 2 Cal.4th 377, 383 (1992).

4 228. By proscribing ‘any unlawful’ business practice, *California Business and Professions* section
5 17200, *et seq.* ‘borrows’ violations of other laws and treats them as unlawful practices that the
6 UCL makes independently actionable. *See Blanks v. Shaw*, 171 Cal. App. 4th 336, 363-64
7 (2009); *Schnall v. Hertz Corp.*, 78 Cal. App. 4th 1144, 1153 (2000).

8 229. DEFENDANTS violated the “unlawful” prong of *California Business and Professions* section
9 17200, *et seq.* as follows:

- 10 a. Violations of *Cal. Labor Code* § 1194;
- 11 b. Violations of Section 4 of *Cal. Code Regs.* tit. 8 § 11015;
- 12 c. Violations of *Cal. Labor Code* § 510;
- 13 d. Violations of Section 3 of *Cal. Code Regs.* tit. 8 § 11015;
- 14 e. Violations of *Cal. Labor Code* § 512;
- 15 f. Violations of Section 11 of *Cal. Code Regs.* tit. 8 § 11015;
- 16 g. Violations of *Cal. Labor Code* § 226.7;
- 17 h. Violations of Section 12 of *Cal. Code Regs.* tit. 8 § 11015;
- 18 i. Violations of *Cal. Labor Code* § 2802; and
- 19 j. Violations of Section 9 of *Cal. Code Regs.* tit. 8 § 11015.

20 230. The violation of these laws serves as unlawful predicate acts which have resulted in injury in
21 fact and loss of money and property to PLAINTIFF for purposes of *Business and Professions*
22 *Code* sections 17200, *et seq.*

23 231. PLAINTIFFS are entitled to restitutionary damages which constitutes or results from all unpaid
24 minimum and overtime wages, the additional hours of pay at PLAINTIFFS’ regular rate for
25 DEFENDANTS’ failure to provide meal and rest periods as well as, costs and/or necessary
26 expenses incurred in discharging PLAINTIFFS’ duties for DEFENDANTS.

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ELEVENTH CAUSE OF ACTION

Violations of *Cal. Lab. Code* § 2698, *et seq.*

**(PLAINTIFF GOODLOE, on Behalf of Herself, the State of California and any and all
AGGRIEVED EMPLOYEES Against All DEFENDANTS)**

232. PLAINTIFFS re-allege and incorporate all preceding paragraphs as though fully set forth herein.

233. At all times relevant herein, *California Labor Code* § 2698, *et seq.* are and were in full force and effect and are binding on DEFENDANTS.

234. “Notwithstanding any other provision of law, any provision of this code that provides for a civil penalty to be assessed and collected by the Labor and Workforce Development Agency or any of its departments, divisions, commissions, boards, agencies, or employees, for a violation of this code, may, as an alternative, be recovered through a civil action brought by an aggrieved employee on behalf of himself or herself and other current or former employees pursuant to the procedures specified in Section 2699.3.” *Cal. Lab. Code* § 2699(a).

235. “For all provisions of this code except those for which a civil penalty is specifically provided, there is established a civil penalty for a violation of these provisions, as follows: . . . If, at the time of the alleged violation, the person employs one or more employees, the civil penalty is one hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation and two hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent violation.” *Id.* at (f)(2).

236. “Any employee who prevails in any action shall be entitled to an award of reasonable attorney’s fees and costs, including any filing fee paid pursuant to subparagraph (B) of paragraph (1) of subdivision (a) or subparagraph (B) of paragraph (1) of subdivision (c) of Section 2699.3.” *Id.* at (g)(1).

237. “Nothing in this part shall operate to limit an employee’s right to pursue or recover other remedies available under state or federal law, either separately or concurrently with an action taken under this part.” *Id.* at 2699(g).

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1 238. On April 8, 2024, DEBORAH sent a written PAGA notice by USPS first-class certified mail to
2 all DEFENDANTS notifying them of the specific violations set forth therein and herein, and the
3 facts and theories supporting the violations. (*See* Exhibit 1.)

4 239. On April 8, 2024, DEBORAH submitted the PAGA notice electronically to the LWDA.

5 240. The LWDA provided no notice of investigation to DEBORAH within the statutorily required
6 period of time following April 8, 2024. As of the date of this complaint, the LWDA has
7 provided no notice of investigation to DEBORAH.

8 241. Thus, DEBORAH can include a cause of action for violations of the PAGA in this civil action
9 pursuant to *California Labor Code* section 2698, *et. seq.*

10 242. At all times relevant herein, *California Labor Code* sections 1182.12, 1197 and 1197.1 are and
11 were in full force and effect and are binding on DEFENDANTS.

12 243. “For any employer who employs 26 or more employees, the minimum wage shall be as follows:
13 (A) From January 1, 2017, to December 31, 2017, inclusive,—ten dollars and fifty cents
14 (\$10.50) per hour. (B) From January 1, 2018, to December 31, 2018, inclusive,—eleven dollars
15 (\$11) per hour. (C) From January 1, 2019, to December 31, 2019, inclusive,—twelve dollars
16 (\$12) per hour. (D) From January 1, 2020, to December 31, 2020, inclusive,—thirteen dollars
17 (\$13) per hour. (E) From January 1, 2021, to December 31, 2021, inclusive,—fourteen dollars
18 (\$14) per hour. (F) From January 1, 2022, and until adjusted by subdivision (c)—fifteen dollars
19 (\$15) per hour.” *Cal. Labor Code* § 1182.12.

20 244. “For any employer who employs 25 or fewer employees, the minimum wage shall be as
21 follows: (A) From January 1, 2018, to December 31, 2018, inclusive,—ten dollars and fifty
22 cents (\$10.50) per hour. (B) From January 1, 2019, to December 31, 2019, inclusive,—eleven
23 dollars (\$11) per hour. (C) From January 1, 2020, to December 31, 2020, inclusive,—twelve
24 dollars (\$12) per hour. (D) From January 1, 2021, to December 31, 2021, inclusive,—thirteen
25 dollars (\$13) per hour. (E) From January 1, 2022, to December 31, 2022, inclusive,—fourteen
26 dollars (\$14) per hour. (F) From January 1, 2023, and until adjusted by subdivision (c)—fifteen
27 dollars (\$15) per hour.” *Id.*

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1 245. “The minimum wage for employees fixed by the commission or by any applicable state or local
2 law, is the minimum wage to be paid to employees, and the payment of a lower wage than the
3 minimum so fixed is unlawful. This section does not change the applicability of local minimum
4 wage laws to any entity.” *Id.* at 1197.

5 246. “Any employer or other person acting either individually or as an officer, agent, or employee of
6 another person, who pays or causes to be paid to any employee a wage less than the minimum
7 fixed by an applicable state or local law, or by an order of the commission shall be subject to a
8 civil penalty, restitution of wages, liquidated damages payable to the employee, and any
9 applicable penalties imposed pursuant to Section 203” *Id.* at 1197.1(a).

10 247. “For any initial violation that is intentionally committed, one hundred dollars (\$100) for each
11 underpaid employee for each pay period for which the employee is underpaid. This amount
12 shall be in addition to an amount sufficient to recover underpaid wages, liquidated damages
13 pursuant to Section 1194.2, and any applicable penalties imposed pursuant to Section 203.” *Id.*
14 at 1197.1(a)(1).

15 248. “For each subsequent violation for the same specific offense, two hundred fifty dollars (\$250)
16 for each underpaid employee for each pay period for which the employee is underpaid
17 regardless of whether the initial violation is intentionally committed. This amount shall be in
18 addition to an amount sufficient to recover underpaid wages, liquidated damages pursuant to
19 Section 1194.2, and any applicable penalties imposed pursuant to Section 203.” *Id.* at
20 1197.1(a)(2).

21 249. “Wages, liquidated damages, and any applicable penalties imposed pursuant to Section 203,
22 recovered pursuant to this section shall be paid to the affected employee.” *Id.* at 1197.1(a)(3).

23 250. As set forth herein, DEFENDANTS failed to pay PLAINTIFFS and all other AGGRIEVED
24 EMPLOYEES all minimum wages owing; thus, each pay period, and in at least one pay period,
25 PLAINTIFFS and all other AGGRIEVED EMPLOYEES were not paid California’s prevailing
26 minimum for all hours worked in violation of *California Labor Code* sections 1197 and
27 1182.12.

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1 251. DEBORAH prays this Court award PLAINTIFFS, all other AGGRIEVED EMPLOYEES and
2 the State of California all penalties owed by DEFENDANTS pursuant to *California Labor Code*
3 section 1197.1.

4 252. Beginning January 1, 2016 *California Labor Code* section 558 is and was in full force and
5 effect and is binding on DEFENDANTS.

6 253. “Any employer or other person acting on behalf of an employer who violates, or causes to be
7 violated, a section of this chapter or any provision regulating hours and days of work in any
8 order of the Industrial Welfare Commission shall be subject to a civil penalty as follows: For
9 any initial violation, fifty dollars (\$50) for each underpaid employee for each pay period for
10 which the employee was underpaid in addition to an amount sufficient to recover underpaid
11 wages. For each subsequent violation, one hundred dollars (\$100) for each underpaid employee
12 for each pay period for which the employee was underpaid in addition to an amount sufficient to
13 recover underpaid wages.” *Id.* at 558(a)(1)-(2).

14 254. “The civil penalties provided for in this section are in addition to any other civil . . . penalty
15 provided by law.” *Id.* at (d).

16 255. As set forth herein, in all pay periods, and in at least one pay period, DEFENDANTS caused
17 violations of *California Labor Code* sections 510 and 512, as well as, Section 3 of the/any
18 corresponding section(s) of the applicable IWC Wage Order.

19 256. PLAINTIFFS and all other AGGRIEVED EMPLOYEES were victims of these violations in all
20 pay periods and in at least one pay period.

21 257. DEBORAH prays this Court award PLAINTIFFS, all other AGGRIEVED EMPLOYEES and
22 the State of California all penalties owed by DEFENDANTS pursuant to *California Labor Code*
23 section 558.

24 258. At all times relevant herein, *California Labor Code* § 226.3 are and were in full force and effect
25 and is binding on DEFENDANTS.

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1 259. “Any employer who violates subdivision (a) of Section 226 shall be subject to a civil penalty in
2 the amount of two hundred fifty dollars (\$250) per employee per violation in an initial citation
3 and one thousand dollars (\$1,000) per employee for each violation in a subsequent citation, for
4 which the employer fails to provide the employee a wage deduction statement or fails to keep
5 the records required in subdivision (a) of Section 226. The civil penalties provided for in this
6 section are in addition to any other penalty provided by law.” *Cal. Lab. Code* § 226.3.

7 260. As set forth herein, DEFENDANTS violated *California Labor Code* section 226 by providing
8 inaccurate itemized wage statements.

9 261. DEBORAH prays this Court award PLAINTIFFS, all other AGGRIEVED EMPLOYEES and
10 the State of California all penalties owed by DEFENDANTS pursuant to *California Labor Code*
11 section 226.3.

12 262. At all times relevant herein, *California Labor Code* sections 1174 and 1174.5 are and were in
13 full force and effect and are binding on DEFENDANTS.

14 263. “Every person employing labor in this state shall: . . . Keep, at a central location in the state or
15 at the plants or establishments at which employees are employed, payroll records showing the
16 hours worked daily by and the wages paid to . . .” *Cal. Lab. Code* § 1174(d).

17 264. “Any person employing labor who willfully fails to maintain the records required by
18 subdivision (c) of Section 1174 or accurate and complete records required by subdivision (d) of
19 Section 1174, or to allow any member of the commission or employees of the division to
20 inspect records pursuant to subdivision (b) of Section 1174, shall be subject to a civil penalty of
21 five hundred dollars (\$500).” *Id.* at 1174.5.

22 265. As set forth herein, DEFENDANTS failed to keep records showing all hours worked and all
23 wages paid to PLAINTIFFS and all AGGRIEVED EMPLOYEES.

24 266. DEBORAH prays this Court award PLAINTIFFS, all other AGGRIEVED EMPLOYEES and
25 the State of California all penalties owed by DEFENDANTS pursuant to *California Labor Code*
26 section 1174.5.

27 267. At all times relevant herein, *California Labor Code* section 1198 is and was in full force and
28 effect and is binding on DEFENDANTS.

1 268. “The maximum hours of work and the standard conditions of labor fixed by the commission
2 shall be the maximum hours of work and the standard conditions of labor for employees. The
3 employment of any employee for longer hours than those fixed by the order or under conditions
4 of labor prohibited by the order is unlawful.” *Cal. Lab. Code* § 1198.

5 269. As set forth herein, DEFENDANTS employed PLAINTIFFS and all other AGGRIEVED
6 EMPLOYEES for longer hours than those fixed by the order and/or under conditions of labor
7 prohibited by the/any corresponding section(s) of the applicable IWC Wage Order.
8 Accordingly, DEFENDANTS’ actions were unlawful and in violation of *California Labor Code*
9 section 1198.

10 270. DEBORAH prays this Court award PLAINTIFFS, all other AGGRIEVED EMPLOYEES and
11 the State of California all penalties owed by DEFENDANTS for their violations of *California*
12 *Labor Code* section 1198.

13 271. At all times relevant herein, *California Labor Code* section 1199 is and was in full force and
14 effect and is binding on DEFENDANTS.

15 272. “Every employer or other person acting either individually or as an officer, agent, or employee
16 of another person is . . . punishable by a fine of not less than one hundred dollars (\$100) . . .
17 who does any of the following: (a) Requires or causes any employee to work for longer hours
18 than those fixed, or under conditions of labor prohibited by an order of the commission.
19 (b) Pays or causes to be paid to any employee a wage less than the minimum fixed by an order
20 of the commission. (c) Violates or refuses or neglects to comply with any provision of this
21 chapter or any order or ruling of the commission.” *Id.* at 1199.

22 273. As set forth herein, DEFENDANTS required or caused PLAINTIFFS and all AGGRIEVED
23 EMPLOYEES to work for longer hours than those fixed, or under conditions of labor prohibited
24 by an order of the commission, DEFENDANTS paid or caused to be paid to PLAINTIFFS and
25 all AGGRIEVED EMPLOYEES a wage less than the minimum fixed by an order of the
26 commission, and DEFENDANTS refused or neglected to comply with provisions of this
27 chapter or any order or ruling of the commission.

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1 274. DEBORAH prays this Court award PLAINTIFFS, all other AGGRIEVED EMPLOYEES and
2 the State of California all penalties owed by DEFENDANTS for their violations of *California*
3 *Labor Code* section 1199.

4 275. At all times relevant herein, *California Labor Code* sections 207 and 247 were and are in full
5 force and effect and is binding on DEFENDANTS.

6 276. “Every employer shall keep posted conspicuously at the place of work, if practicable, or
7 otherwise where it can be seen as employees come or go to their places of work, or at the office
8 or nearest agency for payment kept by the employer, a notice specifying the regular pay days
9 and the time and place of payment, in accordance with this article.” *Cal. Lab. Code* § 207.

10 277. “(a) In each workplace of the employer, the employer shall display a poster in a conspicuous
11 place containing all the information specified in subdivision (b). The Labor Commissioner shall
12 create a poster containing this information and make it available to employers. (b) The poster
13 shall state all of the following: (1) An employee is entitled to accrue, request, and use paid sick
14 days. (2) The amount of sick days provided for by this article. (3) The terms of use of paid sick
15 days.” *Id.* at 247(a)-(b)(1)-(3).

16 278. “An employer who willfully violates the posting requirements of this section is subject to a civil
17 penalty of not more than one hundred dollars (\$100) per each offense.” *Id.* at (c).

18 279. As set forth herein, DEFENDANTS willfully failed to keep posted conspicuously at its/their
19 place of work, or at any other place where it could be seen by PLAINTIFF and all
20 AGGRIEVED EMPLOYEES, (a) a notice specifying its/their regular pay days and the time and
21 place of payment to PLAINTIFF and all AGGRIEVED EMPLOYEES, and (b) a notice
22 containing all the information specified in subdivision (b) of Section 247.

23 280. DEBORAH prays this Court award PLAINTIFFS, all other AGGRIEVED EMPLOYEES and
24 the State of California all penalties owed by DEFENDANTS for their violations of *California*
25 *Labor Code* sections 207 and 247.

26 281. At all times relevant herein, *California Labor Code* section 246 was and is in full force and
27 effect and is binding on DEFENDANTS.

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1 282. "An employee who, on or after July 1, 2015, works in California for the same employer for 30
2 or more days within a year from the commencement of employment is entitled to paid sick days
3 as specified in this section." *Cal. Lab. Code* § 246(a)(1).

4 283. "An employee shall accrue paid sick days at the rate of not less than one hour per every 30
5 hours worked, beginning at the commencement of employment or the operative date of this
6 article, whichever is later, subject to the use and accrual limitations set forth in this section." *Id.*
7 at (b)(1).

8 284. "An employee shall be entitled to use accrued paid sick days beginning on the 90th day of
9 employment, after which day the employee may use paid sick days as they are accrued." *Id.* at
10 (c).

11 285. "Accrued paid sick days shall carry over to the following year of employment. However, an
12 employer may limit an employee's use of accrued paid sick days to 24 hours or three days in
13 each year of employment, calendar year, or 12-month period. This section shall be satisfied and
14 no accrual or carryover is required if the full amount of leave is received at the beginning of
15 each year of employment, calendar year, or 12-month period. The term "full amount of leave"
16 means three days or 24 hours. An employer shall provide an employee with written notice that
17 sets forth the amount of paid sick leave available, or paid time off leave an employer provides in
18 lieu of sick leave, for use on either the employee's itemized wage statement described in
19 Section 226 or in a separate writing provided on the designated pay date with the employee's
20 payment of wages. If an employer provides unlimited paid sick leave or unlimited paid time off
21 to an employee, the employer may satisfy this section by indicating on the notice or the
22 employee's itemized wage statement "unlimited." The penalties described in this article for a
23 violation of this subdivision shall be in lieu of the penalties for a violation of Section 226. This
24 subdivision shall apply to employers covered by Wage Order 11 or 12 of the Industrial Welfare
25 Commission only on and after January 21, 2016." *Id.* at (i).

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1 286. (1) For the purposes of this section, an employer shall calculate paid sick leave using any of the
2 following calculations: (1) Paid sick time for nonexempt employees shall be calculated in the
3 same manner as the regular rate of pay for the workweek in which the employee uses paid sick
4 time, whether or not the employee actually works overtime in that workweek. (2) Paid sick
5 time for nonexempt employees shall be calculated by dividing the employee's total wages, not
6 including overtime premium pay, by the employee's total hours worked in the full pay periods
7 of the prior 90 days of employment. (3) Paid sick time for exempt employees shall be
8 calculated in the same manner as the employer calculates wages for other forms of paid leave
9 time. *Id.* at (1)(1)-(3).

10 287. As set forth herein, DEFENDANTS willfully Section 246.

11 288. DEBORAH prays this Court award PLAINTIFFS, all other AGGRIEVED EMPLOYEES and
12 the State of California all penalties owed by DEFENDANTS for their violations of *California*
13 *Labor Code* section 246.

14 289. At all times relevant herein, *California Labor Code* section 2810.5 was and is in full force and
15 effect and is binding on DEFENDANTS.

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1 290. "At the time of hiring, an employer shall provide to each employee a written notice, in the
2 language the employer normally uses to communicate employment-related information to the
3 employee, containing the following information: (A) The rate or rates of pay and basis thereof,
4 whether paid by the hour, shift, day, week, salary, piece, commission, or otherwise, including
5 any rates for overtime, as applicable. (B) Allowances, if any, claimed as part of the minimum
6 wage, including meal or lodging allowances. (C) The regular payday designated by the
7 employer in accordance with the requirements of this code. (D) The name of the employer,
8 including any "doing business as" names used by the employer. (E) The physical address of the
9 employer's main office or principal place of business, and a mailing address, if different.
10 (F) The telephone number of the employer. (G) The name, address, and telephone number of the
11 employer's workers' compensation insurance carrier. (H) That an employee: may accrue and use
12 sick leave; has a right to request and use accrued paid sick leave; may not be terminated or
13 retaliated against for using or requesting the use of accrued paid sick leave; and has the right to
14 file a complaint against an employer who retaliates." *Cal. Lab. Code* § 2810.5(a)(1)(A)-(H).

15 291. "An employer shall notify his or her employees in writing of any changes to the information set
16 forth in the notice within seven calendar days after the time of the changes, unless one of the
17 following applies: (1) All changes are reflected on a timely wage statement furnished in
18 accordance with Section 226. (2) Notice of all changes is provided in another writing required
19 by law within seven days of the changes." *Id.* at (b)(1)-(2).

20 292. As set forth herein, DEFENDANTS willfully Section 2810.5.

21 293. DEBORAH prays this Court award PLAINTIFFS, all other AGGRIEVED EMPLOYEES and
22 the State of California all penalties owed by DEFENDANTS for their violations of *California*
23 *Labor Code* section 2810.5.

24 **CORPORATE DEFENDANTS' CIVIL PENALTIES**

25 294. As detailed herein, PLAINTIFFS and any and all AGGRIEVED EMPLOYEES were victims of
26 DEFENDANTS' violations of the following *California Labor Code* sections: 1194; 1194.2;
27 510; 1454; 512; 226.7; 2802; 226; 201; 202; 203; 208; 207; 247; 246; 2810.5, as well as,
28 Sections 3, 4, 7, 9, 11 and 12 of the applicable IWC Wage Order.

1 295. Based on the just-listed violations, DEFENDANTS also violated the following *California*
2 *Labor Codes* sections: 1197; 1182.12; 1198; 1199; 1174; and 558.1.

3 296. Based on all DEFENDANTS' herein-detailed violations, DEFENDANTS owe PLAINTIFFS,
4 all AGGREIVED EMPLOYEES, and the State of California civil penalties under to the
5 following *California Labor Code* sections: 1197.1; 558; 226.3; 1174.5; and 2699(f)(1)-(2).

6 **INDIVIDUAL DEFENDANTS' CIVIL PENALTIES**

7 297. PLAINTIFFS re-allege and incorporate all preceding paragraphs as though fully set forth
8 herein.

9 298. Beginning January 1, 2016 *California Labor Code* section 558.1 is and was in full force and
10 effect and is binding on DEFENDANT CLEAVER (or INDIVIDUAL DEFENDANTS). And at
11 all times relevant herein, *California Labor Code* section 1197.1 is and was in full force and
12 effect and is binding on DEFENDANT CLEAVER (or INDIVIDUAL DEFENDANTS).

13 299. "Any employer or other person acting on behalf of an employer, who violates, or causes to be
14 violated, any provision regulating minimum wages or hours and days of work in any order of
15 the Industrial Welfare Commission, or violates, or causes to be violated, Sections 203, 226,
16 226.7, 1193.6, 1194, or 2802, may be held liable as the employer for such violation." *Cal. Lab.*
17 *Code* § 558.1(a). "Nothing in this section shall be construed to limit the definition of employer
18 under existing law." *Id.* at 558.1(c).

19 300. "For purposes of this section, the term "other person acting on behalf of an employer" is limited
20 to a natural person who is an owner, director, officer, or managing agent of the employer, and
21 the term "managing agent" has the same meaning as in subdivision (b) of Section 3294 of the
22 Civil Code." *Id.* at (b).

23 301. "Nothing in this section shall be construed to limit the definition of employer under existing
24 law." *Id.* at (c).

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1 302. “Any employer or other person acting either individually or as an officer, agent, or employee of
2 another person, who pays or causes to be paid to any employee a wage less than the minimum
3 fixed by an applicable state or local law, or by an order of the commission shall be subject to a
4 civil penalty” *Id.* at 1197.1(a). “For any initial violation that is intentionally committed,
5 one hundred dollars (\$100) for each underpaid employee for each pay period for which the
6 employee is underpaid. *Id.* at (a)(1).

7 303. As detailed herein, INDIVIDUAL DEFENDANTS violate/d, and/or cause/d to be violated the
8 provisions regulating minimum wages or hours and days of work in the applicable IWC Wage
9 Order and *California Labor Code* sections 203, 226, 226.7, 1194, 510, 512 and 2802.
10 PLAINTIFFS and all AGGRIEVED EMPLOYEES were victim of the just-listed violations in
11 all pay periods and in at least one pay period.

12 304. Based on the just-listed violations, INDIVIDUAL DEFENDANTS also violated the following
13 *California Labor Codes* sections: 1197; 1182.12; 1198; 1199; 1174; and 558.1.

14 305. Based on all INDIVIDUAL DEFENDANTS herein-detailed violations, INDIVIDUAL
15 DEFENDANTS owe PLAINTIFFS, all AGGREIVED EMPLOYEES, and the State of
16 California civil penalties under the following *California Labor Code* sections: 1197.1; 558;
17 226.3; 1174.5; and 2699(f)(1)-(2).

18 306. DEBORAH prays that the Court award all civil penalties for PLAINTIFFS, all AGGRIEVED
19 EMPLOYEES and the State of California, as well as, reasonable attorney’s/s’ fees and costs
20 incurred in this action, and any filing fee paid in this action based on DEFENDANTS’ herein-
21 detailed violations of the *California Labor Code* and the/any corresponding section(s) of the
22 applicable IWC Wage Order.

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PRAYERS FOR RELIEF

WHEREFORE, Plaintiff DEBORAH GOODLOE, an individual; Plaintiff BETTY GLENN, an individual; and Plaintiff RUTH GORDON, an individual, pray for judgment for Plaintiff DEBORAH GOODLOE, Plaintiff BETTY GLENN and Plaintiff RUTH GORDON against Defendant LIVHOME, INC., d/b/a AROSA a/k/a AROSA+LIVHOME, Defendant AROSA ACQUISITIONS, LLC d/b/a AROSA a/k/a AROSA+LIVHOME, Defendant ARI MEDOFF, an individual; Defendant WEI WEI MANGUSON, an individual; and DOES 1 through 25 as follows:

1. All actual, consequential and incidental financial losses, unpaid wages, unpaid penalties, statutory penalties, all relief allowed under the *California Labor Code*, restitution and all recoverable special damages, together with pre-judgment interest in an amount according to proof, but not less than \$500,000.00;
2. Additional compensatory and/or general damages according to proof;
3. Reasonable attorney's/s' fees, and costs of suit, according to proof, but not less than \$250,000.00;
4. Post-judgment interest pursuant to any applicable provision of law according to proof;
5. Any and all costs and fees incurred as a result of this action according to proof;
6. Injunctive relief; and
7. Any additional, further relief as the Court deems proper.

WHEREFORE, Plaintiff DEBORAH GOODLOE, on behalf of herself, all AGGRIEVED EMPLOYEES, and the State of California, prays for judgment for (1) Plaintiff DEBORAH GOODLOE as an aggrieved employee, (2) Plaintiff BETTY GLENN as an aggrieved employee, (3) Plaintiff RUTH GORDON as an aggrieved employee, (3) all AGGRIEVED EMPLOYEES and (2) the State of California against against Defendant LIVHOME, INC., d/b/a AROSA a/k/a AROSA+LIVHOME, Defendant AROSA ACQUISITIONS, LLC d/b/a AROSA a/k/a AROSA+LIVHOME, Defendant ARI MEDOFF, an individual; Defendant WEI WEI MANGUSON, an individual; and DOES 1 through 25 as follows:

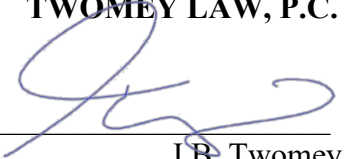
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1. All civil penalties and relief allowed under the *California Labor Code* according to proof but not less than \$10,000,000.00;
2. Reasonable attorney's/s' fees, and costs of suit, according to proof, but not less than \$5,000,000.00;
3. Post-judgment interest pursuant to any applicable provision of law according to proof;
4. Any and all costs and fees incurred as a result of this action according to proof; and
5. Any additional, further relief as the Court deems proper.

Dated: August 30, 2024

TWOMEY LAW, P.C.

BY: _____


J.B. Twomey
Attorney for Plaintiffs,
DEBORAH GOODLOE,
BETTY GLENN,
and RUTH GORDON

DEMAND FOR JURY TRIAL

Plaintiff DEBORAH GOODLOE, Plaintiff BETTY GLENN, and Plaintiff RUTH GORDON hereby demand a trial by jury for all causes of action set forth herein that are entitled to a trial by jury.

Dated: August 30, 2024

TWOMEY LAW, P.C.

BY: _____

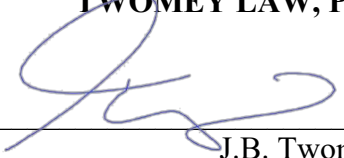

J.B. Twomey
Attorney for Plaintiffs,
DEBORAH GOODLOE,
BETTY GLENN,
and RUTH GORDON

EXHIBIT 1

[illegible]

Fax: 818.937.6897

Los Angeles, California 90034

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Inc. and Arosa Acquisitions, LLC and affiliated companies (together “Arosa”, “We”, “Us”, or “Our”)” (<https://arosacare.com/legal-notice/>) (emphasis added.)

During all times relevant, the natural person, Ari Medoff (hereinafter, “DEFENDANT MEDOFF”), was/is the owner, CEO, Director, officer and managing officer/agent of/for CORPORATE DEFENDANTS, and was/is conducting business and employing persons in the State of California. DEFENDANT MEDOFF and CORPORATE DEFENDANTS’ managing agents, including but not limited to, Regional Directors, Area Directors (including the Los Angeles’ area director at the time of DEBORAH’s termination (who in fact terminated DEBORAH), Wei Wei Magnuson (hereinafter, “DEFENDANT MAGNUSON”), Assistant Area Directors, and Program Managers, (hereinafter, collectively referred to as “INDIVIDUAL DEFENDANTS” control all CORPORATE DEFENDANTS’ policies, procedures and conditions of employment, including those for wages and hours, under which PLAINTIFFS and any and all current and former non-exempt California employees were/are employed and paid.

Hereinafter, CORPORATE DEFENDANTS, INDIVIDUAL DEFENDANTS and DOES 1 through 25 are collectively referred to as “DEFENDANTS.”

Hereinafter, any and all of DEFENDANTS’ current and former non-exempt California employees, including PLAINTIFFS, all DEFENDANTS’ caregivers/personal attendants and all DEFENDANTS’ Care Specialists working at, for, or out of any and all of DEFENDANTS’ California regional offices, including *but not limited to* offices in the Central Coast (Santa Barbara; San Luis Obispo), Coachella Valley (Palm Desert), East Bat (Walnut Creek), Inland Empire (Riverside), Los Angeles (Los Angeles; Pasadena), North County San Diego (Carlsbad), Orange County (Irvine), San Gabriel Valley (Pasadena), San Diego, San Francisco, Silicone Valley (Mountain View), and South Bay (Hermosa Beach) are collectively referred to as “AGGRIEVED EMPLOYEES.”

PLAINTIFFS are informed and believe and thereon allege that DEFENDANTS have and are violating, and/or is/are causing violations of the following *California Labor Code* sections: 2810.5; 2751; 207; 1197; 1182.12; 1194; 1194.2; 1197.1; 1454; 510; 512; 558; 226.7; 1198; 1199; 204; 210; 226; 226.3; 226.2; 247.5; 1174; 1174.5; 226(c); 1198.5; 246; 247; 2802; 201; 202; 203; 208; 558.1; and 2699(f)(2). Similarly, DEFENDANTS have and are violating, and/or is/are causing violations of IWC Wage Order Number 15-2001—Household Occupations (codified in *California Code of Regulations* tit. 8 Section 11150), *i.e.*, IWC 15 based on DEFENDANTS’ business industry (hereinafter referred to as “IWC 15”). Reference to the “IWC” is also reference to the applicable Section found in *California Code of Regulations* tit. 8 Section 11150 and vice versa. Accordingly, DEFENDANTS owe(s), *inter alia*, civil penalties under the PAGA.

PLAINTIFFS are informed and believe and based thereupon allege that at all relevant times herein mentioned each DEFENDANTS and DOES 1 through 25, inclusive, were the agents, servants and/or employees, partner, predecessor-in-interest, successor-in-interest, beneficiary, executor, fictitious business name, trustee, subsidiary, related/affiliated entity, assignee, assignor, legal representative, general administrator, member, co-conspirator, co-employer, integrated enterprise and/or joint venturer or occupied other relationships with each of the other named DEFENDANTS and at all times herein mentioned acted within the course and scope of said agency and/or employment and/or other relationship and each other DEFENDANTS has/have ratified, consented to, had actual and/or constructive knowledge of, was bound by, approved or, and/or failed to prevent the acts of its agents, employees, predecessor-in-interest, successor-in-interest,

trustees, trustors, and/or representatives, and that each actively, passively, acquiesced, participated in, allowed, aided and abetted, assisted, acted, or failed to act, with one another in the commission of the wrongdoing alleged in this notice.

PLAINTIFFS implores California's Labor and Workforce Development Agency (hereinafter referred to as "LWDA") to investigate DEFENDANTS' herein-detailed violations of the *California Labor Code* and IWC 15, as well as, any others that may exist, as those violations pertain to PLAINTIFFS and any and all AGGRIEVED EMPLOYEES.

FACTS

I. GENERAL FACTS RELATING TO DEFENDANTS.

Bain Capital and Nurse Care of North Carolina's acquired LIVHOME, INC. in or around 2018. DEFENDANT MEDOFF explains, "That combination of LivHome and Nurse Care of North Carolina in 2018 really formed the basis for what became Arosa, when we rebranded in 2021." (<https://homehealthcarenews.com/2023/07/arosa-ceo-on-transforming-the-traditional-home-care-business-model/>.) DEFENDANT MEDOFF further states, "In late 2020, **we had a bunch of different brands, though we were operating as one entity**. We really felt the need to unify our brand, our values, and so we rebranded as Arosa." (*Id*) (emphasis added.) Also, "Arosa is one of the largest non-franchised home care companies in the country. It has grown significantly over the years — and it's banking on doing the same in the near-term future." (*Id.*) "[W]e [Arosa] are the largest provider of private-pay care management in the country." (*Id.*)

DEFENDANT MEDOFF admits, "It's no secret what our business model is in non-medical home care: It is 'to bill 2X and pay X.'" (<https://homehealthcarenews.com/2023/07/arosa-ceo-on-transforming-the-traditional-home-care-business-model/>.) "Maybe in San Francisco, we'll bill \$40 and we'll pay \$20. In a place like Durham, North Carolina, maybe it's billing \$30 or \$32, and paying \$15 or \$16 an hour." (<https://homehealthcarenews.com/2023/07/arosa-ceo-on-transforming-the-traditional-home-care-business-model/>.) This business model brings DEFENDANTS an annual revenue of \$54,000,000.00.¹

Despite DEFENDANTS being one of the largest non-franchised home care companies in the country with an annual revenue of \$54,000,000.00, as detailed below, DEFENDANTS' company-wide policies and practices are to engage in various forms of wage theft, fail to provide their employees lawful meal and rest periods and fail to reimburse their employees for all out pocket business expenditures they incur carrying out their duties for DEFENDANTS, or at the direction of DEFENDANTS.

II. DEBORAH GOODLOE AND DEFENDANTS' OFFICE WORKERS.

Deborah Goodloe (hereinafter, "DEBORAH") was hired by DEFENDANTS in or around 2007 as a non-exempt office assistant and receptionist in the State of California at DEFENDANTS' Los Angeles regional office located on National Boulevard. DEFENDANTS changed DEBORAH's title in or around 2020 to a non-exempt "Care Specialist" and DEBORAH held this position until her termination on or around March 13, 2024. DEFENDANTS' Care

¹ "Based in Los Angeles, CA, Arosa is a key player in the health care industry with 1,329 employees and an annual revenue of \$54.0M." (<https://www.zippia.com/livhome-careers-29706/>.)

Specialists, including DEBORAH, are office-based employees with the primary function of scheduling DEFENDANTS' caregivers to DEFENDANTS' clients.

During all times relevant, DEBORAH and all DEFENDANTS' office workers were victim of DEFENDANTS' below-described wage theft. First, DEFENDANTS required DEBORAH to involuntarily work through her meal periods. Each workday, a pre-set notification would display on DEBORAH's screen, (and each non-exempt office employees' screen) instructing her/them to clock-out for a meal period. One hour later, a similar pre-set notification would display on their screens instructing them to clock-in from the meal periods. However, during the hour-long period during which DEBORAH was purportedly clocked out, DEFENDANTS never in fact made a meal period available to DEBORAH or any other of DEFENDANTS' non-exempt office workers (hereinafter, collectively, "PAGA OFFICE WORKERS") – DEFENDANTS' workflow made it impossible for DEBORAH and any PAGA OFFICE WORKERS to take an hour-long, or even 30-minute uninterrupted meal period. In short, every workday was filled DEFENDANTS' phones ringing off the hooks, and scheduling complexities/issues being addressed/remedied/dealt with. For this same reason, DEFENDANTS simply failed to provide DEBORAH and all DEFENDANTS' PAGA OFFICE WORKERS with/make rest periods available to them.

DEBORAH's supervisors, the area directors, who worked alongside DEBORAH in the office, including the acting area director at the time of her termination DEFENDANT MAGNUSON, knew she/DEFENDANTS were in fact not providing DEBORAH and the PAGA OFFICE WORKERS ten-minute rest periods, or hour-long (or even 30-minute) uninterrupted meal periods. The area directors knew DEBORAH and the PAGA OFFICE WORKERS were not in fact receiving lawful meal and/or rest periods as they witnessed it every workday. As for the meal periods, the pre-set meal period notifications were instituted by the area directors, including DEFENDANT MAGNUSON (as well as, DEFENDANT MEDOFF), the notifications would display on all of DEFENDANTS' office workers computers, including the area directors' computers, but all PAGA OFFICE WORKERS would merely clock out as prompted by the notification and go right on working. DEFENDANTS' area directors, including but not limited to, DEFENDANT MAGNUSON knew this because the area directors witnessed the PAGA OFFICE WORKERS being required to work during these periods – the workflow did not permit them to take any sort of break, and furthermore, the area directors engaged the PAGA OFFICE WORKERS with/about work during these clocked out periods, thus, the PAGA OFFICE WORKERS were never fully released of their duties. Also, when DEBORAH questioned DEFENDANT MAGNUSON about not receiving rest periods and the practice of clocking-out but continuing to work during meal periods, DEFENDANT MAGNUSON explained if DEBORAH and all DEFENDANTS' PAGA OFFICE WORKERS did not clock out, DEFENDANTS would get "penalized by the labor board." This is true to the extent DEFENDANTS failed to abide by the "**MEAL AND REST PERIODS**" section in their own handbook, which states in part: "Any supervisor who knows or should reasonably know that a meal or rest period was not provided in accordance with this Policy should arrange for a premium to issue to the employee." Despite DEFENDANTS' area directors, including, DEFENDANT MAGNUSON, knowing or reasonably should know/have known, DEBORAH and all PAGA OFFICE WORKERS are not being provided meal and rest periods, DEFENDANTS never paid DEBORAH or any PAGA OFFICE WORKERS a premium equal to one-hour at their regular hourly rates.

Moreover, because DEBORAH or any PAGA OFFICE WORKERS were working through these purported one-hour long meal periods during which they were clocked out, DEFENDANTS' area directors, including, DEFENDANT MAGNUSON, knowing or reasonably should know/have

known DEBORAH or any PAGA OFFICE WORKERS were/are not being paid California's then prevailing minimum wage, or overtime if applicable, for no less than (1) hour per day because their daily worktimes were/are being artificially reduced by one (1) hour when clocked out, but still being required to work.

DEFENDANTS' further form of wage theft came in the context of DEFENDANTS requiring PAGA OFFICE WORKERS to be on-call. During the vast majority of all relevant time, DEFENDANTS required PAGA OFFICE WORKERS to be on-call during one out of every three weeks, Monday through Sunday. In the last few months, DEFENDANTS required/are requiring PAGA OFFICE WORKERS to be on-call during one out of every five weeks, Monday through Friday. During this on-call work, and in addition to their scheduled office hours, DEBORAH and all PAGA OFFICE WORKERS were required to respond to calls about, *inter alia*, scheduling/caregiver call-offs/client complaints/needs, etc. during all times. The preceding duties began from the moment they clocked out of the office, throughout the evening, into the night, threw the early AM hours beginning at midnight, up until they clocked back in at the office.² And the calls about, *inter alia*, scheduling/caregiver call-offs/client complaints/needs, etc. were fast, furious and numerous. DEFENDANTS required on-call work made DEBORAH and all PAGA OFFICE WORKERS prisoners of their own homes – knowing when the calls came through, they needed immediate computer access to DEFENDANTS' online company portal necessary to take all appropriate steps to remedy the issues arising based on the varying and numerous calls. Despite DEBORAH and all PAGA OFFICE WORKERS being under the control of DEFENDANTS 24 hours during these on-call hours, thus, earning significant wages, including time and on-half and double overtime wages, DEFENDANTS only paid DEBORAH and all PAGA OFFICE WORKERS \$25.00 per on-call day. Accordingly, DEFENDANTS failed to pay DEBORAH and all PAGA OFFICE WORKERS significant amounts of minimum wages and overtime wages.

DEFENDANTS also failed to reimburse DEBORAH and all PAGA OFFICE WORKERS for being required to use their own personal cellular phone service, and personal internet service to carry out all or most of the above-described duties for DEFENDANTS. At a certain point, DEFENDANTS issued an addendum to their handbook that identified DEBORAH would be reimbursed \$12.50 for use of her personal cellular phone, but that addendum was merely uploaded to DEFENDANTS' ADP online service accounts for DEBORAH and all PAGA OFFICE WORKERS, apparently requiring an acknowledgment of receipt be signed, but DEBORAH was never aware of the addendum, thus, never signed an acknowledgement. While DEBORAH and all PAGA OFFICE WORKERS did receive \$12.50 reimbursements, this amount fails to reimburse DEBORAH and all PAGA OFFICE WORKERS for all use of their personal cellular phones, and fails to reimburse them for any use of their personal internet services. Additionally, DEBORAH and all PAGA OFFICE WORKERS were at times required to use their personal automobiles to travel from the office to various of DEFENDANTS' clients' homes for various purposes. DEFENDANTS never reimbursed DEBORAH and all PAGA OFFICE WORKERS for the costs / mileage accrued related to use of their personal automobiles.

² “We are an around-the-clock operation. Every single one of our teammates, showing up on time with a smile, ready to get a great bit of work done is very hard. Oftentimes it's an emotionally and physically tall order. It's a simple business model but it's tough to execute. Fundamentally, I think that we need innovation around that business model.” (Quoting DEFENDANT MEDOFF <https://homehealthcarenews.com/2023/07/arosa-ceo-on-transforming-the-traditional-home-care-business-model/>.)

DEBORAH sent DEFENDANTS records requests pursuant to *California Labor Code* Sections 226(c), 247.5 and 1198.5 in the same certified envelope containing this notice. DEBORAH does not believe DEFENDANTS will produce or give DEBORAH access to the records within the statutorily required time, if at all.

III. FACTS RELATING BETTY GLENN AND DEFENDANTS' CARGIVERS.

Betty Glenn (hereinafter, BETTY) was hired by DEFENDANTS in or around 2008 as a non-exempt caregiver in the State of California. BETTTY provided caregiving to DEFENDANTS' clients until her termination on or around January 30, 2024.

During all times relevant, BETTY and all DEFENDANTS' caregivers (hereinafter, collectively referred to as "PAGA CAREGIVERS") were victim of DEFENDANTS' below-described wage theft. First, BETTY and all or many of the PAGA CAREGIVERS would work shifts that would result in them working up to 16 hours in a given day. However, DEFENDANTS would not pay them time and one-half their regular rate for all hours worked past 9 hours in that day; in short, DEFENDANTS would shave time using the stroke of midnight as a diversion to confuse BETTY and the PAGA CAREGIVERS about the number of hours they in fact worked during any given 24-hour period. Moreover, BETTY and all or many of the PAGA CAREGIVERS were required by DEFENDANTS and DEFENDANTS' clients to perform significant amounts of time/work performing functions/duties other than supervising, feeding and dressing DEFENDANTS' clients; thus, losing their personal attendant status. When this occurred, DEFENDANTS were required, but failed to pay BETTY and the PAGA CAREGIVERS overtime wages according to IWC 15 and *Labor Code* 510, not *Labor Code* 1454. DEFENDANTS also failed to inform BETTY and the PAGA CAREGIVERS and failed to provide BETTY and the PAGA CAREGIVERS lawful/compliant meal and rest periods. And when DEFENDANTS failed to make these meal and rest periods available as required under California law, DEFENDANTS secondarily failed to pay BETTY and the PAGA CAREGIVERS a one-hour premium at their regular rates of pay. Also, when DEFENDANTS double-booked a client with 2 caregivers, the caregiver that was required to go home and not fulfill the caregiving was paid nothing, *i.e.*, not paid any reporting time pay. Moreover, on occasion, certain of DEFENDANTS' caregivers would abandon their caregiving shift, requiring, at times, DEFENDANTS' clients to make urgent calls to the caregiver that was scheduled to relieve the abandoning caregiver. Despite the relieving caregiver assume caregiving hours in advance of their scheduled time, DEFENDANTS would not pay them for any of this caregiving/worktime; thus, not pay them California's minimum wage, or if applicable, any overtime wages earned and owing. Furthermore, on occasion, BETTY and the PAGA CAREGIVERS would be informed they were being scheduled to one of DEFENDANTS' new clients/one-off clients/emergency clients; thus, would spend time discussing the scheduling/details/circumstances of the same, and otherwise preparing to assume caregiving duties only to find out, in the eleventh hour, including while en route or having already arrived at DEFENDANTS' client's/s' home, they in fact will not be proving caregiving duties. When this would occur, DEFENDANTS failed to pay BETTY and the PAGA CAREGIVERS any compensation, including California's minimum wage, if applicable overtime wages and/or reporting time pay. Moreover, when BETTY and the PAGA CAREGIVERS were/are required to travel distances exceeding their normal caregiving duties to assume caregiving for one of DEFENDANTS' new clients/one-off clients/emergency clients, DEFENDANTS failed to pay them this excess compensable time. Similarly, when BETTY and the PAGA CAREGIVERS were required to travel between DEFENDANTS' clients to provide caregiving duties, DEFENDANTS failed to pay them for this compensable time. Thus, DEFENDANTS failed to pay BETTY and

the PAGA CAREGIVERS California's minimum wage, or if applicable overtime wages for DEFENDANTS just-described failures. Finally, BETTY and the PAGA CAREGIVERS will earn various straight time rates of pay depending on which of DEFENDANTS' clients they are caregiving, thus, their accurate overtime rate(s) of pay must be determined using the weighted average method. However, DEFENDANTS do not and their failure to do so always results in BETTY and the PAGA CAREGIVERS being paid an overtime rate of pay that is less than required by California law.

DEFENDANTS also failed to reimburse BETTY and the PAGA CAREGIVERS for being required to use their own personal cellular phone service, and personal internet service to carry out all or most of the above-described duties for DEFENDANTS. At a certain point, DEFENDANTS issued an addendum to their handbook that identified office workers would be reimbursed \$12.50 for use of her personal cellular phone. This addendum was not issued to the caregivers and DEFENDANTS never reimbursed them for use of their personal cellular service despite during the vast majority of all relevant time, they were required to not only use the cell phones for contract between among DEFENDANTS and DEFENDANTS' clients, but also required to download an app names "Axis Care" to use for timekeeping (previously, BETTY and the PAGA CAREGIVERS were required to use their cell phones to call into an automated system to records their hours). DEFENDANTS fail/ed entirely to reimburse BETTY and the PAGA CAREGIVERS for all use of their personal cellular phones, and fails to reimburse them for any use of their personal internet services, when required. Additionally, BETTY and the PAGA CAREGIVERS were also required to use their personal automobiles to travel from one DEFENDANTS' clients' home to other of DEFENDANTS' clients' homes. DEFENDANTS were/are required to reimburse BETTY and the PAGA CAREGIVERS for the costs / mileage accrued from this use of their personal automobiles, however, DEFENDANTS did/do not.³

BETTY sent DEFENDANTS records requests pursuant to *California Labor Code* Sections 226(c), 247.5 and 1198.5 in the same certified envelope containing this notice. BETTY does not believe DEFENDANTS will produce or give BETTY access to the records within the statutorily required time, if at all.

IV. GENERAL FACTS RELATING TO ALL DEFENDANTS' AGGRIEVED EMPLOYEES.

Upon PLAINTIFFS' hirings, DEFENDANTS failed to provide PLAINTIFFS and any and all AGGRIEVED EMPLOYEES written notices containing (a) the rate or rates of pay and basis thereof, (b) any allowances claimed as part of the minimum wage, including meal or lodging allowances, (c) the regular payday designated by DEFENDANTS, (d) DEFENDANTS' name, including any and all of its "doing business as" names, (e) the physical address of DEFENDANTS' main office / principal place of business / mailing address, (f) DEFENDANTS' telephone number, (g) the name, address, and telephone number of DEFENDANTS' workers' compensation insurance carrier, and (h) information about PLAINTIFFS and any and all AGGRIEVED

³ DEFENDANT MEDOFF admits, "Sometimes our caregivers might work 40 or 50 hours a week if they have a consistent client, but sometimes their hours might bounce around. It might be 40 or 50 hours one week and it might be 10 or 20 hours the next week. Sometimes we might be offering days, sometimes we might be offering nights. Sometimes a client might be three or four miles away and other times we may be asking a caregiver if he or she is willing to drive 20 miles or 30 miles and maybe that takes an hour." (<https://homehealthcarenews.com/2023/07/arosa-ceo-on-transforming-the-traditional-home-care-business-model/>.)

EMPLOYEES accruing and using sick leave; and having the right to request and use accrued paid sick leave without fear of being terminated or retaliated against for using or requesting the use of accrued paid sick leave, and that PLAINTIFFS and any and all AGGRIEVED EMPLOYEES have the right to file a complaint against DEFENDANTS if DEFENDANTS retaliates. PLAINTIFFS is informed and believes, and thereon alleges, DEFENDANTS also fails to provide any and all newly-hired AGGRIEVED EMPLOYEES written notices containing the preceding information.

Similarly, when DEFENDANTS made any changes to the above-listed information, it further failed to notify PLAINTIFFS and any and all AGGRIEVED EMPLOYEES of those changes within seven calendar days after the changing by notice, other writing or by a timely furnished itemized wage statement. In fact, DEFENDANTS never furnished PLAINTIFFS and any and all AGGRIEVED EMPLOYEES with itemized wage statements, or at best, any statements that were furnished were inaccurate as discussed in detail below.

Despite paying PLAINTIFFS and all AGGRIEVED EMPLOYEES bi-weekly, DEFENDANTS failed to keep posted conspicuously at its/their place of work, or at any other place where it could be seen by PLAINTIFFS and all AGGRIEVED EMPLOYEES, a notice specifying its/their regular pay days and the time and place of payment to PLAINTIFFS and all AGGRIEVED EMPLOYEES.

In addition to unpaid wages resulting from DEFENDANTS' ongoing, company-wide pattern and practice of failing to pay PLAINTIFFS, all PAGA OFFICE WORKERS and all PAGA CAREGIVERS, *i.e.*, AGGRIEVED EMPLOYEES their meal and rest period premiums, California's minimum wage, all overtime wages earned, compensable drive time, and reporting time pay, DEFENDANTS also willfully fail/ed to pay PLAINTIFFS and all AGGRIEVED EMPLOYEES all wages they earn twice during each calendar month, as well as, all wages owing within the statutorily required time, and place upon DEBORAH and BETTY's termination, and after any one of the AGGRIEVED EMPLOYEES' resignation, or termination from employment.

Also resulting from, and necessary to conceal DEFENDANTS' ongoing, company-wide pattern of instituting unlawful wage and hour policies and practices, DEFENDANTS also fail/ed to furnish PLAINTIFFS, all PAGA OFFICE WORKERS and all PAGA CAREGIVERS, *i.e.*, AGGRIEVED EMPLOYEES itemized wage statements accurately showing/evidencing/containing/including (a) all forms of compensation earned, (b) the accurate hours/miles/unit/rates associated with any and all forms of wages depicted within the written explanations, (c) gross and net wages earned, and/or (d) the amount of paid sick leave available. Moreover, DEFENDANTS failed to provide PLAINTIFFS and all AGGRIEVED EMPLOYEES sick days, thus, there was no accrual of sick days at any rate and they were not entitled to sick days. Based thereon, DEFENDANTS never provide/d PLAINTIFFS and/or all AGGRIEVED EMPLOYEES with written notice setting forth the amount of paid sick leave available to them, and never kept record of the sick days accrued/used. And DEFENDANTS failed to display a poster in a conspicuous place containing all information regarding sick days. Similarly, DEFENDANTS failed to keep payroll records showing the hours worked daily by and the wages paid to PLAINTIFFS and all AGGRIEVED EMPLOYEES.

All the herein-detailed violations of the *California Labor Code* and IWC 15 were/are violated, or were/are caused to be violated by INDIVIDUAL DEFENDANTS, *i.e.*, CORPORATE DEFENDANTS' managing agents, the natural persons, DEFENDANT MEDOFF and DEFENDANT MAGNUSON.

PLAINTIFFS are informed and believe and thereon allege that any and all other current and former non-exempt California employees of DEFENDANTS, including non-exempt employees other than those in PLAINTIFFS' specific department, or specific location, *i.e.*, any and all AGGRIEVED EMPLOYEES, were/are also subjected to all of DEFENDANTS' herein-detailed violations of the *California Labor Code* and IWC 15 during each and every pay period they work/ed during no less than one (1) year back from the date of this notice, and will be further subjected to said violations, up to and including each and every present day until citations are issued by the LWDA, a Court enters judgment or these PAGA claims are resolved via settlement.

DEFENDANTS' VIOLATIONS

I. DEFENDANTS' Violations of California Labor Code Section 2810.5.

a. California Labor Code Section 2810.5.

At the time of hiring, an employer shall provide to each employee a written notice, in the language the employer normally uses to communicate employment-related information to the employee, containing the following information: (A) The rate or rates of pay and basis thereof, whether paid by the hour, shift, day, week, salary, piece, commission, or otherwise, including any rates for overtime, as applicable. (B) Allowances, if any, claimed as part of the minimum wage, including meal or lodging allowances. (C) The regular payday designated by the employer in accordance with the requirements of this code. (D) The name of the employer, including any "doing business as" names used by the employer. (E) The physical address of the employer's main office or principal place of business, and a mailing address, if different. (F) The telephone number of the employer. (G) The name, address, and telephone number of the employer's workers' compensation insurance carrier. (H) That an 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.

Cal. Lab. Code § 2810.5(a)(1)(A)-(H).

Moreover,

An employer shall notify his or her employees in writing of any changes to the information set forth in the notice within seven calendar days after the time of the changes, unless one of the following applies: (1) All changes are reflected on a timely wage statement furnished in accordance with Section 226. (2) Notice of all changes is provided in another writing required by law within seven days of the changes.

Id. at (b)(1)-(2).

b. Facts and Theories Supporting DEFENDANTS' Violations of *California Labor Code* Section 2810.5.

Upon PLAINTIFFS' hirings, DEFENDANTS failed to provide PLAINTIFFS and any and all AGGRIEVED EMPLOYEES written notices containing (a) the rate or rates of pay and basis thereof, (b) any allowances claimed as part of the minimum wage, including meal or lodging allowances, (c) the regular payday designated by DEFENDANTS, (d) DEFENDANTS' name, including any and all of its "doing business as" names, (e) the physical address of DEFENDANTS' main office / principal place of business / mailing address, (f) DEFENDANTS' telephone number, (g) the name, address, and telephone number of DEFENDANTS' workers' compensation insurance carrier, and (h) information about PLAINTIFFS and any and all AGGRIEVED EMPLOYEES accruing and using sick leave; and having the right to request and use accrued paid sick leave without fear of being terminated or retaliated against for using or requesting the use of accrued paid sick leave, and that PLAINTIFFS and any and all AGGRIEVED EMPLOYEES have the right to file a complaint against DEFENDANTS if DEFENDANTS retaliates. PLAINTIFFS is informed and believes, and thereon alleges, DEFENDANTS also fails to provide any and all newly-hired AGGRIEVED EMPLOYEES written notices containing the preceding information. Similarly, when DEFENDANTS made any changes to the above-listed information, it further failed to notify PLAINTIFFS and any and all AGGRIEVED EMPLOYEES of those changes within seven calendar days after the changing by notice, other writing or by a timely furnished itemized wage statement. In fact, DEFENDANTS never furnished PLAINTIFFS and any and all AGGRIEVED EMPLOYEES with itemized wage statements, or at best, any statements that were furnished were inaccurate as discussed in detail below. Accordingly, DEFENDANTS were and are in violation of *California Labor Code* Section 2810.5. The LWDA should investigate these violations as applying to PLAINTIFFS and any and all AGGRIEVED EMPLOYEES. The provisions of subdivision (c) of *California Labor Code* Section 2699.3 applies to *California Labor Code* Section 2810.5.

II. DEFENDANTS' Violations of *California Labor Code* Section 207.

a. *California Labor Code* Section 207.

Every employer shall keep posted conspicuously at the place of work, if practicable, or otherwise where it can be seen as employees come or go to their places of work, or at the office or nearest agency for payment kept by the employer, a notice specifying the regular pay days and the time and place of payment, in accordance with this article.

Cal. Lab. Code § 207.

b. Facts and Theories Supporting DEFENDANTS' Violation of *California Labor Code* Section 207.

Despite paying PLAINTIFFS and all AGGRIEVED EMPLOYEES bi-weekly, DEFENDANTS failed to keep posted conspicuously at its/their place of work, or at any other place where it could be seen by PLAINTIFFS and all AGGRIEVED EMPLOYEES, a notice specifying its/their regular pay days and the time and place of payment to PLAINTIFFS and all AGGRIEVED EMPLOYEES. Accordingly, DEFENDANTS were and are in violation of *California Labor Code* Section 207. The LWDA should investigate these violations as applying to PLAINTIFFS and any

and all AGGRIEVED EMPLOYEES. The provisions of subdivision (c) of *California Labor Code* Section 2699.3 applies to *California Labor Code* Section 207.

III. DEFENDANTS' Violations of California Labor Code Sections 1197, 1182.12, 1194, and 1194.2, Thus, Liability for Penalties Pursuant to Section 1197.1.

a. California Labor Code Sections 1197, 1182.12, 1194, 1194.2 and 1197.1.

The minimum wage for employees fixed by the commission or by any applicable state or local law, is the minimum wage to be paid to employees, and the payment of a lower wage than the minimum so fixed is unlawful. This section does not change the applicability of local minimum wage laws to any entity.

Cal. Labor Code § 1197.

Notwithstanding any other provision of this part, on and after July 1, 2014, the minimum wage for all industries shall be not less than nine dollars (\$9) per hour, and on and after January 1, 2016, the minimum wage for all industries shall be not less than ten dollars (\$10) per hour.

Id. at 1182.12.

Notwithstanding any agreement to 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.

Id. at 1194(a).

In any action under Section 98, 1193.6, 1194, or 1197.1 to recover wages because of the payment of a wage less than the minimum wage fixed by an order of the commission or by statute, an employee shall be entitled to recover liquidated damages in an amount equal to the wages unlawfully unpaid and interest thereon. Nothing in this subdivision shall be construed to authorize the recovery of liquidated damages for failure to pay overtime compensation. A suit may be filed for liquidated damages at any time before the expiration of the statute of limitations on an action for wages from which the liquidated damages arise.

Id. at 1194.2(a).

Any employer or other person acting either individually or as an officer, agent, or employee of another person, who pays or causes to be paid to any employee a wage less than the minimum fixed by an applicable state or local law, or by an order of the commission shall be subject to a civil penalty,

restitution of wages, liquidated damages payable to the employee, and any applicable penalties imposed pursuant to Section 203

Id. at 1197.1(a).

(1) For any initial violation that is intentionally committed, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee is underpaid. This amount shall be in addition to an amount sufficient to recover underpaid wages, liquidated damages pursuant to Section 1194.2, and any applicable penalties imposed pursuant to Section 203.

(2) For each subsequent violation for the same specific offense, two hundred fifty dollars (\$250) for each underpaid employee for each pay period for which the employee is underpaid regardless of whether the initial violation is intentionally committed.

Id. at (a)(1)-(2).

b. Facts and Theories Supporting DEFENDANTS' Violation of California Labor Code Sections 1197, 1182.12, 1194, and 1194.2, Thus, Liability for Penalties Pursuant to Section 1197.1.

During all times relevant, DEBORAH and all PAGA OFFICE WORKERS were victim of DEFENDANTS' below-described wage theft. First, DEFENDANTS required DEBORAH to involuntarily work through her meal periods. Each workday, a pre-set notification would display on DEBORAH's screen, (and each non-exempt office employees' screen) instructing her/them to clock-out for a meal period. One hour later, a similar pre-set notification would display on their screens instructing them to clock-in from the meal periods. However, during the hour-long period during which DEBORAH was purportedly clocked out, DEFENDANTS never in fact made a meal period available to DEBORAH or any other of DEFENDANTS' PAGA OFFICE WORKERS – DEFENDANTS' workflow made it impossible for DEBORAH and any PAGA OFFICE WORKERS to take an hour-long, or even 30-minute uninterrupted meal period. In short, every workday was filled DEFENDANTS' phones ringing off the hooks, and scheduling complexities/issues being addressed/remedied/dealt with. For this same reason, DEFENDANTS simply failed to provide DEBORAH and all DEFENDANTS' PAGA OFFICE WORKERS with/make rest periods available to them. DEBORAH's supervisors, the area directors, who worked alongside DEBORAH in the office, including the acting area director at the time of her termination DEFENDANT MAGNUSON, knew she/DEFENDANTS were in fact not providing DEBORAH and the PAGA OFFICE WORKERS ten-minute rest periods, or hour-long (or even 30-minute) uninterrupted meal periods. The area directors knew DEBORAH and the PAGA OFFICE WORKERS were not in fact receiving lawful meal and/or rest periods as they witnessed it every workday. As for the meal periods, the pre-set meal period notifications were instituted by the area directors, including DEFENDANT MAGNUSON (as well as, DEFENDANT MEDOFF), the notifications would display on all of DEFENDANTS' office workers computers, including the area directors' computers, but all PAGA OFFICE WORKERS would merely clock out as prompted by the notification and go right on working. DEFENDANTS' area directors, including but not limited to, DEFENDANT MAGNUSON knew this because the area directors witnessed the PAGA OFFICE WORKERS being required to work during these periods – the workflow did not permit them to take any sort of break, and furthermore, the area directors engaged the PAGA

OFFICE WORKERS with/about work during these clocked out periods, thus, the PAGA OFFICE WORKERS were never fully released of their duties. Also, when DEBORAH questioned DEFENDANT MAGNUSON about not receiving rest periods and the practice of clocking-out but continuing to work during meal periods, DEFENDANT MAGNUSON explained if DEBORAH and all DEFENDANTS' PAGA OFFICE WORKERS did not clock out, DEFENDANTS would get "penalized by the labor board." This is true to the extent DEFENDANTS failed to abide by the "**MEAL AND REST PERIODS**" section in their own handbook, which states in part: "Any supervisor who knows or should reasonably know that a meal or rest period was not provided in accordance with this Policy should arrange for a premium to issue to the employee." Despite DEFENDANTS' area directors, including, DEFENDANT MAGNUSON, knowing or reasonably should know/have known, DEBORAH and all PAGA OFFICE WORKERS are not being provided meal and rest periods, DEFENDANTS never paid DEBORAH or any PAGA OFFICE WORKERS a premium equal to one-hour at their regular hourly rates. Moreover, because DEBORAH or any PAGA OFFICE WORKERS were working through these purported one-hour long meal periods during which they were clocked out, DEFENDANTS' area directors, including, DEFENDANT MAGNUSON, knowing or reasonably should know/have known DEBORAH or any PAGA OFFICE WORKERS were/are not being paid California's then prevailing minimum wage, or overtime if applicable, for no less than (1) hour per day because their daily worktimes were/are being artificially reduced by one (1) hour when clocked out, but still being required to work. DEFENDANTS' further form of wage theft came in the context of DEFENDANTS requiring PAGA OFFICE WORKERS to be on-call. During the vast majority of all relevant time, DEFENDANTS required PAGA OFFICE WORKERS to be on-call during one out of every three weeks, Monday through Sunday. In the last few months, DEFENDANTS required/are requiring PAGA OFFICE WORKERS to be on-call during one out of every five weeks, Monday through Friday. During this on-call work, and in addition to their scheduled office hours, DEBORAH and all PAGA OFFICE WORKERS were required to respond to calls about, *inter alia*, scheduling/caregiver call-offs/client complaints/needs, etc. during all times. The preceding duties began from the moment they clocked out of the office, throughout the evening, into the night, threw the early AM hours beginning at midnight, up until they clocked back in at the office.⁴ And the calls about, *inter alia*, scheduling/caregiver call-offs/client complaints/needs, etc. were fast, furious and numerous. DEFENDANTS required on-call work made DEBORAH and all PAGA OFFICE WORKERS prisoners of their own homes – knowing when the calls came through, they needed immediate computer access to DEFENDANTS' online company portal necessary to take all appropriate steps to remedy the issues arising based on the varying and numerous calls. Despite DEBORAH and all PAGA OFFICE WORKERS being under the control of DEFENDANTS 24 hours during these on-call hours, thus, earning significant wages, including time and on-half and double overtime wages, DEFENDANTS only paid DEBORAH and all PAGA OFFICE WORKERS \$25.00 per on-call day. Accordingly, DEFENDANTS failed to pay DEBORAH and all PAGA OFFICE WORKERS significant amounts of minimum wages and overtime wages. When DEFENDANTS double-booked a client with 2 caregivers, the caregiver that was required to go home and not fulfill the caregiving was paid nothing, *i.e.*, not paid any reporting time pay. Moreover, on occasion, certain of DEFENDANTS' caregivers would abandon their caregiving

⁴ "We are an around-the-clock operation. Every single one of our teammates, showing up on time with a smile, ready to get a great bit of work done is very hard. Oftentimes it's an emotionally and physically tall order. It's a simple business model but it's tough to execute. Fundamentally, I think that we need innovation around that business model." (Quoting DEFENDANT MEDOFF <https://homehealthcarenews.com/2023/07/arosa-ceo-on-transforming-the-traditional-home-care-business-model/>.)

shift, requiring, at times, DEFENDANTS' clients to make urgent calls to the caregiver that was scheduled to relieve the abandoning caregiver. Despite the relieving caregiver assume caregiving hours in advance of their scheduled time, DEFENDANTS would not pay them for any of this caregiving/worktime; thus, not pay them California's minimum wage, or if applicable, any overtime wages earned and owing. Furthermore, on occasion, BETTY and the PAGA CAREGIVERS would be informed they were being scheduled to one of DEFENDANTS' new clients/one-off clients/emergency clients; thus, would spend time discussing the scheduling/details/circumstances of the same, and otherwise preparing to assume caregiving duties only to find out, in the eleventh hour, including while en route or having already arrived at DEFENDANTS' client's/s' home, they in fact will not be proving caregiving duties. When this would occur, DEFENDANTS failed to pay BETTY and the PAGA CAREGIVERS any compensation, including California's minimum wage, if applicable overtime wages and/or reporting time pay. Moreover, when BETTY and the PAGA CAREGIVERS were/are required to travel distances exceeding their normal caregiving duties to assume caregiving for one of DEFENDANTS' new clients/one-off clients/emergency clients, DEFENDANTS failed to pay them this excess compensable time. Similarly, when BETTY and the PAGA CAREGIVERS were required to travel between DEFENDANTS' clients to provide caregiving duties, DEFENDANTS failed to pay them for this compensable time. Thus, DEFENDANTS failed to pay BETTY and the PAGA CAREGIVERS California's minimum wage, or if applicable overtime wages for DEFENDANTS just-described failures. Finally, BETTY and the PAGA CAREGIVERS will earn various straight time rates of pay depending on which of DEFENDANTS' clients they are caregiving, thus, their accurate overtime rate(s) of pay must be determined using the weighted average method. However, DEFENDANTS do not and their failure to do so always results in BETTY and the PAGA CAREGIVERS being paid an overtime rate of pay that is less than required by California law. PLAINTIFFS are informed and believe and thereon allege that that during all relevant pay periods, any and all AGGRIEVED EMPLOYEES also were not paid California's prevailing minimum wage. Accordingly, DEFENDANTS were and are in violation of *California Labor Code* Sections 1197, 1182.12, 1194, 1194.2 and IWC 15. The LWDA should investigate these violations as applying to PLAINTIFFS and any and all AGGRIEVED EMPLOYEES. The provisions of subdivision (a) of *California Labor Code* Section 2699.3 applies to *California Labor Code* Sections 1197, 1194, 1199, 1197.1, and provisions of subdivision (c) of *California Labor Code* Section 2699.3 applies to *California Labor Code* Section 1182.12 and 1194.2.

IV. DEFENDANTS' Violations of California Labor Code Section 510.

a. California Labor Code Section 510.

Eight hours of labor constitutes a day's work. Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee.

Cal. Labor Code § 510; *see also Cal. Code Regs.* tit. 8 § 11150(3)(A)(a)(1).

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b. Facts and Theories Supporting DEFENDANTS' Violations of *California Labor Code* Section 510.

During all times relevant, DEBORAH and all PAGA OFFICE WORKERS were victim of DEFENDANTS' below-described wage theft. First, DEFENDANTS required DEBORAH to involuntarily work through her meal periods. Each workday, a pre-set notification would display on DEBORAH's screen, (and each non-exempt office employees' screen) instructing her/them to clock-out for a meal period. One hour later, a similar pre-set notification would display on their screens instructing them to clock-in from the meal periods. However, during the hour-long period during which DEBORAH was purportedly clocked out, DEFENDANTS never in fact made a meal period available to DEBORAH or any other of DEFENDANTS' PAGA OFFICE WORKERS – DEFENDANTS' workflow made it impossible for DEBORAH and any PAGA OFFICE WORKERS to take an hour-long, or even 30-minute uninterrupted meal period. In short, every workday was filled DEFENDANTS' phones ringing off the hooks, and scheduling complexities/issues being addressed/remedied/dealt with. For this same reason, DEFENDANTS simply failed to provide DEBORAH and all DEFENDANTS' PAGA OFFICE WORKERS with/make rest periods available to them. DEBORAH's supervisors, the area directors, who worked alongside DEBORAH in the office, including the acting area director at the time of her termination DEFENDANT MAGNUSON, knew she/DEFENDANTS were in fact not providing DEBORAH and the PAGA OFFICE WORKERS ten-minute rest periods, or hour-long (or even 30-minute) uninterrupted meal periods. The area directors knew DEBORAH and the PAGA OFFICE WORKERS were not in fact receiving lawful meal and/or rest periods as they witnessed it every workday. As for the meal periods, the pre-set meal period notifications were instituted by the area directors, including DEFENDANT MAGNUSON (as well as, DEFENDANT MEDOFF), the notifications would display on all of DEFENDANTS' office workers computers, including the area directors' computers, but all PAGA OFFICE WORKERS would merely clock out as prompted by the notification and go right on working. DEFENDANTS' area directors, including but not limited to, DEFENDANT MAGNUSON knew this because the area directors witnessed the PAGA OFFICE WORKERS being required to work during these periods – the workflow did not permit them to take any sort of break, and furthermore, the area directors engaged the PAGA OFFICE WORKERS with/about work during these clocked out periods, thus, the PAGA OFFICE WORKERS were never fully released of their duties. Also, when DEBORAH questioned DEFENDANT MAGNUSON about not receiving rest periods and the practice of clocking-out but continuing to work during meal periods, DEFENDANT MAGNUSON explained if DEBORAH and all DEFENDANTS' PAGA OFFICE WORKERS did not clock out, DEFENDANTS would get “penalized by the labor board.” This is true to the extent DEFENDANTS failed to abide by the “**MEAL AND REST PERIODS**” section in their own handbook, which states in part: “Any supervisor who knows or should reasonably know that a meal or rest period was not provided in accordance with this Policy should arrange for a premium to issue to the employee.” Despite DEFENDANTS' area directors, including, DEFENDANT MAGNUSON, knowing or reasonably should know/have known, DEBORAH and all PAGA OFFICE WORKERS are not being provided meal and rest periods, DEFENDANTS never paid DEBORAH or any PAGA OFFICE WORKERS a premium equal to one-hour at their regular hourly rates. Moreover, because DEBORAH or any PAGA OFFICE WORKERS were working through these purported one-hour long meal periods during which they were clocked out, DEFENDANTS' area directors, including, DEFENDANT MAGNUSON, knowing or reasonably should know/have known DEBORAH or any PAGA OFFICE WORKERS were/are not being paid California's then prevailing minimum wage, or overtime if applicable, for no less than (1) hour per day because their daily worktimes were/are being artificially reduced by one (1) hour when clocked out, but still being required to work.

DEFENDANTS' further form of wage theft came in the context of DEFENDANTS requiring PAGA OFFICE WORKERS to be on-call. During the vast majority of all relevant time, DEFENDANTS required PAGA OFFICE WORKERS to be on-call during one out of every three weeks, Monday through Sunday. In the last few months, DEFENDANTS required/are requiring PAGA OFFICE WORKERS to be on-call during one out of every five weeks, Monday through Friday. During this on-call work, and in addition to their scheduled office hours, DEBORAH and all PAGA OFFICE WORKERS were required to respond to calls about, *inter alia*, scheduling/caregiver call-offs/client complaints/needs, etc. during all times. The preceding duties began from the moment they clocked out of the office, throughout the evening, into the night, threw the early AM hours beginning at midnight, up until they clocked back in at the office.⁵ And the calls about, *inter alia*, scheduling/caregiver call-offs/client complaints/needs, etc. were fast, furious and numerous. DEFENDANTS required on-call work made DEBORAH and all PAGA OFFICE WORKERS prisoners of their own homes – knowing when the calls came through, they needed immediate computer access to DEFENDANTS' online company portal necessary to take all appropriate steps to remedy the issues arising based on the varying and numerous calls. Despite DEBORAH and all PAGA OFFICE WORKERS being under the control of DEFENDANTS 24 hours during these on-call hours, thus, earning significant wages, including time and on-half and double overtime wages, DEFENDANTS only paid DEBORAH and all PAGA OFFICE WORKERS \$25.00 per on-call day. Accordingly, DEFENDANTS failed to pay DEBORAH and all PAGA OFFICE WORKERS significant amounts of minimum wages and overtime wages. During all times relevant, BETTY and all or many of the PAGA CAREGIVERS were required by DEFENDANTS and DEFENDANTS' clients to perform significant amounts of time/work performing functions/duties other than supervising, feeding and dressing DEFENDANTS' clients; thus, losing their personal attendant status. When this occurred, DEFENDANTS were required, but failed to pay BETTY and the PAGA CAREGIVERS overtime wages according to IWC 15 and *Labor Code* 510, not *Labor Code* 1454. Accordingly, DEFENDANTS were and are in violation of *California Labor Code* Section 510 and IWC 15. The LWDA should investigate these violations as applying to PLAINTIFFS and any and all AGGRIEVED EMPLOYEES. The provisions of subdivision (a) of *California Labor Code* Section 2699.3 applies to *California Labor Code* Section 510.

V. DEFENDANTS' Violations of California Labor Code Section 1454 and IWC 15.

a. California Labor Code Section 1454 and IWC 15.

A domestic work employee who is a personal attendant shall not be employed more than nine hours in any workday or more than 45 hours in any workweek unless the employee receives one and one-half times the employee's regular rate of pay for all hours worked over nine hours in any workday and for all hours worked more than 45 hours in the workweek.

Cal. Labor Code § 1454.

⁵ “We are an around-the-clock operation. Every single one of our teammates, showing up on time with a smile, ready to get a great bit of work done is very hard. Oftentimes it's an emotionally and physically tall order. It's a simple business model but it's tough to execute. Fundamentally, I think that we need innovation around that business model.” (Quoting DEFENDANT MEDOFF <https://homehealthcarenews.com/2023/07/arosa-ceo-on-transforming-the-traditional-home-care-business-model/>.)

Pursuant to the IWC 15, “Personal attendant” includes baby sitters and means any person employed by a private householder or by any third party employer recognized in the health care industry to work in a private household, to supervise, feed, or dress a child or person who by reason of advanced age, physical disability, or mental deficiency needs supervision. The status of ‘personal attendant’ shall apply when no significant amount of work other than the foregoing is required.” Further, “Except as provided in Sections 1, 2, 4, 10, and 15, the provisions of this order shall not apply to personal attendants.” The phrase “no significant amount of work other than the foregoing” in the definition means not more than twenty percent (20%) of the work time. Usually, such “other work” involves housekeeping duties such as making beds, preparing meals, washing clothes, and other similar services. Practical nurses and companions are explicitly covered by Order 15 and may not be exempted as personal attendants even though many of their duties are the same. Any worker who regularly gives medication or takes temperatures or pulse or respiratory rate, regardless of the amount of time such duties take, falls within some classification of nurse, licensed or unlicensed.

b. Facts and Theories Supporting DEFENDANTS’ Violations of *California Labor Code* Section 1454 and IWC 15.

During all times relevant, BETTY and all DEFENDANTS’ PAGA CAREGIVERS were victim of DEFENDANTS’ below-described wage theft. First, BETTY and all or many of the PAGA CAREGIVERS would work shifts that would result in them working up to 16 hours in a given day. However, DEFENDANTS would not pay them time and one-half their regular rate for all hours worked past 9 hours in that day; in short, DEFENDANTS would shave time using the stroke of midnight as a diversion to confuse BETTY and the PAGA CAREGIVERS about the number of hours they in fact worked during any given 24-hour period. Also, when DEFENDANTS double-booked a client with 2 caregivers, the caregiver that was required to go home and not fulfill the caregiving was paid nothing, *i.e.*, not paid any reporting time pay. Moreover, on occasion, certain of DEFENDANTS’ caregivers would abandon their caregiving shift, requiring, at times, DEFENDANTS’ clients to make urgent calls to the caregiver that was scheduled to relieve the abandoning caregiver. Despite the relieving caregiver assume caregiving hours in advance of their scheduled time, DEFENDANTS would not pay them for any of this caregiving/worktime; thus, not pay them California’s minimum wage, or if applicable, any overtime wages earned and owing. Furthermore, on occasion, BETTY and the PAGA CAREGIVERS would be informed they were being scheduled to one of DEFENDANTS’ new clients/one-off clients/emergency clients; thus, would spend time discussing the scheduling/details/circumstances of the same, and otherwise preparing to assume caregiving duties only to find out, in the eleventh hour, including while en route or having already arrived at DEFENDANTS’ client’s/s’ home, they in fact will not be proving caregiving duties. When this would occur, DEFENDANTS failed to pay BETTY and the PAGA CAREGIVERS any compensation, including California’s minimum wage, if applicable overtime wages and/or reporting time pay. Moreover, when BETTY and the PAGA CAREGIVERS were/are required to travel distances exceeding their normal caregiving duties to assume caregiving for one of DEFENDANTS’ new clients/one-off clients/emergency clients, DEFENDANTS failed to pay them this excess compensable time. Similarly, when BETTY and the PAGA CAREGIVERS were required to travel between DEFENDANTS’ clients to provide caregiving duties, DEFENDANTS failed to pay them for this compensable time. Thus, DEFENDANTS failed to pay BETTY and the PAGA CAREGIVERS California’s minimum wage, or if applicable overtime wages for DEFENDANTS just-described failures. Finally, BETTY and the PAGA CAREGIVERS will earn various straight time rates of pay depending on which of DEFENDANTS’ clients they are

caregiving, thus, their accurate overtime rate(s) of pay must be determined using the weighted average method. However, DEFENDANTS do not and their failure to do so always results in BETTY and the PAGA CAREGIVERS being paid an overtime rate of pay that is less than required by California law. Accordingly, DEFENDANTS were and are in violation of *California Labor Code* Section 1454 and is, thus, liable for civil penalties pursuant to Section 1197.1 or 2699. The LWDA should investigate these violations as applying to PLAINTIFFS and any and all AGGRIEVED EMPLOYEES. The provisions of subdivision (a) of *California Labor Code* Section 2699.3 applies to *California Labor Code* Sections 1197.1, and the provisions of subdivision (c) of *California Labor Code* Section 2699.3 applies to *California Labor Code* Section 1454.

VI. DEFENDANTS' Violations of California Labor Code Sections 512 and 226.7.

a. California Labor Code Section 512.

An employer may not employ an employee for a work period of more than five hours per day without providing the employee with a meal period of not less than 30 minutes, except that if the total work period per day of the employee is no more than six hours, the meal period may be waived by mutual consent of both the employer and employee. An employer may not employ an employee for a work period of more than 10 hours per day without providing the employee with a second meal period of not less than 30 minutes, except that if the total hours worked is no more than 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.

Cal. Lab. Code § 512(a); *see also Cal. Code Regs.* tit. 8 § 11150(11)(A)-(C).

If an employer fails to provide an employee a meal or rest or recovery period in accordance with a state law, including, but not limited to, an applicable statute or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health, the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest or recovery period is not provided.

Id. at 226.7(c); *see also Cal. Code Regs.* tit. 8 § 11150(11)(D).

b. Facts and Theories Supporting DEFENDANTS' Violation of California Labor Code Sections 512 and 226.7.

During all times relevant, DEBORAH and all DEFENDANTS' PAGA OFFICE WORKERS were victim of DEFENDANTS' below-described wage theft. First, DEFENDANTS required DEBORAH to involuntarily work through her meal periods. Each workday, a pre-set notification would display on DEBORAH's screen, (and each non-exempt office employees' screen) instructing her/them to clock-out for a meal period. One hour later, a similar pre-set notification would display on their screens instructing them to clock-in from the meal periods. However, during the hour-long period during which DEBORAH was purportedly clocked out,

DEFENDANTS never in fact made a meal period available to DEBORAH or any other of DEFENDANTS' PAGA OFFICE WORKERS – DEFENDANTS' workflow made it impossible for DEBORAH and any PAGA OFFICE WORKERS to take an hour-long, or even 30-minute uninterrupted meal period. In short, every workday was filled DEFENDANTS' phones ringing off the hooks, and scheduling complexities/issues being addressed/remedied/dealt with. For this same reason, DEFENDANTS simply failed to provide DEBORAH and all DEFENDANTS' PAGA OFFICE WORKERS with/make rest periods available to them. DEBORAH's supervisors, the area directors, who worked alongside DEBORAH in the office, including the acting area director at the time of her termination DEFENDANT MAGNUSON, knew she/DEFENDANTS were in fact not providing DEBORAH and the PAGA OFFICE WORKERS ten-minute rest periods, or hour-long (or even 30-minute) uninterrupted meal periods. The area directors knew DEBORAH and the PAGA OFFICE WORKERS were not in fact receiving lawful meal and/or rest periods as they witnessed it every workday. As for the meal periods, the pre-set meal period notifications were instituted by the area directors, including DEFENDANT MAGNUSON (as well as, DEFENDANT MEDOFF), the notifications would display on all of DEFENDANTS' office workers computers, including the area directors' computers, but all PAGA OFFICE WORKERS would merely clock out as prompted by the notification and go right on working. DEFENDANTS' area directors, including but not limited to, DEFENDANT MAGNUSON knew this because the area directors witnessed the PAGA OFFICE WORKERS being required to work during these periods – the workflow did not permit them to take any sort of break, and furthermore, the area directors engaged the PAGA OFFICE WORKERS with/about work during these clocked out periods, thus, the PAGA OFFICE WORKERS were never fully released of their duties. Also, when DEBORAH questioned DEFENDANT MAGNUSON about not receiving rest periods and the practice of clocking-out but continuing to work during meal periods, DEFENDANT MAGNUSON explained if DEBORAH and all DEFENDANTS' PAGA OFFICE WORKERS did not clock out, DEFENDANTS would get “penalized by the labor board.” This is true to the extent DEFENDANTS failed to abide by the “**MEAL AND REST PERIODS**” section in their own handbook, which states in part: “Any supervisor who knows or should reasonably know that a meal or rest period was not provided in accordance with this Policy should arrange for a premium to issue to the employee.” Despite DEFENDANTS' area directors, including, DEFENDANT MAGNUSON, knowing or reasonably should know/have known, DEBORAH and all PAGA OFFICE WORKERS are not being provided meal and rest periods, DEFENDANTS never paid DEBORAH or any PAGA OFFICE WORKERS a premium equal to one-hour at their regular hourly rates. During all times relevant, BETTY and all or many of the PAGA CAREGIVERS were required by DEFENDANTS and DEFENDANTS' clients to perform significant amounts of time/work performing functions/duties other than supervising, feeding and dressing DEFENDANTS' clients; thus, losing their personal attendant status. When this occurred, DEFENDANTS were required, but failed to pay BETTY and the PAGA CAREGIVERS overtime wages according to IWC 15 and *Labor Code* 510, not *Labor Code* 1454. DEFENDANTS also failed to inform BETTY and the PAGA CAREGIVERS and failed to provide BETTY and the PAGA CAREGIVERS lawful/compliant meal and rest periods. And when DEFENDANTS failed to make these meal and rest periods available as required under California law, DEFENDANTS secondarily failed to pay BETTY and the PAGA CAREGIVERS a one-hour premium at their regular rates of pay. Accordingly, DEFENDANTS were and are in violation of *California Labor Code* Sections 512 and 226.7 and IWC 15. The LWDA should investigate these violations as applying to PLAINTIFFS and any and all AGGRIEVED EMPLOYEES. The provisions of subdivision (a) of *California Labor Code* Section 2699.3 applies to *California Labor Code* Sections 512, 204.3 and 226.7.

VII. DEFENDANTS' Liability for Civil Penalties Pursuant to *California Labor Code* Section 558.

a. *California Labor Code* Section 558.

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: 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. For each subsequent violation, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount sufficient to recover underpaid wages.”

Cal. Lab. Code § 558(a)(1)-(2) (emphasis added).

b. Facts and Theories Supporting DEFENDANTS' Liability for Civil Penalties Pursuant to *California Labor Code* Section 558.

As set forth herein, during all relevant pay periods, DEFENDANTS were and are in violation of *California Labor Code* Sections 510 and 512, as well as, the provision regulating hours and days of work in IWC 15. Accordingly, DEFENDANTS were and are in violation of *California Labor Code* Section 558. The LWDA should investigate these violations as applying to PLAINTIFFS and any and all AGGRIEVED EMPLOYEES. The provisions of subdivision (c) of *California Labor Code* Section 2699.3 applies to *California Labor Code* Section 558.

VIII. DEFENDANTS' Violations of *California Labor Code* Section 226.7.

a. *California Labor Code* Section 226.7.

An employer shall not require an employee to work during a meal or rest or recovery period mandated pursuant to an applicable statute, or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health.

Cal. Lab. Code § 226.7(b); see also *Cal. Code Regs.* tit. 8 § 11150(12)(A)-(B).

Pursuant to the *California Labor Code* and IWC 15, employees are entitled to an uninterrupted rest period of not less than ten (10) minutes per four (4) hours or major fraction thereof. *Id.*

“[i]f an employer fails to provide an employee a meal or rest or recovery period in accordance with a state law, including, but not limited to, an applicable statute or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health, the employer shall

pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest or recovery period is not provided." *Id.*

b. Facts and Theories Supporting DEFENDANTS' Violation of California Labor Code Section 226.7.

During all times relevant, DEBORAH and all DEFENDANTS' PAGA OFFICE WORKERS were victim of DEFENDANTS' below-described wage theft. First, DEFENDANTS required DEBORAH to involuntarily work through her meal periods. Each workday, a pre-set notification would display on DEBORAH's screen, (and each non-exempt office employees' screen) instructing her/them to clock-out for a meal period. One hour later, a similar pre-set notification would display on their screens instructing them to clock-in from the meal periods. However, during the hour-long period during which DEBORAH was purportedly clocked out, DEFENDANTS never in fact made a meal period available to DEBORAH or any other of DEFENDANTS' PAGA OFFICE WORKERS – DEFENDANTS' workflow made it impossible for DEBORAH and any PAGA OFFICE WORKERS to take an hour-long, or even 30-minute uninterrupted meal period. In short, every workday was filled DEFENDANTS' phones ringing off the hooks, and scheduling complexities/issues being addressed/remedied/dealt with. For this same reason, DEFENDANTS simply failed to provide DEBORAH and all DEFENDANTS' PAGA OFFICE WORKERS with/make rest periods available to them. DEBORAH's supervisors, the area directors, who worked alongside DEBORAH in the office, including the acting area director at the time of her termination DEFENDANT MAGNUSON, knew she/DEFENDANTS were in fact not providing DEBORAH and the PAGA OFFICE WORKERS ten-minute rest periods, or hour-long (or even 30-minute) uninterrupted meal periods. The area directors knew DEBORAH and the PAGA OFFICE WORKERS were not in fact receiving lawful meal and/or rest periods as they witnessed it every workday. As for the meal periods, the pre-set meal period notifications were instituted by the area directors, including DEFENDANT MAGNUSON (as well as, DEFENDANT MEDOFF), the notifications would display on all of DEFENDANTS' office workers computers, including the area directors' computers, but all PAGA OFFICE WORKERS would merely clock out as prompted by the notification and go right on working. DEFENDANTS' area directors, including but not limited to, DEFENDANT MAGNUSON knew this because the area directors witnessed the PAGA OFFICE WORKERS being required to work during these periods – the workflow did not permit them to take any sort of break, and furthermore, the area directors engaged the PAGA OFFICE WORKERS with/about work during these clocked out periods, thus, the PAGA OFFICE WORKERS were never fully released of their duties. Also, when DEBORAH questioned DEFENDANT MAGNUSON about not receiving rest periods and the practice of clocking-out but continuing to work during meal periods, DEFENDANT MAGNUSON explained if DEBORAH and all DEFENDANTS' PAGA OFFICE WORKERS did not clock out, DEFENDANTS would get "penalized by the labor board." This is true to the extent DEFENDANTS failed to abide by the "**MEAL AND REST PERIODS**" section in their own handbook, which states in part: "Any supervisor who knows or should reasonably know that a meal or rest period was not provided in accordance with this Policy should arrange for a premium to issue to the employee." Despite DEFENDANTS' area directors, including, DEFENDANT MAGNUSON, knowing or reasonably should know/have known, DEBORAH and all PAGA OFFICE WORKERS are not being provided meal and rest periods, DEFENDANTS never paid DEBORAH or any PAGA OFFICE WORKERS a premium equal to one-hour at their regular hourly rates. During all times relevant, BETTY and all or many of the PAGA CAREGIVERS were required by DEFENDANTS and DEFENDANTS' clients to perform significant amounts of time/work performing functions/duties other than supervising, feeding and dressing

DEFENDANTS' clients; thus, losing their personal attendant status. When this occurred, DEFENDANTS were required, but failed to pay BETTY and the PAGA CAREGIVERS overtime wages according to IWC 15 and *Labor Code* 510, not *Labor Code* 1454. DEFENDANTS also failed to inform BETTY and the PAGA CAREGIVERS and failed to provide BETTY and the PAGA CAREGIVERS lawful/compliant meal and rest periods. And when DEFENDANTS failed to make these meal and rest periods available as required under California law, DEFENDANTS secondarily failed to pay BETTY and the PAGA CAREGIVERS a one-hour premium at their regular rates of pay. Accordingly, DEFENDANTS were and are in violation of *California Labor Code* Section 226.7 and IWC 15. The LWDA should investigate these violations as applying to PLAINTIFFS and any and all AGGRIEVED EMPLOYEES. The provisions of subdivision (a) of *California Labor Code* Section 2699.3 applies to *California Labor Code* Section 226.7.

IX. DEFENDANTS' Violations of California Labor Code Section 1198.

a. California Labor Code Section 1198.

"The maximum hours of work and the standard conditions of labor fixed by the commission shall be the maximum hours of work and the standard conditions of labor for employees. The employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful." *Cal. Labor Code* § 1198.

b. Facts and Theories Supporting DEFENDANTS' Violation of California Labor Code Section 1198.

As set forth herein, during all relevant pay periods, DEFENDANTS continuously violated the standard and conditions of labor fixed by the commission, including but not limited to its violations of *California Labor Code* sections 1197, 1182.12, 1194, 510, 512, 226.7 and *Cal. Code Regs.* tit. 8 Section 11150(3), (4), (11) and (12). Accordingly, DEFENDANTS were and are in violation of *California Labor Code* Section 1198. The LWDA should investigate these violations as applying to PLAINTIFFS and any and all AGGRIEVED EMPLOYEES. The provisions of subdivision (a) of *California Labor Code* Section 2699.3 applies to *California Labor Code* Section 1198.

X. DEFENDANTS' Violations of California Labor Code Section 1199.

a. California Labor Code Section 1199.

Every employer or other person acting either individually or as an officer, agent, or employee of another person is guilty of a misdemeanor and is punishable by a fine of not less than one hundred dollars (\$100) or by imprisonment for not less than 30 days, or by both, who does any of the following: (a) Requires or causes any employee to work for longer hours than those fixed, or under conditions of labor prohibited by an order of the commission. (b) Pays or causes to be paid to any employee a wage less than the minimum fixed by an order of the commission. (c) Violates or refuses or neglects to comply with any provision of this chapter or any order or ruling of the commission.

Cal. Labor Code § 1199 (emphasis added).

b. Facts and Theories Supporting DEFENDANTS' Violation of *California Labor Code* Section 1199.

As set forth herein, during all times relevant, DEFENDANTS continuously required or caused PLAINTIFFS and any and all AGGRIEVED EMPLOYEES to (1) work for longer hours than those fixed by an order of the commission, (2) under conditions of labor prohibited by an order of the commission, and (3) to be paid a wage less than the minimum fixed by an order of the commission. Moreover, during all times relevant, DEFENDANTS continuously violates, refuses and neglects to comply with provisions of this chapter of the *California Labor Code* and orders and rulings of the commission as evidenced by its violations of *California Labor Code* sections 1197, 1182.12, 1194, 510, 512, 226.7 and *Cal. Code Regs.* tit. 8 Section 11150(3), (4), (11) and (12). Accordingly, DEFENDANTS were and are in violation of *California Labor Code* Section 1199 and IWC 15. The LWDA should investigate these violations as applying to PLAINTIFFS and any and all AGGRIEVED EMPLOYEES. The provisions of subdivision (a) of *California Labor Code* Section 2699.3 applies to *California Labor Code* Section 1199.

XI. DEFENDANTS' Violations of *California Labor Code* Section 204, Thus, Liability for Penalties Pursuant to Section 210.

a. *California Labor Code* Sections 204 and 210.

“All wages, other than those mentioned in Section 201, 201.3, 202, 204.1, or 204.2, 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.” *Cal. Lab. Code* § 204.

In addition to, and entirely independent and apart from, any other penalty provided in this article, every person who fails to pay the wages of each employee as provided in Sections 201.3, 204, 204b, 204.1, 204.2, 205, 205.5, and 1197.5, shall be subject to a civil penalty as follows: (1) For any initial violation, one hundred dollars (\$100) for each failure to pay each employee. (2) For each subsequent violation, or any willful or intentional violation, two hundred dollars (\$200) for each failure to pay each employee, plus 25 percent of the amount unlawfully withheld.

Id. at 210.

b. Facts and Theories Supporting DEFENDANTS' Violation of *California Labor Code* Section 204, Thus, Liability for Penalties Pursuant to Section 210.

As set forth herein, DEFENDANTS at all times failed to pay PLAINTIFFS and all AGGRIEVED EMPLOYEES their lawful wages twice during each calendar month that were due and owing because of DEFENDANTS' violations of *California Labor Code* Sections 1197, 1182.12, 1194, 510, 1454, and *Cal. Code Regs.* tit. 8 Section 11150(3), (4), (11) and (12). Accordingly, DEFENDANTS were and are in violation of *California Labor Code* Section 204 and is, thus, liable for civil penalties pursuant to Section 210. The LWDA should investigate these violations as applying to PLAINTIFFS and any and all AGGRIEVED EMPLOYEES. The provisions of subdivision (a) of *California Labor Code* Section 2699.3 applies to *California Labor Code* Section 204 and provisions of subdivision (c) of *California Labor Code* Section 2699.3 applies to *California Labor Code* Section 210.

XII. DEFENDANTS' Violations of California Labor Code Section 226, Thus, Liability for Penalties Pursuant to Section 226.3 or 2699(f)(2).

a. California Labor Code Section 226, 226.3 and 2699(f)(2).

Every employer shall, semimonthly or at the time of each payment of wages, furnish each of his or her employees, either as a detachable part of the check, draft, or voucher paying the employees wages, or separately when wages are paid by personal check or cash, an accurate itemized statement in writing showing (1) gross wages earned, (2) total hours worked by the employee, except for any employee whose compensation is solely based on a salary and who is exempt from payment of overtime under subdivision (a) of Section 515 or any applicable order of the Industrial Welfare Commission, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) 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, (8) the name and address of the legal entity that is the employer and, if the employer is a farm labor contractor, as defined in subdivision (b) of Section 1682, the name and address of the legal entity that secured the services of the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee and, beginning July 1, 2013, if the employer is a temporary services employer as defined in Section 201.3, the rate of pay and the total hours worked for each temporary services assignment. The deductions made from payment of wages shall be recorded in ink or other indelible form, properly dated, showing the month, day, and year, and a copy of the statement and the record of the deductions shall be kept on file by the employer for at least three years at the place of employment or at a central location within the State of California. For purposes of this subdivision, copy includes a duplicate of the itemized statement provided to an employee or a computer-generated record that accurately shows all of the information required by this subdivision.

Cal. Lab. Code § 226(a); see also Cal. Code Regs. tit. 8 § 11150(7)(B).

Any employer who violates subdivision (a) of Section 226 shall be subject to a civil penalty in the amount of two hundred fifty dollars (\$250) per employee per violation in an initial citation and one thousand dollars (\$1,000) per employee for each violation in a subsequent citation, for which the employer fails to provide the employee a wage deduction statement or fails to keep the records required in subdivision (a) of Section 226. The civil penalties provided for in this section are in addition to any other penalty provided by law.”

Id. at 226.3.

“If, at the time of the alleged violation, the person employs one or more employees, the civil penalty is one hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation and two hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent violation.” *Cal. Lab. Code* § 2699(f)(2).

b. Facts and Theories Supporting DEFENDANTS’ Violations of *California Labor Code* Section 226, Thus, Liability for Penalties Pursuant to Section 226.3 or 2699(f)(2).

Resulting from, and necessary to conceal DEFENDANTS’ ongoing, company-wide pattern of instituting unlawful wage and hour policies and practices, DEFENDANTS also fail/ed to furnish PLAINTIFFS, all PAGA OFFICE WORKERS and all PAGA CAREGIVERS, *i.e.*, AGGRIEVED EMPLOYEES itemized wage statements accurately showing/evidencing/containing/including (a) all forms of compensation earned, (b) the accurate hours/miles/unit/rates associated with any and all forms of wages depicted within the written explanations, (c) gross and net wages earned, and/or (d) the amount of paid sick leave available. Moreover, DEFENDANTS failed to provide PLAINTIFFS and all AGGRIEVED EMPLOYEES sick days, thus, there was no accrual of sick days at any rate and they were not entitled to sick days. Based thereon, DEFENDANTS never provide/d PLAINTIFFS and/or all AGGRIEVED EMPLOYEES with written notice setting forth the amount of paid sick leave available to them, and never kept record of the sick days accrued/used. And DEFENDANTS failed to display a poster in a conspicuous place containing all information regarding sick days. Accordingly, DEFENDANTS were and are in violation of *California Labor Code* Section 226 and IWC 15, and is, thus, liable for civil penalties pursuant to Section 226.3, or 2699(f)(2). The LWDA should investigate these violations as applying to PLAINTIFFS and any and all AGGRIEVED EMPLOYEES. The provisions of subdivision (a) of *California Labor Code* Section 2699.3 applies to paragraphs (1) through (5), inclusive, (7) and (9) of subdivision (a) of *California Labor Code* Section 226 and subdivision (c) applies to 226.3.

XIII. DEFENDANTS’ Violations of *California Labor Code* Section 247.5.

An employer shall keep for at least three years records documenting the hours worked and paid sick days accrued and used by an employee, and shall allow the Labor Commissioner to access these records pursuant to the requirements set forth in Section 1174. An employer shall make these records available to an employee in the same manner as described in Section 226. If an employer does not maintain adequate records pursuant to this section, it shall be presumed that the employee is entitled to the maximum number of hours accruable under this article, unless the employer can show otherwise by clear and convincing evidence.

Cal. Lab. Code § 247.5; *see also Cal. Code Regs.* tit. 8 § 11150(7)(A)-(C).

a. Facts and Theories Supporting DEFENDANTS’ Violation of *California Labor Code* Section 247.5.

Resulting from, and necessary to conceal DEFENDANTS’ ongoing, company-wide pattern of instituting unlawful wage and hour policies and practices, DEFENDANTS also fail/ed to furnish PLAINTIFFS, all PAGA OFFICE WORKERS and all PAGA CAREGIVERS, *i.e.*, AGGRIEVED EMPLOYEES itemized wage statements accurately showing/evidencing/containing/including (a) all forms of compensation earned, (b) the accurate hours/miles/unit/rates associated with any and all

forms of wages depicted within the written explanations, (c) gross and net wages earned, and/or (d) the amount of paid sick leave available. Moreover, DEFENDANTS failed to provide PLAINTIFFS and all AGGRIEVED EMPLOYEES sick days, thus, there was no accrual of sick days at any rate and they were not entitled to sick days. Based thereon, DEFENDANTS never provide/d PLAINTIFFS and/or all AGGRIEVED EMPLOYEES with written notice setting forth the amount of paid sick leave available to them, and never kept record of the sick days accrued/used. And DEFENDANTS failed to display a poster in a conspicuous place containing all information regarding sick days. Accordingly, DEFENDANTS were and are in violation of *California Labor Code* Section 247.5 and IWC 15. The LWDA should investigate these violations as applying to PLAINTIFFS and any and all AGGRIEVED EMPLOYEES. The provisions of subdivision (c) of *California Labor Code* Section 2699.3 applies to *California Labor Code* Section 247.5.

XIV. DEFENDANTS' Violations of California Labor Code Section 1174, Thus, Liability for Penalties Pursuant to Section 1174.5.

a. California Labor Code Sections 1174 and 1174.5.

“Every person employing labor in this state shall: . . . Keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to . . .” *Cal. Lab. Code* § 1174(d). (emphasis added).

Any person employing labor who willfully fails to maintain the records required by subdivision (c) of Section 1174 or accurate and complete records required by subdivision (d) of Section 1174, or to allow any member of the commission or employees of the division to inspect records pursuant to subdivision (b) of Section 1174, shall be subject to a civil penalty of five hundred dollars (\$500).

Id. at 1174.5.

b. Facts and Theories Supporting DEFENDANTS' Violation of California Labor Code Section 1174, Thus, Liability for Penalties Pursuant to Section 1174.5.

As set forth herein, DEFENDANTS failed to keep payroll records showing the hours worked daily by and the wages paid to PLAINTIFFS and all AGGRIEVED EMPLOYEES. Accordingly, DEFENDANTS were and are in violation of *California Labor Code* Section 1174 and IWC 15 and is, thus, liable for civil penalties pursuant to Section 1174.5. The LWDA should investigate these violations as applying to PLAINTIFFS and any and all AGGRIEVED EMPLOYEES. The provisions of subdivision (a) of *California Labor Code* Section 2699.3 applies to *California Labor Code* Section 1174 and subdivision (c) of *California Labor Code* Section 2699.3 applies to *California Labor Code* Section 1174.5.

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XI. DEFENDANTS' Violations of California Labor Code Sections 226(c), 247.5 and 1198.5.

a. California Labor Code Sections 226(c), 247.5 and 1198.5.

“An employer that is required by this code or any regulation adopted pursuant to this code to keep the information required by subdivision (a) shall afford current and former employees the right to inspect or copy records pertaining to their employment, upon reasonable request to the employer.” *Cal. Lab. Code* § 226(b). “An employer who receives a written or oral request to inspect or copy records pursuant to subdivision (b) pertaining to a current or former employee shall comply with the request as soon as practicable, but no later than 21 calendar days from the date of the request.” *Id.* at (c).

An employer shall keep for at least three years records documenting the hours worked and paid sick days accrued and used by an employee, and shall allow the Labor Commissioner to access these records pursuant to the requirements set forth in Section 1174. An employer shall make these records available to an employee in the same manner as described in Section 226.

California Labor Code section 1198.5, subdivision (b) mandates that an employer who receives a written or oral request from an employee or former employee to inspect records pursuant to that section “shall” comply with the request within 30 days. *Id.* at 1198.5(b).

b. Facts and Theories Supporting DEFENDANTS' Violation of California Labor Code Sections 226(c), 247.5 and 1198.5.

PLAINTIFFS sent DEFENDANTS records requests pursuant to *California Labor Code* Sections 226(c), 247.5 and 1198.5 in the same certified envelope containing this notice. PLAINTIFFS do not believe DEFENDANTS will produce or give PLAINTIFFS access to the records within the statutorily required time, if at all. Accordingly, PLAINTIFFS believe DEFENDANTS will be in violation of *California Labor Code* Sections 226, 247.5, 1198.5 and IWC 15 by the time his/her civil complaint is ripe for filing. The provisions of subdivision (a) of *California Labor Code* Section 2699.3 applies to *California Labor Code* Section 226 and subdivision (c) of *California Labor Code* Section 2699.3 applies to *California Labor Code* Sections 247.5 and 1198.5.

XV. DEFENDANTS' Violations of California Labor Code Sections 246, Thus, Liability for Penalties Pursuant to Section 247.

a. California Labor Code Sections 246 and 247.

“An employee who, on or after July 1, 2015, works in California for the same employer for 30 or more days within a year from the commencement of employment is entitled to paid sick days as specified in this section.” *Cal. Lab. Code* § 246(a)(1).

“An employee shall accrue paid sick days at the rate of not less than one hour per every 30 hours worked, beginning at the commencement of employment or the operative date of this article, whichever is later, subject to the use and accrual limitations set forth in this section.” *Id.* at (b)(1).

“An employee shall be entitled to use accrued paid sick days beginning on the 90th day of employment, after which day the employee may use paid sick days as they are accrued.” *Id.* at (c).

Accrued paid sick days shall carry over to the following year of employment. However, an employer may limit an employee's use of accrued paid sick days to 24 hours or three days in each year of employment, calendar year, or 12-month period. This section shall be satisfied and no accrual or carryover is required if the full amount of leave is received at the beginning of each year of employment, calendar year, or 12-month period. The term "full amount of leave" means three days or 24 hours.

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." The penalties described in this article for a violation of this subdivision shall be in lieu of the penalties for a violation of Section 226. This subdivision shall apply to employers covered by Wage Order 11 or 12 of the Industrial Welfare Commission only on and after January 21, 2016.

Id. at (i).

(1) For the purposes of this section, an employer shall calculate paid sick leave using any of the following calculations: (1) Paid 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. (2) Paid 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. (3) Paid sick time for exempt employees shall be calculated in the same manner as the employer calculates wages for other forms of paid leave time.

Id. at (1)(1)-(3).

(a) In each workplace of the employer, the employer shall display a poster in a conspicuous place containing all the information specified in subdivision (b). The Labor Commissioner shall create a poster containing this information and make it available to employers. (b) The poster shall state all of the following: (1) An employee is entitled to accrue, request, and use paid sick days. (2) The amount of sick days provided for by this article. (3) The terms of use of paid sick days.

Id. at 247(a)-(b)(1)-(3).

“That retaliation or discrimination against an employee who requests paid sick days or uses paid sick days, or both, is prohibited and that an employee has the right under this article to file a complaint with the Labor Commissioner against an employer who retaliates or discriminates against the employee.” *Id.* at (b)(4).

“An employer who willfully violates the posting requirements of this section is subject to a civil penalty of not more than one hundred dollars (\$100) per each offense.” *Id.* at (c).

b. Facts and Theories Supporting DEFENDANTS’ Violation of *California Labor Code* Section 246, Thus, Liability for Penalties Pursuant to Section 247.

Upon PLAINTIFFS’ hirings, DEFENDANTS failed to provide PLAINTIFFS and any and all AGGRIEVED EMPLOYEES written notices containing (a) the rate or rates of pay and basis thereof, (b) any allowances claimed as part of the minimum wage, including meal or lodging allowances, (c) the regular payday designated by DEFENDANTS, (d) DEFENDANTS’ name, including any and all of its “doing business as” names, (e) the physical address of DEFENDANTS’ main office / principal place of business / mailing address, (f) DEFENDANTS’ telephone number, (g) the name, address, and telephone number of DEFENDANTS’ workers’ compensation insurance carrier, and (h) information about PLAINTIFFS and any and all AGGRIEVED EMPLOYEES accruing and using sick leave; and having the right to request and use accrued paid sick leave without fear of being terminated or retaliated against for using or requesting the use of accrued paid sick leave, and that PLAINTIFFS and any and all AGGRIEVED EMPLOYEES have the right to file a complaint against DEFENDANTS if DEFENDANTS retaliates. PLAINTIFFS is informed and believes, and thereon alleges, DEFENDANTS also fails to provide any and all newly-hired AGGRIEVED EMPLOYEES written notices containing the preceding information. DEFENDANTS further fail/ed to display a poster in a conspicuous place containing all the information specified in subdivision (b) and all following: (1) An employee is entitled to accrue, request, and use paid sick days. (2) The amount of sick days provided for by this article. (3) The terms of use of paid sick days. Accordingly, DEFENDANTS were and are in violation of *California Labor Code* Section 246 and is, thus, liable for civil penalties pursuant to Section 247. The LWDA should investigate these violations as applying to PLAINTIFFS and any and all AGGRIEVED EMPLOYEES. The provisions of subdivision (c) of *California Labor Code* Section 2699.3 applies to *California Labor Code* Sections 246 and 247.

XVI. DEFENDANTS’ Violations of *California Labor Code* Section 2802, Thus, Liability for Penalties Pursuant to Section 1197.1.

a. *California Labor Code* Sections 2802 and 1197.1.

An employer shall indemnify his or her employee 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, even though unlawful, unless the employee, at the time of obeying the directions, believed them to be unlawful.

All awards made by a court or by the Division of Labor Standards Enforcement for reimbursement of necessary expenditures under this section shall carry interest at the same rate as judgments in civil actions.

Interest shall accrue from the date on which the employee incurred the necessary expenditure or loss.

Id. at (b).

Also, Section 2802 states: “For purposes of this section, the term ‘necessary expenditures or losses’ shall include all reasonable costs, including, but not limited to, attorney’s fees incurred by the employee enforcing the rights granted by this section.” *Id.* at 2802(c).

In addition to recovery of penalties under this section in a court action or proceedings pursuant to Section 98, the commissioner may issue a citation against an employer or other person acting on behalf of the employer who violates reimbursement obligations for an amount determined to be due to an employee under this section. The procedures for issuing, contesting, and enforcing judgments for citations or civil penalties issued by the commissioner shall be the same as those set forth in Section 1197.1. Amounts recovered pursuant to this section shall be paid to the affected employee.

Id. at (d).

Any employer or other person acting either individually or as an officer, agent, or employee of another person, who pays or causes to be paid to any employee a wage less than the minimum fixed by an applicable state or local law, or by an order of the commission shall be subject to a civil penalty, restitution of wages, liquidated damages payable to the employee, and any applicable penalties imposed pursuant to Section 203

Id. at 1197.1(a).

(1) For any initial violation that is intentionally committed, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee is underpaid. This amount shall be in addition to an amount sufficient to recover underpaid wages, liquidated damages pursuant to Section 1194.2, and any applicable penalties imposed pursuant to Section 203.

(2) For each subsequent violation for the same specific offense, two hundred fifty dollars (\$250) for each underpaid employee for each pay period for which the employee is underpaid regardless of whether the initial violation is intentionally committed.

Id. at (a)(1)-(2).

- b. Facts and Theories Supporting DEFENDANTS’ Violation of California Labor Code Section 2802, Thus, Liability for Penalties Pursuant to Section 1197.1.

DEFENDANTS failed to reimburse DEBORAH and all PAGA OFFICE WORKERS for being required to use their own personal cellular phone service, and personal internet service to carry out all or most of the above-described duties for DEFENDANTS. At a certain point,

DEFENDANTS issued an addendum to their handbook that identified DEBORAH would be reimbursed \$12.50 for use of her personal cellular phone, but that addendum was merely uploaded to DEFENDANTS' ADP online service accounts for DEBORAH and all PAGA OFFICE WORKERS, apparently requiring an acknowledgment of receipt be signed, but DEBORAH was never aware of the addendum, thus, never signed an acknowledgement. While DEBORAH and all PAGA OFFICE WORKERS did receive \$12.50 reimbursements, this amount fails to reimburse DEBORAH and all PAGA OFFICE WORKERS for all use of their personal cellular phones, and fails to reimburse them for any use of their personal internet services. Additionally, DEBORAH and all PAGA OFFICE WORKERS were at times required to use their personal automobiles to travel from the office to various of DEFENDANTS' clients' homes for various purposes. DEFENDANTS never reimbursed DEBORAH and all PAGA OFFICE WORKERS for the costs / mileage accrued related to use of their personal automobiles. DEFENDANTS failed to reimburse BETTY and the PAGA CAREGIVERS for being required to use their own personal cellular phone service, and personal internet service to carry out all or most of the above-described duties for DEFENDANTS. At a certain point, DEFENDANTS issued an addendum to their handbook that identified office workers would be reimbursed \$12.50 for use of her personal cellular phone. This addendum was not issued to the caregivers and DEFENDANTS never reimbursed them for use of their personal cellular service despite during the vast majority of all relevant time, they were required to not only use the cell phones for contract between among DEFENDANTS and DEFENDANTS' clients, but also required to download an app names "Axis Care" to use for timekeeping (previously, BETTY and the PAGA CAREGIVERS were required to use their cell phones to call into an automated system to records their hours). DEFENDANTS fail/ed entirely to reimburse BETTY and the PAGA CAREGIVERS for all use of their personal cellular phones, and fails to reimburse them for any use of their personal internet services, when required. Additionally, BETTY and the PAGA CAREGIVERS were also required to use their personal automobiles to travel from one DEFENDANTS' clients' home to other of DEFENDANTS' clients' homes. DEFENDANTS were/are required to reimburse BETTY and the PAGA CAREGIVERS for the costs / mileage accrued from this use of their personal automobiles, however, DEFENDANTS did/do not.⁶ Accordingly, DEFENDANTS were and are in violation of *California Labor Code* Section 2802 and is, thus, liable for civil penalties pursuant to Section 1197.1. The LWDA should investigate these violations as applying to PLAINTIFFS and any and all AGGRIEVED EMPLOYEES. The provisions of subdivision (a) of *California Labor Code* Section 2699.3 applies to *California Labor Code* Section 2802. The provisions of subdivision (a) of *California Labor Code* Section 2699.3 applies to *California Labor Code* Section 1197.1.

XII. DEFENDANTS' Violations of California Labor Code Sections 201, 202, 203 and 208.

a. California Labor Code Sections 201, 202, 203 and 208.

"If an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately." *Cal. Lab. Code* § 201(a).

⁶ DEFENDANT MEDOFF admits, "Sometimes our caregivers might work 40 or 50 hours a week if they have a consistent client, but sometimes their hours might bounce around. It might be 40 or 50 hours one week and it might be 10 or 20 hours the next week. Sometimes we might be offering days, sometimes we might be offering nights. Sometimes a client might be three or four miles away and other times we may be asking a caregiver if he or she is willing to drive 20 miles or 30 miles and maybe that takes an hour." (<https://homehealthcarenews.com/2023/07/arosa-ceo-on-transforming-the-traditional-home-care-business-model/>.)

If an employee not having a written contract for a definite period quits his or her employment, his or her wages shall become due and payable not later than 72 hours thereafter, unless the employee has given 72 hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting. Notwithstanding any other provision of law, an employee who quits without providing a 72-hour notice shall be entitled to receive payment by mail if he or she so requests and designates a mailing address. The date of the mailing shall constitute the date of payment for purposes of the requirement to provide payment within 72 hours of the notice of quitting.

Id. at 202(a).

If an employer willfully fails to pay, without abatement or reduction, in accordance with Sections 201, 201.3, 201.5, 201.9, 202, and 205.5, any wages of an employee who is discharged or who quits, the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until an action therefor is commenced; but the wages shall not continue for more than 30 days.

Id. at 203(a).

“Every employee who is discharged shall be paid at the place of discharge, and every employee who quits shall be paid at the office or agency of the employer in the county where the employee has been performing labor. All payments shall be made in the manner provided by law.”
Id. at 208.

b. Facts and Theories Supporting DEFENDANTS’ Violation of *California Labor Code* Sections 201, 202, 203 and 208.

In addition to unpaid wages resulting from DEFENDANTS’ ongoing, company-wide pattern and practice of failing to pay PLAINTIFFS, all PAGA OFFICE WORKERS and all PAGA CAREGIVERS, *i.e.*, AGGRIEVED EMPLOYEES their meal and rest period premiums, California’s minimum wage, all overtime wages earned, compensable drive time, and reporting time pay, DEFENDANTS also willfully fail/ed to pay all wages owing within the statutorily required time, and place upon DEBORAH and BETTY’s termination, and after any one of the AGGRIEVED EMPLOYEES’ resignation, or termination from employment. Accordingly, DEFENDANTS were and are in violation of *California Labor Code* Sections 201, 202, 203 and 208. The LWDA should investigate these violations as applying to PLAINTIFFS and any and all AGGRIEVED EMPLOYEES. The provisions of subdivision (a) of *California Labor Code* Section 2699.3 applies to *California Labor Code* Sections 201, 202, 203 and 208.

XIII. DEFENDANTS’ Liability Pursuant to *California Labor Code* Section 558.1.

a. *California Labor Code* Section 558.1.

Under *California Labor Code* Section 558.1:

(a) Any employer or other person acting on behalf of an employer, who violates, or causes to be violated, any provision regulating minimum wages or hours and days of work in any order of the Industrial Welfare Commission, or violates, or causes to be violated, Sections 203, 226, 226.7, 1193.6, 1194, or 2802, may be held liable as the employer for such violation. (b) For purposes of this section, the term “other person acting on behalf of an employer” is limited to a natural person who is an owner, director, officer, or managing agent of the employer, and the term “managing agent” has the same meaning as in subdivision (b) of Section 3294 of the Civil Code. (c) Nothing in this section shall be construed to limit the definition of employer under existing law.

Cal. Lab. Code § 558.1 (emphasis added).

b. Facts and Theories Supporting DEFENDANTS’ Liability Pursuant to *California Labor Code* Section 558.1.

All the herein-detailed violations of the *California Labor Code* and IWC 15 were/are violated, or were/are caused to be violated by INDIVIDUAL DEFENDANTS, who controls all policies, procedures and conditions of employment, including wages and hours, under which PLAINTIFFS and any and all AGGRIEVED EMPLOYEES were/are employed. Accordingly, the CORPORATE DEFENDANTS, as well as, the INDIVIDUAL DEFENDANTS can be held liable as the employer for all damages, including civil penalties, for the identified provisions and Sections pursuant to *California Labor Code* Section 558.1. The LWDA should investigate these violations as applying to PLAINTIFFS and any and all AGGRIEVED EMPLOYEES. The provisions of subdivision (c) of *California Labor Code* Section 2699.3 applies to *California Labor Code* Section 558.1.

XI. DEFENDANTS’ Liability for Penalties Pursuant to *California Labor Code* Section 2698, et seq.

a. *California Labor Code* Section 2698, et seq.

(a) Notwithstanding any other provision of law, any provision of this code that provides for a civil penalty to be assessed and collected by the Labor and Workforce Development Agency or any of its departments, divisions, commissions, boards, agencies, or employees, for a violation of this code, may, as an alternative, be recovered through a civil action brought by an aggrieved employee on behalf of himself or herself and other current or former employees pursuant to the procedures specified in Section 2699.3.

Cal. Lab. Code § 2699(a).

Section 2699 further states in part: “If, at the time of the alleged violation, the person employs one or more employees, the civil penalty is one hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation and two hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent violation.” *Id.* at 2699(f)(2).

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b. Facts and Theories Supporting DEFENDANTS' Violation of *California Labor Code* Section 2698, et seq.

As set forth in this notice, during all times relevant, DEFENDANTS is and was continually violating and/or causing to be violated all the herein-identified Sections of the *California Labor Code* and *Cal. Code Regs.* tit. 8 Section 11150(3), (4), (7), (11), and (12) based on its/their unlawful company-wide policies and procedures regarding, *inter alia*, payment of wages, hours and conditions of work, and record keeping regarding the same. PLAINTIFFS implores the LWDA to investigate all DEFENDANTS' herein-detailed violations as applying to PLAINTIFFS and any and all AGGRIEVED EMPLOYEES. If the LWDA does not investigate DEFENDANTS' violations outlined in this notice, and does not provide PLAINTIFFS notice that it intends to investigate within the statutorily required time, PLAINTIFFS, on behalf of PLAINTIFFS, the State of California, and any and all AGGRIEVED EMPLOYEES, as a Private Attorneys General, will seek the herein-detailed penalties and all other damages available to PLAINTIFFS, the State of California and all AGGRIEVED EMPLOYEES as a result of DEFENDANTS' unlawfulness. PLAINTIFF will also seek recovery of reasonable attorney's fees and costs of suit.

Very truly yours,
TWOMEY LAW, P.C.



J.B. TWOMEY

cc: **SENT VIA FIRST CLASS CERTIFIED MAIL TO:**

Arosa Acquisitions, LLC d/b/a Arosa a/k/a Arosa+LivHOME
Arosa LLC d/b/a Arosa a/k/a Arosa+LivHOME
15720 Brixham Hill Avenue #300
Charlotte, NC 28277

cc: **SENT VIA FIRST CLASS CERTIFIED MAIL TO:**

Arosa Acquisitions, LLC d/b/a Arosa a/k/a Arosa+LivHOME
Arosa LLC d/b/a Arosa a/k/a Arosa+LivHOME
617 Morehead Avenue
Durham, NC 27707

SUBMITTED ELECTRONICALLY TO:

State of California, Dept. of Industrial Relations
Labor and Workforce Development Agency
<https://dir.tfaforms.net/308>