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Superior Court of California  
County of Stanislaus

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LEDEZMA, individually and on behalf of  
others similarly situated & HECTOR  
SANCHEZ, individually, and on behalf of  
other similarly situated employees and  
aggrieved employees pursuant to PAGA

**SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF STANISLAUS**

JUAN CAMPOS-LEDEZMA, individually and  
on behalf of others similarly situated, &  
HECTOR SANCHEZ, individually, and on  
behalf of other similarly situated employees and  
aggrieved employees pursuant to PAGA

Plaintiff,

vs.

INSTITUTE FOR ENVIRONMENTAL  
HEALTH, INC., a Washington Corporation; and  
DOES 1 through 25, inclusive,

Defendants.

Case No.: CV-23-006693

**FIRST AMENDED CLASS AND  
REPRESENTATIVE ACTION  
COMPLAINT**

- (1) Violation of Cal. Labor Code §§ 1194, 1197 and 1197.1 (Minimum Wages)
- (2) Violation of Cal. Labor Code §§ 510 and 1198 (Unpaid Overtime)
- (3) Violation of Cal. Labor Code §§ 226.7 and 512(a) (Meal Period Premiums)
- (4) Violation of Cal. Labor Code § 226.7 (Unpaid Rest Period Premiums)
- (5) Violation of Cal. Labor Code §§ 204 and 210 (Untimely Wages)
- (6) Violation of Cal. Labor Code § 226(a) (Inaccurate Wage Statements)
- (7) Violation of Cal. Labor Code §§ 201, 202 and 203 (Untimely Final Wages)
- (8) Violation of Cal. Labor Code §§ 2800 and 2802 (Failure to Reimburse Necessary Business Expenses)
- (9) Violation of Cal. Business & Professions Code § 17200, *et seq.*
- (10) Violation of Cal. Labor Code §§ 2698,

*et seq.* (California Labor Code Private  
Attorneys General Act of 2004)

**DEMAND FOR JURY TRIAL**

COMES NOW, Plaintiff JUAN CAMPOS-LEDEZMA and Plaintiff HECTOR SANCHEZ (“Plaintiffs”), individually and on behalf of all members of the general public similarly situated, and Plaintiff HECTOR SANCHEZ on behalf of other similarly situated employees and aggrieved employees pursuant to the California Private Attorneys General Act of 2004 (“PAGA”) alleges as follows:

### **INTRODUCTION**

1. This is a class action to recover damages on behalf of Plaintiffs and all current and former hourly-paid and/or non-exempt employees who worked for Defendants in the State of California at any time during the period from four years prior to the date of the filing of the original Complaint through final judgment (“Class Members”).

2. This is also an enforcement action under PAGA to recover civil penalties on behalf of Plaintiff Hector Sanchez, the State of California, and all current and former hourly-paid and/or non-exempt employees who worked for Defendants in the State of California at any time from one year prior to Plaintiff Hector Sanchez’s submission of written notice of Defendants’ alleged violations of the California Labor Code to the Labor & Workforce Development Agency (“LWDA”) through final judgment (“Aggrieved Employees”).

3. Plaintiffs alleges that Defendants hired Plaintiffs, Class Members, and Aggrieved Employees but, among other things, failed to properly pay them all wages owed for all time worked (including minimum wages, straight time wages, and overtime wages), failed to provide them with all meal periods and rest periods and associated premium wages to which they were entitled, failed to timely pay them all wages due during their employment, failed to timely pay them all wages due upon termination of their employment, failed to provide them with accurate itemized wage statements, failed to maintain accurate payroll records, and failed to reimburse them for necessary business expenses.

4. As a result, Defendants violated, *inter alia*, California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802, and the applicable Industrial Welfare Commission (“IWC”) Wage Order. Through this action, Plaintiffs seeks to recover all available remedies including but not limited to actual and liquidated damages, penalties, and attorney’s fees and costs.



1           13.     Plaintiffs are unaware of the true names or capacities of the Defendants sued herein  
2 under the fictitious names DOES 1 through 25 but will seek leave of this Court to amend the complaint  
3 and serve such fictitiously named Defendants once their names and capacities become known.

4           14.     Plaintiffs are informed and believe, and thereon allege, that each and all of the acts and  
5 omissions alleged herein were performed by, or are attributable to, INSTITUTE FOR  
6 ENVIRONMENTAL HEALTH, INC. and/or DOES 1 through 25 (collectively “Defendants”), each  
7 acting as the agent, employee, alter ego, and/or joint venturer of, or working in concert with, each of  
8 the other co-Defendants and within the course and scope of such agency, employment, joint venture,  
9 or concerted activity with legal authority to act on the others’ behalf. The acts of any and all  
10 Defendants represent and were in accordance with Defendants’ official policy.

11           15.     At all relevant times, Defendants were the employers of Plaintiffs within the meaning  
12 of all applicable state laws and statutes. Defendants directly or indirectly controlled or affected the  
13 working conditions, wages, working hours, and conditions of employment of Plaintiffs so as to make  
14 each of said Defendants employers and employers liable under the statutory provisions set forth herein.

15           16.     Defendants had the authority to hire and terminate Plaintiffs and the other class  
16 members, to set work rules and conditions governing Plaintiffs and the other class members’  
17 employment, and to supervise their daily employment activities.

18           17.     Defendants exercised sufficient authority over the terms and conditions of Plaintiffs  
19 and the other class members’ employment for them to be joint employers of Plaintiffs and the other  
20 class members.

21           18.     Defendants directly hired and paid wages and benefits to Plaintiffs and the other class  
22 members.

23           19.     Defendants continue to employ hourly paid and/or non-exempt employees within the  
24 State of California.

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

21. Plaintiffs are informed and believes, and thereon alleges, that each of said Defendants is in some manner intentionally, negligently, or otherwise responsible for the acts, omissions, occurrences, and transactions alleged herein.

## GENERAL ALLEGATIONS

22. Defendants, jointly and severally, employed Plaintiff Juan Campos-Ledezma as a microbiologist from approximately November 2019 through approximately May 2021 at Defendants' facility in Modesto, California. Plaintiff typically performed duties such as analyzing food samples for bacteria and other adulterants.

23. Defendants, jointly and severally, employed Plaintiff Hector Sanchez as a sampler from approximately May 2023 through approximately June 2023 at Defendants' facility in California.

24. Defendants were frequently understaffed and required their employees to complete the assigned tasks before leaving for the day, but the employees were not authorized to work overtime to complete their assigned workloads. This frequently resulted in Plaintiffs and class members performing off-the-clock work and working through legally mandated meal and rest breaks to satisfy the demands of their employers.

25. As a result, Defendants failed to properly pay Plaintiffs and class members all minimum wages and overtime wages for all hours worked, failed to provide all meal and rest breaks to which they were entitled, failed to pay meal and rest break premiums for missed meal and rest breaks, failed to timely pay wages during employment or upon termination of employment, failed to provide accurate wage statements, and failed to adhere to other related protections afforded by the California Labor Code and applicable Industrial Welfare Commission Wage Order.

26. Defendants also failed to reimburse Plaintiffs and class members for necessary business-related expenses.

27. Defendants knew or should have known that they had a duty to compensate Plaintiffs and the class pursuant to California law. Defendants had the financial ability to pay such compensation, but willfully, knowingly, and intentionally failed to do so, to increase Defendant's profits.

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1 **CLASS ACTION ALLEGATIONS**

2 28. Plaintiffs bring this lawsuit as a class action on behalf of themselves and all others  
3 similarly situated, as members of a proposed class pursuant to California Code of Civil Procedure  
4 section 382. The class satisfies the numerosity, commonality, typicality, adequacy, predominance,  
5 and superiority requirements under California Code of Civil Procedure section 382.

6 29. The proposed class is defined as follows:

7 **All current and former hourly-paid and/or non-exempt employees**  
8 **who worked for Defendants in the State of California at any time**  
9 **during the period from four years prior to the date of the filing of**  
10 **this Complaint until final judgment (the “Class” or “Class**  
11 **Members”).**

12 30. The proposed “**Former Employee Sub-class**” is defined as follows:

13 **All Class Members whose employment with Defendants ended at any point in time**  
14 **during the period from four years prior to the date of the filing of this**  
15 **Complaint until final judgment.**

16 31. Plaintiffs reserve the right to establish additional subclasses as appropriate.

17 32. There is a well-defined community of interest in the litigation and the Class is easily  
18 ascertainable.

19 33. The Class is so numerous that the individual joinder of all its members is impracticable.  
20 While the exact number and identities of class members are unknown to Plaintiffs at this time, the  
21 exact numbers of class members and their identities can be ascertained through appropriate discovery  
22 from records maintained by Defendants and their agents.

23 34. Common questions of fact and law exist as to all class members, which predominate  
24 over any questions affecting only individual members of the Class. The common legal and factual  
25 questions which do not vary from class member to class member and which may be determined  
26 without reference to the individual circumstances of any class member include, but are not limited to,  
27 the following:

28 i. Whether Defendants had a policy and practice of failing to pay minimum wages to

- 1 Plaintiffs and the other class members for all hours worked;
- 2 ii. Whether Defendants had a policy and practice of failing to pay overtime wages to
- 3 Plaintiffs and the other class members for all overtime hours worked;
- 4 iii. Whether Defendants had a policy and practice of failing to provide meal periods to
- 5 Plaintiffs and the other class members;
- 6 iv. Whether Defendants had a policy and practice of failing to provide rest periods to
- 7 Plaintiffs and the other class members;
- 8 v. Whether Defendants failed to pay their hourly-paid and/or non-exempt employees in
- 9 the State of California during their employment all wages as they became due pursuant
- 10 to Cal. Lab. Codes section 204 and 210, including, *inter alia*, wages for all hours
- 11 worked, and for all missed, short, late, and/or interrupted meal periods and rest breaks;
- 12 vi. Whether Defendants' failure to pay wages, without abatement or reduction, in
- 13 accordance with the California Labor Code, was willful;
- 14 vii. Whether Defendants failed to pay all wages due to Plaintiffs and the other class
- 15 members within the required time upon their discharge or resignation;
- 16 viii. Whether Defendants failed to comply with wage reporting as required by the California
- 17 Labor Code; including, *inter alia*, section 226;
- 18 ix. Whether Defendants failed to reimburse Plaintiffs and the other class members for
- 19 necessary business-related expenses and costs;
- 20 x. Whether Defendants' conduct was willful or reckless;
- 21 xi. Whether Defendants engaged in unfair business practices in violation of California
- 22 Business & Professions Code section 17200, *et seq.*;
- 23 xii. The appropriate amount of damages, restitution, and/or monetary penalties resulting
- 24 from Defendants' violation of California law; and
- 25 xiii. Whether Plaintiffs and the other class members are entitled to compensatory damages
- 26 pursuant to the California Labor Code.

27 35. Plaintiffs' claims are typical of the claims of the Class, and Plaintiffs' interests are

28 coincident with and not antagonistic to those of the other class members they seek to

1 represent. Plaintiffs will fairly and adequately protect the interests of the members of  
2 the Class. Plaintiffs have retained attorneys experienced in the prosecution of class actions and  
3 Plaintiffs intend to prosecute this action vigorously.

4 36. A class action is superior to other available methods for the fair and efficient  
5 adjudication of this controversy, since individual litigation of the claims of all class members is  
6 impracticable. Even if every class member could afford individual litigation, the court system could  
7 not. It would be unduly burdensome on the courts in which individual litigation of numerous cases  
8 would proceed. Individualized litigation would also present the potential for varying, inconsistent or  
9 contradictory judgments and would magnify the delay and expense to all parties and to the court  
10 system resulting from multiple trials of the same complex factual issues. By contrast, the conduct of  
11 this action as a class action, with respect to some or all of the issues presented in this Complaint,  
12 presents fewer management difficulties, conserves the resources of the parties and of the court system,  
13 and protects the rights of each class member.

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

### 19 **PAGA ALLEGATIONS**

20 38. PAGA is and was applicable to Defendants' employment of Plaintiff Hector Sanchez  
21 and the Aggrieved Employees.

22 39. PAGA provides that any provision of law under the California Labor Code that  
23 provides for a civil penalty, including unpaid wages and premium wages, to be assessed and collected  
24 by the LWDA for violations of the California Labor Code may, as an alternative, be recovered through  
25 a civil action brought by an aggrieved employee on behalf of himself or herself and other current or  
26 former employees pursuant to procedures outlined in California Labor Code section 2699.3.

27 40. Pursuant to PAGA, a civil action may be brought by an "aggrieved employee," who is  
28 any person employed by the alleged violator and against whom one or more of the alleged violations

1 was committed.

2 41. Plaintiff Hector Sanchez and the other hourly-paid, non-exempt employees are  
3 “Aggrieved Employees” as defined by California Labor Code section 2699(c) because they are  
4 current or former employees of Defendants against whom one of more of the alleged violations were  
5 committed.

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

- 9 a. The aggrieved employee shall give written notice by certified mail (hereinafter  
10 “Employee’s Notice”) to the LWDA and the employer of the specific provisions of  
11 the California Labor Code alleged to have been violated, including the facts and  
12 theories to support the alleged violations.
- 13 b. The LWDA shall provide notice (“LWDA Response”) to the employer and the  
14 aggrieved employee by certified mail that it does not intend to investigate the alleged  
15 violation within sixty (60) calendar days of the postmark date of the Employee’s  
16 Notice. Upon receipt of the LWDA Response, or if the LWDA Response is not  
17 provided within sixty-five (65) calendar days of the postmark date of the Employee’s  
18 Notice, the aggrieved employee may commence a civil action pursuant to California  
19 Labor Code section 2699 to recover civil penalties in addition to any other penalties  
20 to which the employee may be entitled.

21 43. On May 28, 2024, Plaintiff Hector Sanchez provided notice by electronic submission  
22 to the LWDA and by certified mail to Defendants regarding the specific provisions of the California  
23 Labor Code alleged to have been violated, including the facts and theories to support the alleged  
24 violations, pursuant to California Labor Code section 2699.3. **A true and correct copy of the**  
25 **Employee’s Notice is attached hereto as Exhibit A.**

26 44. Plaintiff Hector Sanchez did not receive a LWDA Response within sixty-five (65)  
27 calendar days of providing the Employee’s Notice.

28 45. Therefore, the administrative prerequisites under California Labor Code section

1 2699.3(a) to recover civil penalties against Defendants, in addition to other remedies for violations of,  
2 *inter alia*, California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d),  
3 1194, 1197, 1197.1, 1198, 2800, and 2802 have been satisfied.

4 **FIRST CAUSE OF ACTION**

5 **VIOLATION OF LABOR CODE SECTIONS 1194, 1197, AND 1197.1**

6 **Unpaid Minimum Wages**

7 **(Against Defendants and Does 1 – 25)**

8 46. Plaintiffs incorporate herein by specific reference, as though fully set forth, the  
9 allegations in all preceding paragraphs.

10 47. At all relevant times, California Labor Code sections 1194, 1197 and 1197.1 provide  
11 that the minimum wage for employees fixed by the Industrial Welfare Commission is the minimum  
12 wage to be paid to employees, and the payment of a wage less than the minimum so fixed is unlawful.  
13 Plaintiffs and the other class members were not paid the appropriate minimum wage for all of the  
14 hours they worked. Plaintiffs and the other class members were not paid the minimum wage for work  
15 performed outside of their shifts, and the wages paid to them were not sufficient to compensate them  
16 for all hours they worked at a minimum wage rate on a cumulative basis. Defendants failed to pay  
17 Plaintiffs and the other class members for time spent working “off-the-clock” including, but not  
18 limited to, (1) time spent preparing to work and performing work tasks prior to logging in; (2) time  
19 Plaintiffs and other class members worked while clocked out during their shifts, such as during meal  
20 periods; (3) time spent after clocking out performing work-related tasks so they could complete their  
21 excessive workload in the time allotted by Defendants; and (4) responding to work communications  
22 between shifts, such as from supervisors. Performing this off-the-clock work ensured that Plaintiffs  
23 and other class members were not properly paid for all time worked at their regular rate or the  
24 minimum wage rate.

25 48. Accordingly, Defendants regularly failed to pay at least minimum wages to Plaintiffs  
26 and the other class members for all hours they worked in violation of California Labor Code sections  
27 1194, 1197, and 1197.1.

28 49. Defendants’ failure to pay Plaintiffs and the other class members the minimum wage

1 as required violates California Labor Code sections 1194, 1197 and 1197.1. Pursuant to those sections,  
2 Plaintiffs and the other class members are entitled to recover the unpaid balance of their minimum  
3 wage compensation, as well as interest, costs, and attorney's fees.

4 50. Pursuant to California Labor Code section 1194.2, Plaintiffs and the other class  
5 members are entitled to recover liquidated damages in an amount equal to the wages unlawfully unpaid  
6 and interest thereon.

## 7 **SECOND CAUSE OF ACTION**

### 8 **VIOLATION OF LABOR CODE SECTIONS 510 AND 1198**

#### 9 **Unpaid Overtime**

#### 10 **(Against Defendants and Does 1 – 25)**

11 51. Plaintiffs incorporate herein by specific reference, as though fully set forth, the  
12 allegations in all preceding paragraphs.

13 52. California Labor Code section 1198 and the applicable Industrial Welfare Commission  
14 ("IWC") Wage Order provide that it is unlawful to employ persons without compensating them at a  
15 rate of pay either time-and-one-half or two-times that person's regular rate of pay, depending on the  
16 number of hours worked by the person on a daily or weekly basis.

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

20 54. The applicable IWC Wage Order further provides that Defendants were required to pay  
21 Plaintiffs and the other class members overtime compensation at a rate of two (2) times their regular  
22 rate of pay for all hours worked in excess of twelve (12) hours in a day.

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

28 56. Defendants maintained strict policies, practices and procedures: (1) assigning

1 employees excessive amounts of work, (2) severely restricting employee overtime, (3) requiring  
2 employees to generally complete their workload prior to leaving for the day, and (4) understaffing  
3 their business operations. These policies resulted in Plaintiffs and the other class members regularly  
4 working in excess of eight (8) hours in a day, in excess of twelve (12) hours in a day, and/or in excess  
5 of forty (40) hours in a week, but not receiving overtime wages for such work.

6 57. During the relevant time period, Defendants did not accurately record Plaintiffs and the  
7 other class members' actual hours worked and intentionally and willfully failed to pay all overtime  
8 wages owed to Plaintiffs and the other class members.

9 58. Defendants' failure to pay Plaintiffs and the other class members as outlined above  
10 violates California Labor Code sections 510 and 1198 and is therefore unlawful.

11 59. Pursuant to California Labor Code section 1194, Plaintiffs and the other class members  
12 are entitled to recover their unpaid overtime compensation, as well as interest, costs, and attorneys'  
13 fees.

### 14 **THIRD CAUSE OF ACTION**

#### 15 **VIOLATION OF LABOR CODE SECTIONS 226.7 AND 512**

##### 16 **Meal Period Violations**

##### 17 **(Against Defendants and Does 1 – 25)**

18 60. Plaintiffs incorporate herein by specific reference, as though fully set forth, the  
19 allegations in all preceding paragraphs.

20 61. At all relevant times herein set forth, the applicable IWC Wage Order(s) and California  
21 Labor Code sections 226.7 and 512(a) were applicable to Plaintiffs and the other class members'  
22 employment by Defendants.

23 62. At all relevant times herein set forth, California Labor Code section 226.7 provides that  
24 no employer shall require an employee to work during any meal period mandated by an applicable  
25 IWC Order.

26 63. At all relevant times herein set forth, California Labor Code section 512(a) provides  
27 that an employer may not require, cause, or permit an employee to work for a period of more than five  
28 (5) hours per day without providing the employee with a meal period of not less than thirty (30)

1 minutes, except that if the total work period per day of the employee is not more than six (6) hours,  
2 the meal period may be waived by mutual consent of both the employer and the employee.

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

7 65. During the relevant time period, Plaintiffs and the other class members  
8 who were scheduled to work for a period of time in excess of six (6) hours, were required to work for  
9 periods longer than five (5) hours without an uninterrupted meal period of not less than thirty (30)  
10 minutes.

11 66. During the relevant time period, Plaintiffs and the other class members,  
12 who were scheduled to work for a period of time in excess of ten (10) hours but no longer than twelve  
13 (12) hours, and who did not waive their legally-mandated meal periods by mutual consent, were  
14 required to work in excess of ten (10) hours without receiving a second uninterrupted meal period of  
15 not less than thirty (30) minutes.

16 67. During the relevant time period, Plaintiffs and the other class members,  
17 who were scheduled to work for a period of time in excess of twelve (12) hours, were required to work  
18 for periods longer than ten (10) hours without a second uninterrupted meal period of not less than  
19 thirty (30) minutes.

20 68. During the relevant time period, Defendants willfully required Plaintiffs and the other  
21 class members to work during meal periods and failed to compensate Plaintiffs and the other class  
22 members for work performed during meal periods. As a result, Plaintiffs worked through meal  
23 periods, took late meal periods, took interrupted meal periods, or took short meal periods, if at all.

24 69. During the relevant time period, Defendants failed to pay Plaintiffs and the other class  
25 members all meal period premiums due pursuant to California Labor Code section 226.7 and  
26 512. Defendants' conduct violates applicable IWC Wage Order(s), and California Labor Code  
27 sections 226.7 and 512(a).

28 70. Pursuant to the applicable IWC Wage Order and California Labor Code section

226.7(b), Plaintiffs and the other class members are entitled to recover from Defendants one additional hour of pay at their regular rate of compensation for each workday that a complete, timely uninterrupted meal period was not provided.

#### **FOURTH CAUSE OF ACTION**

#### **VIOLATION OF LABOR CODE SECTION 226.7**

#### **Rest Period Violations**

#### **(Against Defendants and Does 1 – 25)**

71. Plaintiffs incorporate herein by specific reference, as though fully set forth, the allegations in all preceding paragraphs.

72. At all relevant times herein set forth, the applicable IWC Wage Order and California Labor Code section 226.7 were applicable to Plaintiff and the other class members' employment by Defendants.

73. At all relevant times, California Labor Code section 226.7 provides that no employer shall require an employee to work during any rest period mandated by an applicable order of the California IWC.

74. At all relevant times, the applicable IWC Wage Order provides that "[e]very employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period" and that the "rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof" unless the total daily work time is less than three and one-half (3½) hours.

75. Pursuant to the applicable IWC Wage Order and California Labor Code section 226.7(b), Plaintiffs and the other class members were entitled to recover from Defendants one (1) additional hour of pay at their regular hourly rate of compensation for each workday that the rest period was not provided.

76. During the relevant time period, Defendants required Plaintiffs and the other class members to work three and one-half (3 ½) or more hours without authorizing or permitting a ten (10) minute rest period per each four (4) hour period, or major fraction thereof, worked.

77. During the relevant time period, Defendants willfully required Plaintiffs and the other class members to work during rest periods. Defendants failed to relieve Plaintiffs and the other class members of all duties such that they could take compliant rest breaks. As a result, Plaintiffs worked through rest periods, took late rest periods, took interrupted rest periods, or took short rest periods, if at all.

78. Defendants also had no policy and/or practice to pay a premium when rest periods were missed, short, late, and/or interrupted and thus failed to pay Plaintiffs and the other class members the full rest period premium due in violation of California Labor Code section 226.7.

79. Defendants' conduct violates the applicable IWC Wage Orders and California Labor Code section 226.7.

80. Pursuant to the applicable IWC Wage Orders and California Labor Code section 226.7(c), Plaintiffs and the other class members are entitled to recover from Defendants one additional hour of pay at their regular rate of compensation for each work day that a rest period was not provided.

## FIFTH CAUSE OF ACTION

## VIOLATION OF CALIFORNIA LABOR CODE §§ 204 AND 210

### Failure to Timely Pay Wages During Employment

**(Against Defendants and Does 1 – 25)**

81. Plaintiffs incorporate herein by specific reference, as though fully set forth, the allegations in all preceding paragraphs.

82. At all times herein set forth, California Labor Code section 204 provides that all wages earned by any person in any employment between the 1st and 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and 26th day of the month during which the labor was performed.

83. At all times herein set forth, California Labor Code section 204 provides that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month.

84. At all times herein set forth, California Labor Code section 204 provides that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period.

85. During the relevant time period, Defendants intentionally and willfully failed to pay Plaintiffs and other class members all wages due to them within any time period permissible under California Labor Code section 204.

86. Plaintiffs and other class members are entitled to recover all available remedies for Defendant's violations of California Labor Code section 204, including statutory penalties pursuant to Labor Code section 210(b).

### SIXTH CAUSE OF ACTION

## VIOLATION OF LABOR CODE SECTION 226(a)

### Failure to Provide Accurate Wage Statements

**(Against Defendants and Does 1 – 25)**

87. Plaintiffs incorporate herein by specific reference, as though fully set forth, the allegations in all preceding paragraphs.

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

89. Defendants have intentionally and willfully failed to provide Plaintiffs and the other class members with complete and accurate wage statements. The deficiencies include, among other things, the failure to state all hours worked.

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

91. Specifically, Plaintiffs and the other class members have been injured by Defendants' intentional violation of California Labor Code section 226(a) because they were denied both their legal right to receive, and their protected interest in receiving, accurate, itemized wage statements under California Labor Code section 226(a). In addition, because Defendants failed to provide the accurate

1 number of total hours worked on wage statements, Plaintiffs and the other class members been  
2 prevented by Defendants from determining if all hours worked were paid and the extent of the  
3 underpayment. Plaintiffs had to file this lawsuit, and will further have to conduct discovery,  
4 reconstruct time records, and perform computations in order to analyze whether in fact Plaintiffs and  
5 the other class members were paid correctly and the extent of the underpayment, thereby causing  
6 Plaintiffs to incur expenses and lost time. Plaintiffs would not have had to engage in these efforts and  
7 incur these costs had Defendants provided the accurate number of total hours worked. This has also  
8 delayed Plaintiffs' ability to demand and recover the underpayment of wages from Defendants.

9 92. Plaintiffs and the other class members are entitled to recover from Defendants the  
10 greater of their actual damages caused by Defendants' failure to comply with California Labor Code  
11 section 226(a), or an aggregate penalty not exceeding four thousand dollars (\$4,000).

#### 12 **SEVENTH CAUSE OF ACTION**

#### 13 **VIOLATION OF LABOR CODE SECTIONS 201, 202, AND 203**

#### 14 **(Against Defendants and Does 1 – 25)**

15 93. Plaintiffs incorporate herein by specific reference, as though fully set forth, the  
16 allegations in all preceding paragraphs.

17 94. Pursuant to California Labor Code sections 201, 202, and 203, Defendants are required  
18 to pay all earned and unpaid wages to an employee who is discharged. California Labor Code section  
19 201 mandates that if an employer discharges an employee, the employee's wages accrued and unpaid  
20 at the time of discharge are due and payable immediately. California Labor Code section 202  
21 mandates that if an employee quits, his or her wages shall become due and payable not later than  
22 seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours notice of his  
23 or her intention to quit, in which case the employee is entitled to his or her wages at the time of  
24 quitting.

25 95. California Labor Code section 203 provides that if an employer willfully fails to pay,  
26 in accordance with California Labor Code sections 201 and 202, any wages of an employee who is  
27 discharged or who quits, the wages of the employee shall continue as a penalty from the due date  
28 thereof at the same rate until paid or until an action therefore is commenced; but the wages shall not

1 continue for more than thirty (30) days.

2 96. At the time that Plaintiffs and the other class members' employment with Defendants  
3 ended, Defendants knowingly and willfully failed to pay Plaintiffs and the other class members all  
4 wages owed to them pursuant to California Labor Code sections 201 and 202, including, without  
5 limitation, overtime wages, minimum wages, meal period premium wages, and rest period premium  
6 wages.

7 97. As a result, Plaintiffs and the other class members are entitled to all available  
8 statutory penalties, including the waiting time penalties provided in California Labor Code section  
9 203, together with interest thereon, as well as other available remedies.

### 10 **EIGHTH CAUSE OF ACTION**

#### 11 **VIOLATION OF LABOR CODE SECTIONS 2800 AND 2802**

#### 12 **Failure to Reimburse Necessary Business Expenses**

#### 13 **(Against Defendants and Does 1 – 25)**

14 98. Plaintiffs incorporate herein by specific reference, as though fully set forth, the  
15 allegations in all preceding paragraphs.

16 99. Pursuant to California Labor Code sections 2800 and 2802, an employer must  
17 reimburse its employees for all necessary expenditures incurred by the employee in direct consequence  
18 of the discharge of his or her job duties or in direct consequence of his or her job duties or in direct  
19 consequence of his or her obedience to the directions of the employer.

20 100. Plaintiffs and the other class members incurred necessary business-related expenses  
21 and costs that were not fully reimbursed by Defendants, including, but not limited to, the use of  
22 Plaintiffs' and other class members' cell phones and related service and internet.

23 101. Defendants intentionally and willfully failed to reimburse Plaintiffs and the other class  
24 members for all necessary business-related expenses and costs. Plaintiffs and the other class members  
25 are entitled to recover from Defendants their business-related expenses and costs incurred during the  
26 course and scope of her employment, plus interest accrued from the date on which Plaintiffs and the  
27 other class members incurred the necessary expenditures at the same rate as judgments in civil actions  
28 in the State of California.

1 **NINTH CAUSE OF ACTION**

2 **VIOLATION OF CAL. BUS. & PROF. CODE §§ 17200 ET. SEQ.**

3 **Unfair and Unlawful Business Practices**

4 **(Against Defendants and Does 1 – 25)**

5 102. Plaintiffs incorporate herein by specific reference, as though fully set forth, the  
6 allegations in all preceding paragraphs.

7 103. Each and every one of Defendants' acts and omissions in violation of the California  
8 Labor Code and/or the applicable IWC Wage Order as alleged herein, including but not limited to  
9 Defendant's failure and refusal to pay minimum wages, Defendant's failure and refusal to pay  
10 overtime compensation, Defendants' failure and refusal to provide required meal periods, Defendants'  
11 failure and refusal to provide required rest periods, Defendants' failure to timely pay all wages during  
12 Plaintiffs' and class members' employment, Defendants' failure and refusal to furnish accurate  
13 itemized wage statements, Defendants' failure and refusal to reimburse business-related expenses, and  
14 Defendants' failure to timely pay wages upon termination constitutes an unfair and unlawful business  
15 practice under California Business and Professions Code § 17200 *et seq.*

16 104. Defendants' violations of California wage and hour laws constitute an unfair and  
17 unlawful business practice because Defendants' aforementioned acts and omissions were done  
18 repeatedly over a significant period of time, and in a systematic manner, to the detriment of Plaintiffs  
19 and the other class members.

20 105. Defendants have avoided payment of overtime wages, minimum wages, meal period  
21 premiums, rest period premiums, and other benefits as required by the California Labor Code, the  
22 California Code of Regulations, and the applicable IWC Wage Order. Further, Defendants have failed  
23 to record, report, and pay the correct sums of assessment to the state authorities under the California  
24 Labor Code and other applicable regulations.

25 106. As a result of Defendants' unfair and unlawful business practices, Defendants have  
26 reaped unfair and illegal profits during Plaintiffs' and the other class members' tenure at the expense  
27 of Plaintiffs, the other class members, and members of the public. Defendants should be made to  
28 disgorge its ill-gotten gains and to restore them to Plaintiff and the other class members.

107. Defendants' unfair and unlawful business practices entitle Plaintiffs and the other class members to seek preliminary and permanent injunctive relief, including but not limited to orders that Defendants account for, disgorge, and restore to Plaintiffs and the other class members the wages and other compensation unlawfully withheld from them. Plaintiffs and the other class members are entitled to restitution of all monies to be disgorged from Defendants in an amount according to proof at the time of trial.

### TENTH CAUSE OF ACTION

**VIOLATION OF CAL. LABOR CODE §§ 2698, *ET SEQ.***

## California Private Attorneys General Act of 2004

**(Against All Defendants)**

108. Plaintiff Hector Sanchez incorporates herein by specific reference, as though fully set forth, the allegations in all preceding paragraphs.

109. Plaintiff Hector Sanchez brings this action on a representative basis on behalf of other Aggrieved Employees and the State of California, in Plaintiff's capacity as a private attorney general pursuant to the Private Attorneys General Act of 2004, California Labor Code sections 2698, *et seq.*

110. PAGA expressly provides for a private right of action to recover civil penalties for violations of the California Labor Code as follows: “*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).

111. Whenever the LWDA, or any of its departments, divisions, commissions, boards, agencies, or employees has discretion to assess a civil penalty, a court in a civil action is authorized to exercise the same discretion, subject to the same limitations and conditions, to assess a civil penalty.

112. Plaintiff Hector Sanchez and the other hourly-paid, non-exempt employees are “Aggrieved Employees” as defined by California Labor Code section 2699(c) in that they are all current or former employees of Defendants, and one or more of the alleged violations were committed

1 against them.

2 113. Defendants' conduct, as alleged herein, violates numerous sections of the California  
3 Labor Code, including, but not limited to, the following:

- 4 a. Violation of California Labor Code sections 510 and 1198 for failure to pay  
5 overtime wages, as set forth more fully above;
- 6 b. Violation of California Labor Code sections 1194, 1197, and 1197.1 for failure  
7 to pay minimum wages, as set forth more fully above;
- 8 c. Violation of California Labor Code sections 226.7 and 512(a) for failure to  
9 provide legally required meal periods, as set forth more fully above;
- 10 d. Violation of California Labor Code sections 226.7 and 512(a) for failure to pay  
11 required meal period premiums, as set forth more fully above;
- 12 e. Violation of California Labor Code section 226.7 for failure to provide legally  
13 required rest periods, as set forth more fully above;
- 14 f. Violation of California Labor Code section 226.7 for failure to pay required rest  
15 period premiums, as set forth more fully above;
- 16 g. Violation of California Labor Code section 204 for failure to timely pay wages  
17 to Plaintiff Hector Sanchez and Aggrieved Employees during employment, as set forth  
18 more fully above;
- 19 h. Violation of California Labor Code sections 201, 202, and 203 for failure to pay  
20 all wages at time of discharge from employment, as set forth more fully above;
- 21 i. Violation of California Labor Code section 226(a) for failure to provide  
22 accurate wage statements to Plaintiff Hector Sanchez and Aggrieved Employees, as set  
23 forth more fully above;
- 24 j. Violation of California Labor Code section 1174(d) for failure to keep complete  
25 and accurate payroll records relating to Plaintiff Hector Sanchez and Aggrieved  
26 Employees; and
- 27 k. Violation of California Labor Code sections 2800 and 2802 for failure to  
28 reimburse Plaintiff Hector Sanchez and Aggrieved Employees for necessary business-

related expenses and costs, as set forth more fully above.

114. Pursuant to PAGA, and in particular California Labor Code sections 2699(a), 2699.3, and 2699.5, Plaintiff Hector Sanchez, acting in the public interest as a private attorney general, seeks assessment and collection of civil penalties for Plaintiff Hector Sanchez, all Aggrieved Employees, and the State of California against Defendants for violations of California Labor Code sections set forth herein, including penalties under California Labor Code sections 2699, 558, 210, 1197.1, 226, 226.3, 1174.5, and 1197.1, penalties under the applicable IWC Wage Order, and any and all additional penalties and remedies as provided by the California Labor Code and/or other statutes.

115. Pursuant to California Labor Code section 2699(i), civil penalties recovered by Aggrieved Employees shall be distributed as follows: seventy-five percent (75%) to the LWDA for the enforcement of labor laws and education of employers and employees about their rights and responsibilities and twenty-five (25%) to the Aggrieved Employees.

116. Plaintiff Hector Sanchez retained counsel to file this court action, and to assess and collect the civil penalties owed by Defendants. Plaintiff Hector Sanchez therefore seeks an award of reasonable attorneys' fees and costs pursuant to California Labor Code sections 210, 218.5, and 2699(g)(1), and any other applicable statute.

#### **DEMAND FOR JURY TRIAL**

Plaintiffs hereby demands a jury trial with respect to all issues triable of right by jury.

#### **PRAYER FOR RELIEF**

Plaintiff JUAN CAMPOS-LEDEZMA, individually and on behalf of others similarly situated & HECTOR SANCHEZ, individually, and on behalf of other similarly situated employees and aggrieved employees pursuant to PAGA prays for relief and judgment against Defendants, jointly and severally, as follows:

#### **Class Certification**

1. That this action be certified as a class action;
2. That Plaintiffs be appointed as the representative of the Class;
3. That counsel for Plaintiffs be appointed as Class Counsel; and
4. That Defendants provide to Class Counsel immediately the names and most current/last

known contact information (address, e-mail and telephone numbers) of all class members.

**As to the First Cause of Action**

5. That the Court declare, adjudge and decree that Defendants violated California Labor Code sections 1194, 1197, and 1197.1 by willfully failing to pay minimum wages to Plaintiffs and the other class members;

6. For general unpaid wages and such general and special damages as may be appropriate;

7. For statutory wage penalties pursuant to California Labor Code section 1197.1 for Plaintiff and the other class members in the amount as may be established according to proof at trial;

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

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

10. For liquidated damages pursuant to California Labor Code section 1194.2;

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

**As to the Second Cause of Action**

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

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

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

15. For reasonable attorneys' fees and costs of suit incurred herein pursuant to California Labor Code section 1194;

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

**As to the Third Cause of Action**

17. That the Court declare, adjudge and decree that Defendants violated California Labor Code sections 226.7 and 512 and applicable IWC Wage Orders by willfully failing to provide all meal

1 periods, (including second meal periods, to Plaintiffs and the other class members;

2 18. That the Court make an award to Plaintiffs and the other class members of one (1) hour  
3 of pay at each employee's regular rate of compensation for each workday that a meal period was not  
4 provided;

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

6 20. For premium wages pursuant to California Labor Code section 226.7(c);

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

8 22. For reasonable attorneys' fees and costs of suit incurred herein;

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

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

11 24. That the Court declare, adjudge and decree that Defendants violated California Labor  
12 Code section 226.7 and applicable IWC Wage Orders by willfully failing to provide all rest periods to  
13 Plaintiff and the other class members;

14 25. That the Court make an award Plaintiffs and the other class members of one (1) hour  
15 of pay at each employee's regular rate of compensation for each workday that a rest period was not  
16 provided;

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

18 27. For premium wages pursuant to California Labor Code section 226.7(c);

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

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

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

22 30. That the Court declare, adjudge and decree that Defendants violated California Labor  
23 Code section 204 by willfully failing to pay all compensation owed at the time required by California  
24 Labor Code section 204 to Plaintiffs and the Class;

25 31. For statutory penalties pursuant to California Labor Code section 210;

26 32. For such other and further relief as the Court deems just and proper.

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

28 33. That the Court declare, adjudge and decree that Defendants violated the record keeping

provisions of California Labor Code section 226(a) and applicable IWC Wage Orders as to Plaintiffs and the other class members, and willfully failed to provide accurate itemized wage statements thereto;

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

35. For statutory penalties pursuant to California Labor Code section 226(e);

36. For injunctive relief to ensure compliance with this section, pursuant to California Labor Code section 226(g);

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

**As to the Seventh Cause of Action**

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

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

40. For statutory wage penalties pursuant to California Labor Code section 203 for Plaintiffs and the other class members who have left Defendants' employ;

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

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

**As to the Eighth Cause of Action**

43. That the Court declare, adjudge, and decree that Defendants violated California Labor Code sections 2800 and 2802 by willfully failing to reimburse Plaintiffs and the other class members for all necessary business-related expenses as required by California Labor Code sections 2800 and 2802;

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

45. For the imposition of civil penalties and/or statutory penalties;

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

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

///

**As to the Ninth Cause of Action**

48. That the Court declare, adjudge and decree that Defendants violated the following California Labor Code sections as to Plaintiffs and the other class members: 510 and 1198 (by failing to pay overtime wages); 1194, 1197, and 1197.1 (by failing to pay minimum wages); 226.7 and 512(a) (by failing to provide meal and rest periods or compensation in lieu thereof); 204 (by failing to timely pay wages during employment); 226(a) (by failing to provide accurate wage statements); and 201, 202, and 203 (by failing to pay all wages owed upon termination); and 2800 and 2802 (by failing to reimburse business-related expenses);

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

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

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

52. For injunctive relief to ensure compliance with this section, pursuant to California Business and Professions Code sections 17200, *et seq.*

**As to the Tenth Cause of Action**

53. For the imposition of civil penalties pursuant to California Labor Code sections 2699, 210, 558, 226, 226.3, 1174.5, and 1197.1, and all other penalties allowed by the California Labor Code and/or other applicable statutes;

54. For statutory attorneys' fees and costs pursuant to sections 210, 218.5, and 2699(g)(1) of the California Labor Code; and

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

///

///

1 DATED: January 31, 2025

BLACKSTONE LAW, APC

2  
3 By:



Jonathan M. Genish, Esq.

Karen Gold, Esq.

Marissa Mayhood, Esq.

4  
5  
6 Attorneys for Plaintiff JUAN CAMPOS-LEDEZMA,  
7 individually and on behalf of others similarly situated &  
8 HECTOR SANCHEZ, individually, and on behalf of  
9 other similarly situated employees and aggrieved  
10 employees pursuant to PAGA  
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## **EXHIBIT A**

## WILSHIRE LAW FIRM, PLC

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Los Angeles, CA 90010  
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Bobby Saadian, Esq. JD/MBA

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| Jennifer P. Burkes, Esq. | Ghazaleh Attaran, Esq.  |
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| Thiago Coelho, Esq.      | Jesse Chen, Esq.        |
| Cameron Stewart, Esq.    | Arsine Grigoryan, Esq.  |
| Shahin Rezvan, Esq.      | Diego Aviles, Esq.      |

May 28, 2024

LWDA

Attn. PAGA Administrator  
1515 Clay Street, Ste. 801  
Oakland, CA 94612  
(Via Online Submission)

Institute for Environmental Health, Inc.  
15300 Bothell Way NE  
Lake Forest Park, WA 98155  
(Via Certified Mail, Return Receipt Requested)  
**#9489 0090 0027 6621 6035 96**

Ramon Aboytes  
Agent for Service of Process  
Institute for Environmental Health, Inc.  
19055 Portola Drive  
Salinas, CA 93908  
(Via Certified Mail, Return Receipt Requested)  
**#9489 0090 0027 6621 6036 02**

Re: **Hector Sanchez v. Institute for Environmental Health, Inc.**  
**Notice of Labor Code Violations and PAGA Penalties**

To Whom It May Concern:

Please be advised that my office has been retained by Hector Sanchez ("Mr. Sanchez" or "Employee") to pursue a Labor Code Private Attorneys General Act of 2004 ("PAGA") representative action (Cal. Lab. Code §§ 2699, *et seq.*) against Employee's former employers, Institute for Environmental Health, Inc. ("IEH" or "Employers"). The purpose of this letter is to comply with PAGA and set forth the facts and theories of California Labor Code violations which we allege Employers engaged in with respect to Employee and some or potentially all of Employers' Aggrieved Employees.

Mr. Sanchez wishes to pursue this action on behalf of Employee as Aggrieved Employees, on behalf of the State of California, as well as on behalf of some or potentially all other persons who worked for IEH in California as a non-exempt or hourly-paid employee at any time within the applicable statutory period (hereafter, the "Aggrieved Employees").

Employee and the Aggrieved Employees, or some of them, suffered the Labor Code violations described below.

### **Mr. Sanchez's Employment with IEH**

IEH is an international lab and consulting services company specializing in food production and manufacturing safety. Employee worked as a sampler. Employee's primary job function included sampling water and agricultural commodities, quality control, and data entry. In performing Employee's duties, Employee was regularly required to perform work (off-the-clock), without

compensation. Due to high workloads, Employee was also frequently deprived of an opportunity to take legally compliant meal and rest breaks. Employers failed to provide Employee and other Aggrieved Employees with the meal and rest break premiums they were entitled to under the Labor Code. Additionally, Employee necessarily incurred business-related expenses, but Employers failed to reimburse such business-related expenses. These are just non-exhaustive examples of the facts and theories the Employee asserts, which are described in more detail below.

Employers own/owned and operate/operated an industry, business, and establishment within the State of California. As such and based upon all the facts and circumstances incident to Employers' business in California, Employers are subject to the California Labor Code, Wage Orders issued by the Industrial Welfare Commission ("IWC"), and the California Business & Professions Code.

Mr. Sanchez is a resident of Greenfield, California who worked for Employers in Monterey County, California as an hourly-paid, non-exempt employee from approximately April 2023 to approximately June 2023.

During Employee's employment for Employers, Employers paid Employee an hourly wage and classified Employee as non-exempt from overtime. Employers typically scheduled Employee to work at least five days in a workweek and at least eight hours per day, but Employee also worked more than eight hours in a workday and more than forty (40) hours in a workweek.

Throughout Employee's employment, Employers failed to pay for all hours worked (including minimum, straight time, and overtime wages), failed to provide Employee with legally compliant meal periods, failed to authorize and permit Employee to take rest periods, failed to timely pay all final wages to Employee when Employers terminated Employee's employment, failed to furnish accurate wage statements to Employee, failed to indemnify Employee for business expenditures, and failed to timely produce Employee's requested employment records. As discussed below, Employee's experience working for Employers was typical and illustrative.

### **Failure to Pay for All Hours Worked, Including Minimum, Straight Time, and Overtime Wages**

Under California law, an employer must pay for all hours worked by an employee. "Hours worked" is the time during which an employee is subject to the control of an employer and includes all the time the employee is suffered or permitted to work, whether or not required to do so.

In addition, Labor Code § 510 provides that employees in California shall not be employed more than eight hours in any workday or forty (40) hours in a workweek unless they receive additional compensation beyond their regular wages in amounts specified by law.

Labor Code §§ 1194 and 1198 also provide that employees in California shall not be employed more than eight hours in any workday unless they receive additional compensation beyond their regular wages in amounts specified by law. Additionally, Labor Code § 1198 states that the employment of an employee for longer hours than those fixed by the IWC is unlawful.

Throughout the statutory period, Employers at times failed to pay Employee and the Aggrieved Employees, or some of them, for all hours worked, including minimum, straight time, and overtime wages. Employers at times required Employee and the Aggrieved Employees, or some of them, to work "off-the-clock," uncompensated, by, for example, requiring Employee and the Aggrieved Employees to perform work during uncompensated meal periods and rest periods, and requiring Employee and the Aggrieved Employees to perform work before clocking in and/or after clocking

out. Some of this unpaid work should have been paid at the overtime rate. California Labor Code § 510 requires that employers compensate employees 1.5 times their regular rate of pay when employees work over eight hours per day, 40 hours per week, or when employees work up to eight hours on any seventh day of a workweek. Employers at times failed to properly calculate Employee's regular rate of pay when paying overtime, by failing to include all compensation in Employee's overtime calculations. In failing to pay for all hours worked, Employers also failed to maintain accurate records of the hours Employee and the Aggrieved Employees, or some of them, worked.

Throughout the statutory period, Employers also engaged, at times, in a practice of improper rounding. Under *Camp v. Home Depot U.S.A., Inc.* (2022) 84 Cal.App.5th 638, because Employers could and did track the exact time in minutes that Employee worked, they must pay for all time worked. When an employer uses an electronic timekeeping system to record time worked, this ability to "precisely capture time worked" means that "the employer must pay the employee for that worktime when due." (*Id.* at 671.) As a result of Employers' rounding policy, Employee consistently was not compensated at least minimum wage for all hours that Employee worked.

As a result, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 210, 1197.1, and 2699(f)(2) for failing to pay for all hours worked, including minimum, straight time, and overtime wages.

### **Failure to Provide Meal Periods**

Under California law, employers have an affirmative obligation to relieve employees of all duty in order to take their first 30-minute, duty-free meal periods no later than the start of sixth hour of work in a workday, and to allow employees to take their second 30-minute, duty-free meal period no later than the start of the eleventh hour of work in the workday. Further, employees are entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s).

Despite these legal requirements, Employers at times wrongfully failed to provide Employee and the Aggrieved Employees, or some of them, with their legally mandated 30-minute, uninterrupted, and duty-free meal period in a manner required by law (and also including but not limited to failing at times to provide Plaintiff, the Class, and the Aggrieved Employees, or some of them, the opportunity to leave the work premises to take meal periods). Employers also continued to assert control over Employee and the Aggrieved Employees, or some of them, by, among other things, requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory meal periods, or by denying Employee and the Aggrieved Employees, or some of them, permission to take a meal period under the conditions required by law, and without properly compensating Employee and the Aggrieved Employees, or some of them, for meal periods that were not provided as required by law. Employers also did not inform Employee of Employee's right to, nor permitted Employee to take, all of Employee's second meal periods when Employee worked at least ten hours of work in a workday and otherwise unlawfully pressured Employee to waive such breaks. Accordingly, Employers at times failed to provide meal periods to Employee and the Aggrieved Employees, or some of them, in compliance with California law.

Employee and the Aggrieved Employees, or some of them, are thus entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s). Employers, however, at times failed to pay Employee and the Aggrieved Employees, or some of them, the additional wages to which they were entitled for meal periods that were not provided.

As a result, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 210 and 2699(f)(2) for failing to provide meal periods and pay meal period premium wages.

#### **Failure to Authorize and Permit Rest Periods**

Employers are required by California law to authorize and permit breaks of ten uninterrupted minutes for each four hours of work or major fraction of four hours (i.e., more than two hours). Thus, for example, if an employee's work time is six hours and ten minutes, the employee is entitled to two rest breaks. Each failure to authorize rest breaks as so required is itself a violation of California's rest break laws.

Throughout the statutory period, Employers at times have wrongfully failed to authorize and permit Employee and the Aggrieved Employees, or some of them, to take legally compliant rest periods in a manner required by law (and also including but not limited to failing, at times, to authorize and permit Plaintiff, the Class, and the Aggrieved Employees, or some of them, the opportunity to leave the work premises to take rest periods). Employers at times required Employee and the Aggrieved Employees, or some of them, to work in excess of four consecutive hours a day without Employers' authorizing and permitting Employee to take a 10-minute, uninterrupted, duty-free rest period for every four hours of work (or major fraction of four hours), or without compensating Employee and the Aggrieved Employees, or some of them, for rest periods that were not authorized or permitted. Instead, Employers at times continued to assert control over Employee and the Aggrieved Employees, or some of them, by requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory rest periods, or at times by denying Employee and the Aggrieved Employees, or some of them, permission to take a rest period. Accordingly, Employers at times failed to authorize and permit Employee and the Aggrieved Employees, or some of them, to take rest periods in compliance with California law. Employee and the Aggrieved Employees, or some of them, are thus entitled to be paid one hour of additional wages for each workday he or she was not authorized and permitted to take all required rest period(s). Employers, however, at times failed to pay Employee and the Aggrieved Employees, or some of them, the additional wages to which they were entitled for rest periods that they were not authorized and permitted to take.

As a result, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 210 and 2699(f)(2) for failing to authorize and permit rest periods and pay rest period premium wages.

#### **Failure to Pay All Earned Wages Twice Per Month**

Based on Employers' failure at times to pay Employee and the Aggrieved Employees, or some of them, for all wages as discussed above, Employers also violated Labor Code § 204.

Labor Code § 204 requires employers to pay employees all earned wages two times per month. Throughout the statute of limitations period applicable to this cause of action, employees were entitled to be paid twice a month at their regular rates, including all meal period premium wages owed, rest period premium wages owed, and wages owed for overtime hours worked. However, at times, Employers failed and refused to pay the Employee all wages due, and failed to pay those wages twice a month, in that Employee was not paid all wages for all meal periods not provided by Employers, all wages for all rest periods not authorized and permitted by Employers, and all wages for all hours worked.

As a result, Employers owe Employee the legally required wages for unpaid wages, and Employee and the Aggrieved Employees, or some of them, suffered damages in those amounts. Moreover, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code § 210 for failing to pay all earned wages twice per month.

### **Failure to Maintain Accurate Records of Hours Worked and Meal Periods**

Employee seeks penalties under California Labor Code § 1174(d). Pursuant to California Labor Code § 1174.5, any person, including any entity, employing labor who willfully fails to maintain accurate and complete records required by California Labor Code § 1174 is subject to a penalty under § 1174.5. Pursuant to the applicable IWC Order § 7(A)(3), every employer shall keep time records showing when the employee begins and ends each work period. Meal periods and total hours worked daily shall also be recorded.

Employers, however, at times failed to maintain accurate records of hours worked and all meal periods taken or missed by Employee and the Aggrieved Employees, or some of them.

Employers' failure to provide and maintain records required by the California Labor Code and the applicable IWC Wage Orders deprived Employee and the Aggrieved Employees, or some of them, the ability to know, understand and question the accuracy and frequency of meal periods, and the accuracy of their hours worked stated in Employers' records. Therefore, Employee and the Aggrieved Employees, or some of them, had no way to dispute the resulting failure to pay wages, all of which resulted in an unjustified economic enrichment to Employers. As a direct result, Employee and the Aggrieved Employees, or some of them, have suffered and continue to suffer, substantial losses related to the use and enjoyment of such wages, lost interest on such wages and expenses and attorneys' fees in seeking to compel Employers to fully perform their obligation under state law, all to their respective damage in amounts according to proof at trial. As a result of Employers' knowing failure, at times, to comply with the California Labor Code and applicable IWC Wage Orders, Employee and the Aggrieved Employees, or some of them, have also suffered an injury in that they were prevented from knowing, understanding, and disputing the wage payments paid to them.

### **Failure to Timely Pay All Wages at Termination**

Labor Code §§ 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting. Direct deposits of wages to an employee's bank, saving and loan, or credit union account that were previously authorized by the employee are immediately terminated when an employee quits or is discharged, and the payment of wages upon termination of employment in the manner described above shall apply unless the employee has voluntarily authorized that deposit and provided that the employer complies with the provisions of Labor Code § 213(d) relating to the payment of wages upon termination or quitting of employment.

Within the applicable statute of limitations, the employment of Employee and many other Aggrieved Employees ended, i.e., was terminated by quitting or being discharged, and the employment of others will be terminated. However, during the relevant time period, Employers at times failed, and continue at times to fail, to pay Employee and terminated Aggrieved Employees, or some of them, without abatement, all wages required to be paid by Labor Code sections 201

and 202 either at the time of discharge, or within seventy-two (72) hours of their leaving Employers' employment. These unpaid wages include wages for unpaid work time (including minimum, straight time, and overtime wages), missed meal period premium wages, and missed rest period premium wages. Employers also violated, and continue to violate, Labor Code section 213(d) by paying final wages (if any are paid at all) via direct deposit without the employee's voluntary authorization.

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

Accordingly, Employee and the Aggrieved Employees, or some of them, are entitled to recover from Employers their additionally accruing wages for each day they were not paid, at their regular hourly rate of pay, up to thirty (30) days maximum pursuant to Labor Code § 203.

Moreover, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code § 2699(f)(2) for failing to timely pay all wages at termination, and for unlawfully making any such payment (if any) via direct deposit without the employee's voluntary authorization.

#### **Failure to Furnish Accurate Itemized Wage Statements**

Labor Code § 226(a) provides that every employer shall, semimonthly or at the time of each payment of wages, furnish each of his or her employees an accurate itemized wage statement in writing showing nine pieces of information, including: (1) gross wages earned, (2) total hours worked by the employee, (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 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 (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. An employee is presumed to suffer an injury if this information is missing. (Lab. Code § 226(e)(2)(B)(iii).)

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

Throughout the statutory period, Employers at times failed to, and continue at times to fail, to timely furnish Employee and the Aggrieved Employees, or some of them, with accurate, itemized wage statements showing all applicable hourly rates, and all gross and net wages earned (including correct hours worked, correct wages for meal periods that were not provided in accordance with California law, and correct wages for rest periods that were not authorized and permitted to take in accordance with California law).

Because Employers at times violated Labor Code § 226, Employee and similarly Aggrieved Employees, or some of them, suffered injury and damage to their statutorily protected rights. Accordingly, Employee and similarly Aggrieved Employees, or some of them, are entitled to recover from Employers the greater of their actual damages caused by Employers' failure to comply with Labor Code § 226(a), or an aggregate penalty not exceeding four thousand dollars (\$4,000) per employee. Moreover, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code § 226.3 for failing to timely furnish accurate itemized wage statements.

#### **Failure to Indemnify for Necessary Expenditures**

Labor Code § 2802(a) provides that employers shall indemnify their employees for all necessary business expenditures or losses that have been incurred by the employees in direct discharge of his or her duties. Throughout the statute of limitations period applicable to this cause of action, Employers at times wrongfully required Employee and the Aggrieved Employees, or some of them, to pay expenses that they incurred in direct discharge of their duties for Employers. Employee and the Aggrieved Employees, or some of them, at times paid out-of-pocket for necessary employment-related expenses. Employee and the Aggrieved Employees, or some of them, incurred substantial expenses as a direct result of performing their job duties for Employers, but Employers failed to indemnify Employee and the Aggrieved Employees, or some of them, for these employment-related expenses.

As a result, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 2802 and 2699(f)(2) for failing to indemnify Employee and the Aggrieved Employees, or some of them, for necessary business expenditures.

#### **Failure to Produce Requested Employment Records**

Labor Code § 226 provides that current and former employees have the right to inspect or receive a copy of their records pertaining to their employment, upon reasonable request to their employer. Under this statute, an employer that receives a request to inspect or receive a copy of records pertaining to a current or former employee must comply with the request as soon as practicable, but no later than twenty-one (21) calendar days from the date of the request. Labor Code § 1198.5(a) also provides that every current and former employee, or his or her representative, has the right to inspect and receive a copy of the personnel records that the employer maintains relating to the employees' performance or to any grievance concerning the employee. Under this statute, upon written request from a current or former employee or his or her representative, an employer must make the contents of those personnel records available for inspection or provide a copy of the personnel records to the current or former employee, or his or her representative, not later than thirty (30) calendar days from the date the employer receives the written request, subject to some limited exceptions. Labor Code § 432 provides that if an employee or applicant signs any instrument relating to the obtaining or holding of employment, he or she shall be given a copy of the instrument upon request.

On information and belief, Employee and the Aggrieved Employees, or some of them, submitted written request(s) to Employers for their payroll records, timecards, and personnel records but did not timely receive them as required by the Labor Code.

As a result, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 226(f), 1198.5(k), and 2699 for failing to timely produce the requested records.

### **Recordkeeping Requirement Violations**

California Labor Code section 1174 requires employers to keep “accurate and complete” payroll records showing, among other things, the hours worked daily by Employees and Aggrieved Employees. All applicable IWC Wage Orders, section 7 similarly requires employers to keep accurate time records reflecting the times during which all owed meal periods were provided each day.

Based on information and belief, Employers at times failed, and continue at times to fail, to keep accurate and complete payroll records as required by law, including but not limited to the following records: total daily hours worked, applicable rates of pay, time records showing when Employee and other Aggrieved Employees began and ended each work period, time records of meal periods, and accurate itemized wage statements.

Based on information and belief, Employers at times failed and continue at times to fail to keep accurate and complete records showing total hours worked by Employee and Aggrieved Employees, or some of them, by virtue of Employers’ time rounding and/or auto deduction policies and practices and/or other off-the-clock work policies and practices. Employers failed at times and continue at times to fail to keep accurate and complete records showing total hours worked by virtue of Employers’ failure to relieve Employee and Aggrieved Employees, or some of them, of all duties and Employers’ control for unpaid meal periods, resulting in unpaid hours worked.

Based on information and belief, Employers further failed at times, and continue at times to fail, to record the true start and end times of Employee’s and Aggrieved Employees’ meal periods, or some of them.

Based on further information and belief, Employers further failed at times and continue at times to fail, to record the true start and end times of Employee’s and Aggrieved Employees’ work shifts, or some of them.

Additionally, Employers at times failed, and continue at times to fail, to keep accurate records and issue accurate wage statements by not documenting accrued sick time for Employee and Aggrieved Employees, or some of them. Employers’ failure to keep “accurate and complete” payroll records for Employee and Aggrieved Employees, or some of them, violates Labor Code sections 1174, 1198, 1199, and all applicable IWC Wage Orders, section 7.

These violations subject Employers to civil penalties under Labor Code sections 558.1, 226.6, 1174.5 and 2699. Each violation of each Labor Code section and Wage Order provision, for each Aggrieved Employee (or some of them), results in a separate civil penalty.<sup>1</sup>

### **Violation of Wage Theft Protection Act of 2011**

Based on information and belief, Employers failed at times, and continue at times to fail, to comply with the notice requirements of Labor Code section 2810.5 (*i.e.*, the Wage Theft Protection Act of 2011) by, among other things, failing to provide Employee and Aggrieved Employees, or some of them, with the rates of pay and overtime rates of pay applicable to their employment, allowances claimed as part of the minimum wage, the regular payday designated by Employers, the name of

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<sup>1</sup> See Lab. Code §2699(f)(2) (establishing that the civil penalty is “for each aggrieved employee per pay period”).

the employer, including any “doing business as” names used, the name, address and telephone number of the workers’ compensation insurance carrier, information regarding paid sick leave, and other pertinent information required to be disclosed by Employers under Labor Code section 2810.5. Employee is informed and believes that failure to provide such information, including rates of pay that are in effect, has permitted Employers to pay Aggrieved Employees, or some of them, at rates of pay that were not agreed upon and violate minimum wage and overtime wage laws in California. Employee is additionally informed and believes that the notice requirement of Labor Code section 2810.5 involves a mandatory payroll or workplace injury reporting. Among other relief, Aggrieved Employees, or some of them, may collect from Employers in connection with these violations’ civil penalties pursuant to Labor Code sections 558 and 2699.

### **Violation of California Labor Code §§ 245-248.5**

Throughout the relevant time period, Employers at times failed to provide proper paid sick leave to Employee and other Aggrieved Employees, or some of them. Employers either failed at times to provide paid sick leave at all or improperly calculated the sick leave accrual and the sick leave rate of pay owed to Employee and other Aggrieved Employees, or some of them, by failing at times to base the accrued sick leave hours on the correct number of hours worked (as a result of the rounding/automatic deduction policies and practices for meal periods and/or shift start and end times/other required off-the-clock work including but not limited to unpaid meal periods that were restricted to Employers’ premises) and by failing at times to incorporate multiple rates of pay and/or all non-discretionary remuneration, including but not limited to, non-discretionary bonuses, shift differential pay and/or other non-discretionary compensation into the sick leave pay rate calculation.

Based on information and belief, Employers further failed at times to provide notice of the correct sick leave amount balance available to Employee and other Aggrieved Employees, or some of them, on their wage statements or other written statement.

Based on information and belief, Employers at times failed to put Aggrieved Employees, or some of them, on notice of their paid sick leave rights, thereby failing at times to put their entitlement to sick leave in a Labor Code section 2810.5 notice. In addition, Employers at times failed to maintain accurate records of used sick leave and the balance of paid sick leave left to the Aggrieved Employees, or some of them.

Based on information and belief, Employers at times failed to provide notice of sick leave amount balance left for Employee and other Aggrieved Employees, or some of them, thus affecting their intelligent exercise of their paid sick leave. But for this failure, Employee, and other Aggrieved Employees, or some of them, would have used their paid sick leave at least prior to their respective separations, for as on several occasions thereafter, he or she would have been entitled to use the banked sick leave and earn appropriate compensation.

This illegal retention of paid sick leave is unlawful, and Employee seeks all forms of injunctive relief, restitution, and declaratory relief as permitted by California law, on behalf of Employee and the Aggrieved Employees, or some of them.

In violation of Labor Code section 247.5, Employers at times failed to maintain records documenting the hours worked and paid sick days accrued and used by Employee and Aggrieved Employees, or some of them, permitting the presumption that Employee and these Aggrieved Employees, or some of them, were entitled to the maximum number of hours accruable under this article.

Upon information and belief, Employers at times further failed and continue at times to fail to comply with Labor Code section 246, by failing to provide Employee and Aggrieved Employees, or some of them, with a Labor Code section 226 wage statement, or separate writing containing the amount of paid sick leave available, or paid time off leave an employer provides in lieu of sick leave, at the time it pays wages. Employers at times unlawfully retained and continue at times to retain paid sick leave that should have been paid but was not, as a result of Employers' failure, at times, to properly institute a paid sick leave program.

On information and belief, Employee alleges that these practices at times were experienced and continue to be experienced at times by other Aggrieved Employees, or some of them.

Employee requests all appropriate relief under the PAGA and these statutes, including but not limited to the restitution of earned paid sick leave that could have been used, but was not due to Employers' sole failure to institute such a paid sick leave entitlement or paid sick leave bank as required by California law.

Accordingly, Employee and other Aggrieved Employees, or some of them, are entitled to injunctive relief, attorneys' fees, declaratory relief, restitution, and penalties as permitted by law. Employee requests all relief pursuant to the aforementioned code provisions, including but not limited to Labor Code sections 233 and 234, which incorporates the paid sick leave requirements.

#### **Failure To Provide Supplemental Paid Sick Leave**

Labor Code section 248.2 provides that all employers with 26 or more employees are required to provide up to 80 hours for covered employees to take 2021 COVID-19 Supplemental Paid Sick Leave to care for themselves, to care for a family member or if it is vaccine-related. Based on information and belief, Employers at times violated Labor Code section 248.2 by not providing Aggrieved Employees, or some of them, with required 2021 COVID-19 Supplemental Paid Sick Leave.

#### **Refusal to Make Payment**

Labor Code section 216 declares unlawful an employer's refusal to pay wages due and payable and/or denial of the validity of any claim to wages due.

Employers at times violated and continue at times to violate Labor Code section 216 by failing to pay Employee and Aggrieved Employees, or some of them, for all hours worked at the proper wage rate and by failing to pay Employee and Aggrieved Employees, or some of them, an additional hour of pay for each meal and/or rest period not provided or that was invalid. *Gould v. Maryland Sound Industries, Inc.* (1995) 31 Cal.App.4th 1137, 1154-1155.

These violations subject Employers to civil penalties under Labor Code section 225.5. Each violation results in a *separate* civil penalty, for each Aggrieved Employee (or some of them) so affected, for each pay period (or some of them) during which the statute's provisions were violated.<sup>2</sup>

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<sup>2</sup> Labor Code § 225.5 (establishing that “[i]n addition to, and entirely independent and apart from, any other penalty provided in this article, every person who unlawfully withholds wages due any employee in violation of sections 212, 216, 221, 222, or 223 shall be subject to a civil penalty...for each failure to pay each employee”) (emphasis added).

### **Seating Violations**

Per section 14(A-B) of all applicable IWC Wage Orders, employees shall be provided with suitable seats when the nature of the work reasonably permits the use of seats and when they are not actively engaged in the work duties that would not permit them to be seated.

All applicable IWC Wage Orders, Section 14(A-B) provides:

(B) All working employees shall be provided with suitable seats when the nature of the work reasonably permits the use of seats.

(B) When employees are not engaged in the active duties of their employment and the nature of the work requires standing, an adequate number of suitable seats shall be placed in reasonable proximity to the work area and employees shall be permitted to use such seats when it does not interfere with the performance of their duties.

Suitable seating is one of the worker protections covered by California's Wage Orders, which have the same dignity as statutes, are remedial in nature and are to be broadly construed to effectuate the goal of protecting the comfort and welfare of employees. *Brinker Restaurant Corp. v. Superior Court*, 53 Cal.4<sup>th</sup> 1004, 1027 (2012).

Based on information and belief, Employers at times failed to provide Aggrieved Employees, or some of them, with suitable seating, and when such employees, or some of them, were not engaged in duties which required them to stand, at times no seating was placed in reasonable proximity to their workstations.

Moreover, based on information and belief, the nature of the work reasonably permitted the use of seats for at least part of the time that Aggrieved Employees were working. Lastly, based on information and belief, Aggrieved Employees at times were not engaged in active duties of their employment, yet at times there were no suitable seats in reasonable proximity to the work area, and use of seats would not have interfered with the performance of their duties.

Employers' Aggrieved Employees worked in various positions. The nature of Employee's and other Aggrieved Employees' work, or some of them, reasonably permitted the use of seats. However, Employers at times failed to provide suitable seating in reasonable proximity to Aggrieved Employees' work areas, or some of them, in violation of section 14(A-B) of applicable Wage Orders, and Labor Code sections 1198 and 1199, subjecting Employers to civil penalties under Labor Code sections 1199 and 2699. Each violation of each Labor Code section and IWC Wage Order provision, for each Aggrieved Employee, or some of them, results in a separate civil penalty.<sup>3</sup>

### **Statutory Wage Violations**

Labor Code section 223 makes it unlawful for an employer to secretly pay wages lower than required by statute while purporting to pay legal wages.

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<sup>3</sup> See Lab. Code §2699(f)(2) (establishing that the civil penalty is "for each aggrieved employee per pay period").

As described above, Employers at times willfully and systematically denied Employee and other Aggrieved Employees, or some of them, of minimum and overtime wage compensation for all hours worked which resulted in the payment of less than statutorily required wages owed to them. Employers at times acted with the intent to deprive some or all of them of statutory wages, including, but not limited to, overtime wages and minimum wages, to which they were entitled to under California law.

Thus, Employers at times paid Employee and other Aggrieved Employees, or some of them, lower wages than those to which they were entitled, while purporting that Employee and all Aggrieved Employees were properly paid. As such, Employee and Aggrieved Employees, or some of them, are entitled to recover penalties, attorneys' fees, costs, and interest thereon, pursuant to Labor Code § 2699(f)-(g).

#### **Failure to Pay Vested Vacation/Paid Time Off**

California Labor Code section 227.3 provides that when an employer policy provides for paid vacations and/or paid time off, and an employee is terminated without having taken off his, her, or their vested vacation time, all vested vacation shall be paid to the employee as wages at the employee's final rate in accordance with such contract of employment or employer policy respecting eligibility or time served and that there shall be no forfeiture of vested vacation time or paid time off upon termination.

Based on information and belief, Employers at times had and continue at times to have a policy and/or practice of failing to allow Aggrieved Employees, or some of them, and Exempt Aggrieved Employees, or some of them, to use their earned vacation/paid time off during their employment and failing at times to pay all vested, accrued paid time off to Aggrieved Employees, or some of them, and/or Exempt Aggrieved Employees, or some of them, upon separation of employment, in violation of California law, including but not limited to, Labor Code section 227.3.

#### **Failure to Timely Provide Temporary Workers with Owed Wages**

On information and belief, Employers at times had and have failed to provide temporary workers, or some of them, with owed wages weekly by not later than the regular payday of the following week. As a result, pursuant to Labor Code section 201.3, Employers would be liable for civil penalties pursuant to Labor Code sections 201.3.

#### **Unlawful Agreements/ Unlawful Criminal History Inquiries**

##### **Unlawful Agreements**

Labor Code section 432.5 provides that "no employer ... shall require any employee or applicant for employment to agree, in writing, to any term or condition which is known by such employer ... to be prohibited by law." Based on information and belief, Employers at times required Employee, Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to unlawful conditions of employment including but not limited to unlawful non-compete and/or non-solicitation agreements as well as unlawful criminal and/or financial checks as a condition of obtaining and/or continuing employment in violation of Labor Code section 432.5.

The California Labor Code places certain procedural and substantive limits on employers' ability to conduct employee background checks and on how employers can use the information they obtain through those background checks. Labor Code section 1024.5 states that employers, except

for financial institutions, may order a credit check only if the individual works (or is applying to work) in certain positions (e.g., managerial positions, financially related positions, and certain government positions). Additionally, the Investigative Consumer Reporting Agencies Act (ICRAA - CA Civil Code section 1786, *et seq.*) and the Fair Credit Reporting Act (FCRA - 15 U.S.C. section 1681, *et seq.*) mandate several requirements prior to and following an employee background check, including but not limited to identifying an appropriate reason for the background check, a separate consent form with required disclosures and certain formatting requirements, additional forms such as a summary of rights, a way by which to request a copy of the report, as well as proper notice of adverse actions taken, among other statutory requirements.

Based on information and belief, Employers at times ordered unlawful financial credit checks on Aggrieved Employees and Exempt Aggrieved Employees, or some of them, in violation of Labor Code section 1024.5, and at times required Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to provide ongoing written consent to the unlawful credit checks as a condition of employment, in violation of California and Federal law, which results in a further violation of Labor Code section 432.5.

Based on information and belief, Employers also at times required Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to submit and/or agree to submit in writing to unlawful criminal background checks as a condition of obtaining and/or holding employment in violation of the ICRAA and the FCRA. For example, based on information and belief, Employers required Employee to submit and/or agree to submit in writing to an unlawful background check as a condition of obtaining and/or holding employment in violation of, including but not limited to, Labor Code section 432.5.

Based on information and belief, Employers at times required Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to a background check which failed to abide by the requirements set forth in California Civil Code section 1786, *et seq.* and 15 U.S.C. section 1681, *et seq.*, including but not limited to by failing, at times, to provide a clear and conspicuous disclosure (and/or failing to provide any disclosure at all), failing at times to provide disclosures free of extraneous information, failing at times to provide a lawful purpose for the background check, failing at times to provide a summary of rights under the ICRAA and/or the FCRA, failing at times to provide a way by which the individual could request a copy of the report, failing at times to disclose the name, address, and telephone number of the third party preparing the report, and failing at times to properly obtain authorization or consent to such a background check, and thus was an unlawful background check.

By at times requiring Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to unlawful criminal and/or financial checks not in conformance with the applicable laws, Employers violated Labor Code section 432.5.

Based on information and belief, Employers also at times required Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to provide ongoing consent to Employers to conduct background checks throughout the duration of employment, in violation of the ICRAA and/or FCRA and/or other applicable laws, resulting in a further violation of Labor Code section 432.5, by at times requiring applicants and employees, or some of them, to agree to an unlawful provision as a condition of employment.

Based on further information and belief, Employers knew that requiring Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree at times to unlawful criminal and/or financial background checks as a condition of obtaining and/or holding employment was unlawful.

By requiring Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree at times in writing to unlawful provisions as a condition of employment, Employers violated Labor Code section 432.5.

*Unlawful Inquires into Criminal History*

Labor Code section 432.7 prohibits an employer from asking applicants about past arrest(s) unless they resulted in conviction(s) and even then, certain limitations apply. Based on information and belief, Employers at times asked Aggrieved Employees and Exempt Aggrieved Employees, or some of them, about arrests not resulting in convictions on their employment application, in violation of California law.

Upon information and belief, Employers, in violation of California law, including but not limited to the Fair Chance Act/the California Fair Employment and Housing Act (“FEHA”), at times asked Aggrieved Employees and Exempt Aggrieved Employees, or some of them, about convictions prior to extending an offer of employment and/or otherwise impermissibly inquired into criminal history on their employment application in violation of California law.

By asking, at times, about arrests not resulting in convictions, Employers violated Labor Code section 432.7. By asking, at times, about convictions at the application phase or prior to extending an employment offer, Employers violated California’s Fair Chance Act, and thereby violated Labor Code section 432.5 by unlawfully requiring Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to disclose arrests and/or convictions as a condition of employment.

*Unlawful PAGA Waiver*

Additionally, Employers at times violated Labor Code section 432.5 by requiring Employee, Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to other unlawful agreements, including but not limited to an unlawful waiver of PAGA and or representative actions, as a condition of employment.

An action pursuant to PAGA “...is a representative action on behalf of the state” *Kim v Reins Int’l California, Inc.*, (2020) 9 Cal. 5th 73, 86-87. It is well settled that agreements purporting to waive an employee’s right to a trial of PAGA claims is contrary to California law and unenforceable. *See Iskanian v CLS Transportation Los Angeles, LLC* (2014) 59 Cal. 4th 348, 384 (“We conclude that where, as here, an employment agreement compels the waiver of representative claims under the PAGA, it is contrary to public policy and unenforceable as a matter of state law.”).

Moreover, the California Supreme Court has ruled that a court cannot compel arbitration of an aggrieved employee’s individual PAGA claim because there is no such thing as an individual PAGA claim. *Kim v Reins Int’l California, Inc.*, (2020) 9 Cal. 5th 73, 86-87 (“There is no individual component to a PAGA action because ‘every PAGA action ... is a representative action on behalf of the state.’”).

Upon information and belief, Employers at times required Employee, Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to waive their right to a trial of PAGA claims in violation of California law. By at times requiring Employee, Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree, in writing, to an unlawful PAGA waiver, Employers at times required written agreement to an unlawful provision as a condition of employment, which is a violation of labor code section 432.5.

As such, Employee, Aggrieved Employees and Exempt Aggrieved Employees, or some of them, continue to be subject at times to various unlawful provisions as a condition of employment.

### **Preventing Employees from Using or Disclosing Skills, Knowledge, and Experience**

On information and belief, Employers at times have prevented Employee and/or other Aggrieved Employees, or some of them, from using or disclosing the skills, knowledge, and experience they obtained at Employers for purposes of competing with Employers, including, without limitation, preventing Employees, or some of them, from disclosing their wages in negotiating a new job with a prospective employer, and from disclosing who else works at Employers and under what circumstances they might be receptive to an offer from a rival employer. As such, Employee is informed and believes, this violates Business and Professions Code sections 17200, 16600 and 16700 and, by virtue thereof, various provisions of the Labor Code, including Labor Code sections 232, 232.5, and 1197.5, subdivision (k). Employers would be liable for civil penalties pursuant to Labor Code section 2699.

### **Whistleblower Violations**

On information and belief, Employers at times have prevented Employee and/or other Aggrieved Employees, or some of them, from disclosing violations of state and federal law, either within Employers to their managers or outside Employers to private attorneys or government officials, among others, in violation of Business and Professions Code section 17200, and thus in violation of Labor Code section 1102.5. In addition, Employee is informed and believes that these policies and/or practices at times prevent Employee and/or other Aggrieved Employees, or some of them, from disclosing information about unsafe or discriminatory working conditions, or about wage and hour violations in violation of Labor Code sections 98.6, 232, and 232.5. These violations of the Labor Code would expose Employers to liability for civil penalties pursuant to Labor Code section 2699.

### **Workplace Health and Safety Violations**

On information and belief, Employers at times have failed to furnish and use safety devices and safeguards, and adopt and use practices, means, methods, operations and processes which are reasonably adequate to render such employment and place of employment safe and healthful, pursuant to, including but not limited to, Labor Code section 6401. Employee is informed and believes, and based thereon alleges, that Employers at times have required or permitted employees, or some of them, to go or be in any employment or place of employment which is not safe and healthful, pursuant to Labor Code section 6402. Employee is informed and believes, and based thereon alleges, that Employers at times have failed or neglected to provide and use safety devices and safeguards reasonably adequate to render the employment and place of employment safe; adopt and use methods and processes reasonably adequate to render the employment and place of employment safe; and do every other thing reasonably necessary to protect the life, safety, and health of employees, pursuant to Labor Code section 6403. Employee is informed and believes, and based thereon alleges, that these failures include, without limitation, at times failing to disinfect time clocks and other surfaces after use by Employee and/or other Aggrieved Employees, or some of them; at times failing to provide adequate protection equipment to Employee and/or other Aggrieved Employees, or some of them; and at times failing to provide adequate distance in working conditions between Employee and/or other Aggrieved Employees, or some of them.

On information and belief, Employers violated section 1527, 3366, 3457 and 8397.4 by failing at times to provide adequate and readily accessible sanitation facilities; a regular schedule for

servicing, cleaning, and supplying each facility to ensure it is maintained in a clean, sanitary and serviceable condition; an adequate supply of suitable cleansing agents, water, single-use towels or blowers; and a sufficient number of toilets to be used by each sex of employee.

### **Action for Civil Penalties Under PAGA**

In light of the above, Employee alleges that Employers at times violated the following provisions of the Labor Code with respect to the Aggrieved Employees, or some of them:

1. Labor Code §§ 204, 510, 1194, 1197, and 1198 by failing at times to pay for all hours worked, including minimum wages, straight time wages, and overtime wages;
2. Labor Code § 226.7 and applicable Wage Orders by failing at times to provide meal periods;
3. Labor Code § 226.7 and applicable Wage Orders by failing at times to authorize and permit rest periods;
4. Labor Code § 204 by failing at times to pay all earned wages two times per month;
5. California Labor Code § 1174.5 and applicable Wage Orders by failing at times to maintain accurate records of hours worked and meal periods taken or missed;
6. Labor Code §§ 201 to 203 by willfully failing at times to pay all wages owed at termination;
7. Labor Code § 226 by failing at times to provide accurate itemized wage statements;
8. Labor Code § 2802 by failing at times to indemnify for necessary expenditures;
9. Labor Code §§ 226, 432, and 1198.5 by failing at times to timely produce requested payroll records, timecards, and personnel records;
10. Labor Code § 1174 by failing at times to keep accurate and complete payroll records;
11. Labor Code §§ 245-248.5 by failing at times to provide proper sick leave and supplemental paid sick leave;
12. Labor Code § 216 for refusal at times to pay wages due and payable and/or denial at times of the validity of any claim to wages due;
13. Labor Code § 223 for at times secretly paying wages lower than required by statute while purporting to pay legal wages;
14. Labor Code § 227.3 for failure at times to pay vested vacation and/or paid time off;
15. Section 14(A-B) of all applicable IWC Wage Orders for failure at times to provide suitable seating;
16. Labor Code § 432.5 for unlawful agreements;
17. Labor Code § 201.3 for failure at times to timely provide temporary workers, or some of them, with wages;
18. Labor Code §§ 98.6, 232, 232.5, 1102.5, and 1197.5 for at times preventing employees, or some of them, from using or disclosing the skills, knowledge and experience they obtained at Employers, and whistleblower violations;
19. Labor Code § 432.7 for unlawful inquiries at times into criminal histories; and

LWDA

*Notice of Labor Code Violations and PAGA*

May 28, 2024

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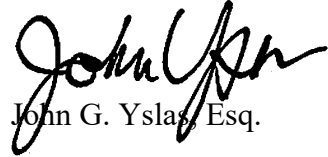
20. Labor Code §§ 1527, 3366, 3457, 8397.4, 6401, and 6401 for workplace health and safety violations.

Therefore, on behalf of potentially Aggrieved Employees, Employee seeks applicable penalties related to the violations alleged above pursuant to the PAGA. These include, but are not limited to, penalties under Labor Code §§ 210, 226.3, 1174.5, 1197.1, and 2699.

Employee has placed Employers on notice by mailing a certified copy of this correspondence, as indicated on the first page. Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me.

Sincerely,

WILSHIRE LAW FIRM

A handwritten signature in black ink, appearing to read "John Yslas", is written over the printed name.

John G. Yslas, Esq.

## **EXHIBIT B**

Jonathan M. Genish (State Bar No. 259031)  
jgenish@blackstonepc.com  
Karen I. Gold (State Bar No. 258360)  
kgold@blackstonepc.com  
Marissa A. Mayhood (State Bar No. 334376)  
mmayhood@blackstonepc.com  
**BLACKSTONE LAW, APC**  
8383 Wilshire Boulevard, Suite 745  
Beverly Hills, California 90211  
Telephone: (310) 622-4278 / Fax: (855) 786-6356

Attorneys for Plaintiff JUAN CAMPOS-  
LEDEZMA, individually and on behalf of  
others similarly situated & HECTOR  
SANCHEZ, individually, and on behalf of  
other similarly situated employees and  
aggrieved employees pursuant to PAGA

**SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
**FOR THE COUNTY OF STANISLAUS**

JUAN CAMPOS-LEDEZMA, individually and  
on behalf of others similarly situated, &  
HECTOR SANCHEZ, individually, and on  
behalf of other similarly situated employees and  
aggrieved employees pursuant to PAGA

Plaintiff,

vs.

INSTITUTE FOR ENVIRONMENTAL  
HEALTH, INC., a Washington Corporation; and  
DOES 1 through 25, inclusive,

Defendants.

Case No.: CV-23-006693

**FIRST AMENDED CLASS AND**  
**REPRESENTATIVE ACTION**  
**COMPLAINT FOR DAMAGES**

- (1) Violation of Cal. Labor Code §§ 1194,  
1197 and 1197.1 (Minimum Wages)
- (2) Violation of Cal. Labor Code §§ 510  
and 1198 (Unpaid Overtime)
- (3) Violation of Cal. Labor Code §§ 226.7  
and 512(a) (Meal Period Premiums)
- (4) Violation of Cal. Labor Code § 226.7  
(Unpaid Rest Period Premiums)
- (5) Violation of Cal. Labor Code §§ 204  
and 210 (Untimely Wages)
- (6) Violation of Cal. Labor Code § 226(a)  
(Inaccurate Wage Statements)
- (7) Violation of Cal. Labor Code §§ 201,  
202 and 203 (Untimely Final Wages)
- (8) Violation of Cal. Labor Code §§ 2800  
and 2802 (Failure to Reimburse  
Necessary Business Expenses)
- (9) Violation of Cal. Business &  
Professions Code § 17200, *et seq.*

~~(9)~~(10) Violation of Cal. Labor Code §§

**CLASS ACTION COMPLAINT FOR DAMAGES**

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2698, et seq. (California Labor Code  
Private Attorneys General Act of 2004)

**DEMAND FOR JURY TRIAL**

COMES NOW, Plaintiff JUAN CAMPOS-LEDEZMA and Plaintiff HECTOR SANCHEZ  
 (“Plaintiffs”), individually and on behalf of all members of the general public similarly situated, and  
 Plaintiff HECTOR SANCHEZ on behalf of other similarly situated employees and aggrieved  
 employees pursuant to the California Private Attorneys General Act of 2004 (“PAGA”) and-alleges  
 as follows:

### INTRODUCTION

1. This is a class action to recover damages on behalf of Plaintiffs and all current and  
 former hourly-paid and/or non-exempt employees who worked for Defendants in the State of  
 California at any time during the period from four years prior to the date of the filing of the original  
 Complaint through final judgment (“Class Members”).

2. This is also an enforcement action under PAGA to recover civil penalties on behalf of  
 Plaintiff Hector Sanchez, the State of California, and all current and former hourly-paid and/or non-  
 exempt employees who worked for Defendants in the State of California at any time from one year  
 prior to Plaintiff Hector Sanchez’s submission of written notice of Defendants’ alleged violations of the  
 California Labor Code to the Labor & Workforce Development Agency (“LWDA”) through final  
 judgment (“Aggrieved Employees”).

3. Plaintiffs alleges that Defendants hired Plaintiffs, Class Members, and Aggrieved  
 Employees but, among other things, failed to properly pay them all wages owed for all time worked  
 (including minimum wages, straight time wages, and overtime wages), failed to provide them with all  
 meal periods and rest periods and associated premium wages to which they were entitled, failed to  
 timely pay them all wages due during their employment, failed to timely pay them all wages due upon  
 termination of their employment, failed to provide them with accurate itemized wage statements, failed  
 to maintain accurate payroll records, and failed to reimburse them for necessary business expenses.

4. As a result, Defendants violated, *inter alia*, California Labor Code sections 201, 202,  
 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802, and the  
 applicable Industrial Welfare Commission (“IWC”) Wage Order. Through this action, Plaintiffs seeks  
 to recover all available remedies including but not limited to actual and liquidated damages, penalties,  
 and attorney’s fees and costs.

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1 ~~8-13.~~ Plaintiff~~s~~ ~~is-are~~ unaware of the true names or capacities of the Defendants sued herein  
2 under the fictitious names DOES 1 through 25 but will seek leave of this Court to amend the complaint  
3 and serve such fictitiously named Defendants once their names and capacities become known.

4 ~~9-14.~~ Plaintiff~~s~~ ~~is-are~~ informed and believes~~s~~, and thereon alleges~~s~~, that each and all of the acts  
5 and omissions alleged herein were performed by, or are attributable to, INSTITUTE FOR  
6 ENVIRONMENTAL HEALTH, INC. and/or DOES 1 through 25 (collectively “Defendants”), each  
7 acting as the agent, employee, alter ego, and/or joint venturer of, or working in concert with, each of  
8 the other co-Defendants and within the course and scope of such agency, employment, joint venture,  
9 or concerted activity with legal authority to act on the others’ behalf. The acts of any and all  
10 Defendants represent and were in accordance with Defendants’ official policy.

11 ~~10-15.~~ At all relevant times, Defendants were the employers of Plaintiff~~s~~ within the meaning  
12 of all applicable state laws and statutes. Defendants directly or indirectly controlled or affected the  
13 working conditions, wages, working hours, and conditions of employment of Plaintiff~~s~~ so as to make  
14 each of said Defendants employers and employers liable under the statutory provisions set forth herein.

15 ~~11-16.~~ Defendants had the authority to hire and terminate Plaintiff~~s~~ and the other class  
16 members, to set work rules and conditions governing Plaintiff~~s~~ and the other class members’  
17 employment, and to supervise their daily employment activities.

18 ~~12-17.~~ Defendants exercised sufficient authority over the terms and conditions of Plaintiff~~s~~  
19 and the other class members’ employment for them to be joint employers of Plaintiff~~s~~ and the other  
20 class members.

21 ~~13-18.~~ Defendants directly hired and paid wages and benefits to Plaintiff~~s~~ and the other class  
22 members.

23 ~~14-19.~~ Defendants continue to employ hourly paid and/or non-exempt employees within the  
24 State of California.

25 ~~15-20.~~ At all relevant times, Defendants, and each of them, ratified each and every act or  
26 omission complained of herein. At all relevant times, Defendants, and each of them, aided and abetted  
27 the acts and omissions of each and all the other Defendants in proximately causing the damages herein  
28 alleged.

1 ~~16-21.~~ Plaintiff~~s~~ ~~is are~~ informed and believes, and thereon alleges, that each of said Defendants  
2 is in some manner intentionally, negligently, or otherwise responsible for the acts, omissions,  
3 occurrences, and transactions alleged herein.

4 **GENERAL ALLEGATIONS**

5 ~~22.~~ Defendants, jointly and severally, employed Plaintiff Juan Campos-Ledezma as a  
6 microbiologist from approximately November 2019 through approximately May 2021 at Defendants'  
7 facility in Modesto, California. Plaintiff typically performed duties such as analyzing food samples  
8 for bacteria and other adulterants, \_\_\_\_\_

9 ~~17-23.~~ Defendants, jointly and severally, employed Plaintiff Hector Sanchez as a sampler from  
10 approximately May 2023 through approximately June 2023 at Defendants' facility in California.

11 ~~18-24.~~ Defendants were frequently understaffed and required their employees to complete the  
12 assigned tasks before leaving for the day, but the employees were not authorized to work overtime to  
13 complete their assigned workloads. This frequently resulted in Plaintiff~~s~~ and class members  
14 performing off-the-clock work and working through legally mandated meal and rest breaks to satisfy  
15 the demands of their employers.

16 ~~19-25.~~ As a result, Defendants failed to properly pay Plaintiff~~s~~ and class members all  
17 minimum wages and overtime wages for all hours worked, failed to provide all meal and rest breaks  
18 to which they were entitled, failed to pay meal and rest break premiums for missed meal and rest  
19 breaks, failed to timely pay wages during employment or upon termination of employment, failed to  
20 provide accurate wage statements, and failed to adhere to other related protections afforded by the  
21 California Labor Code and applicable Industrial Welfare Commission Wage Order.

22 ~~20-26.~~ Defendants also failed to reimburse Plaintiff~~s~~ and class members for necessary  
23 business-related expenses.

24 ~~27.~~ Defendants knew or should have known that they had a duty to compensate Plaintiff~~s~~  
25 and the class pursuant to California law. Defendants had the financial ability to pay such  
26 compensation, but willfully, knowingly, and intentionally failed to do so, to increase Defendant's  
27 profits.

28 ~~21.~~ ///

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1 **CLASS ACTION ALLEGATIONS**

2 22-28. Plaintiff~~s~~ brings this lawsuit as a class action on behalf of ~~himself-themselves~~ and all  
3 others similarly situated, as members of a proposed class pursuant to California Code of Civil  
4 Procedure section 382. The class satisfies the numerosity, commonality, typicality, adequacy,  
5 predominance, and superiority requirements under California Code of Civil Procedure section 382.

6 23-29. The proposed class is defined as follows:

7 **All current and former hourly-paid and/or non-exempt employees**  
8 **who worked for Defendants in the State of California at any time**  
9 **during the period from four years prior to the date of the filing of**  
10 **this Complaint until final judgment (the “Class” or “Class**  
11 **Members”).**

12 24-30. The proposed “Former Employee Sub-class” is defined as follows:

13 **All Class Members whose employment with Defendants ended at any point in time**  
14 **during the period from four years prior to the date of the filing of this**  
15 **Complaint until final judgment.**

16 25-31. Plaintiff~~s~~ reserves the right to establish additional subclasses as appropriate.

17 26-32. There is a well-defined community of interest in the litigation and the Class is easily  
18 ascertainable.

19 27-33. The Class is so numerous that the individual joinder of all its members is impracticable.  
20 While the exact number and identities of class members are unknown to Plaintiff~~s~~ at this time, the  
21 exact numbers of class members and their identities can be ascertained through appropriate discovery  
22 from records maintained by Defendants and their agents.

23 28-34. Common questions of fact and law exist as to all class members, which predominate  
24 over any questions affecting only individual members of the Class. The common legal and factual  
25 questions which do not vary from class member to class member and which may be determined  
26 without reference to the individual circumstances of any class member include, but are not limited to,  
27 the following:

- 28 i. Whether Defendants had a policy and practice of failing to pay minimum wages to

1 Plaintiff~~s~~ and the other class members for all hours worked;

2 ii. Whether Defendants had a policy and practice of failing to pay overtime wages to  
3 Plaintiff~~s~~ and the other class members for all overtime hours worked;

4 iii. Whether Defendants had a policy and practice of failing to provide meal periods to  
5 Plaintiff~~s~~ and the other class members;

6 iv. Whether Defendants had a policy and practice of failing to provide rest periods to  
7 Plaintiff~~s~~ and the other class members;

8 v. Whether Defendants failed to pay their hourly-paid and/or non-exempt employees in  
9 the State of California during their employment all wages as they became due pursuant  
10 to Cal. Lab. Codes section 204 and 210, including, *inter alia*, wages for all hours  
11 worked, and for all missed, short, late, and/or interrupted meal periods and rest breaks;

12 vi. Whether Defendants' failure to pay wages, without abatement or reduction, in  
13 accordance with the California Labor Code, was willful;

14 vii. Whether Defendants failed to pay all wages due to Plaintiff~~s~~ and the other class  
15 members within the required time upon their discharge or resignation;

16 viii. Whether Defendants failed to comply with wage reporting as required by the California  
17 Labor Code; including, *inter alia*, section 226;

18 ix. Whether Defendants failed to reimburse Plaintiff~~s~~ and the other class members for  
19 necessary business-related expenses and costs;

20 x. Whether Defendants' conduct was willful or reckless;

21 xi. Whether Defendants engaged in unfair business practices in violation of California  
22 Business & Professions Code section 17200, *et seq.*;

23 xii. The appropriate amount of damages, restitution, and/or monetary penalties resulting  
24 from Defendants' violation of California law; and

25 xiii. Whether Plaintiff~~s~~ and the other class members are entitled to compensatory damages  
26 pursuant to the California Labor Code.

27 29-35. Plaintiff~~s~~' claims are typical of the claims of the Class, and Plaintiff~~s~~' interests are  
28 coincident with and not antagonistic to those of the other class members they seek to

1 represent. Plaintiff~~s~~ will fairly and adequately protect the interests of the members of  
2 the Class. Plaintiff~~s~~ have retained attorneys experienced in the prosecution of class actions and  
3 Plaintiff~~s~~ intend to prosecute this action vigorously.

4 ~~30-36.~~ A class action is superior to other available methods for the fair and efficient  
5 adjudication of this controversy, since individual litigation of the claims of all class members is  
6 impracticable. Even if every class member could afford individual litigation, the court system could  
7 not. It would be unduly burdensome on the courts in which individual litigation of numerous cases  
8 would proceed. Individualized litigation would also present the potential for varying, inconsistent or  
9 contradictory judgments and would magnify the delay and expense to all parties and to the court  
10 system resulting from multiple trials of the same complex factual issues. By contrast, the conduct of  
11 this action as a class action, with respect to some or all of the issues presented in this Complaint,  
12 presents fewer management difficulties, conserves the resources of the parties and of the court system,  
13 and protects the rights of each class member.

14 ~~37.~~ Certification of this lawsuit as a class action will advance public policy  
15 objectives. Employers of this great state violate employment and labor laws every day. Current  
16 employees are often afraid to assert their rights out of fear of direct or indirect retaliation. However,  
17 class actions provide the class members who are not named in the complaint anonymity that allows  
18 for the vindication of their rights.

#### 19 PAGA ALLEGATIONS

20 ~~38.~~ PAGA is and was applicable to Defendants' employment of Plaintiff Hector Sanchez,  
21 and the Aggrieved Employees.

22 ~~39.~~ PAGA provides that any provision of law under the California Labor Code that  
23 provides for a civil penalty, including unpaid wages and premium wages, to be assessed and collected  
24 by the LWDA for violations of the California Labor Code may, as an alternative, be recovered through  
25 a civil action brought by an aggrieved employee on behalf of himself or herself and other current or  
26 former employees pursuant to procedures outlined in California Labor Code section 2699.3.

27 ~~40.~~ Pursuant to PAGA, a civil action may be brought by an "aggrieved employee," who is  
28 any person employed by the alleged violator and against whom one or more of the alleged violations

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1 was committed.

2 41. Plaintiff Hector Sanchez and the other hourly-paid, non-exempt employees are  
3 “Aggrieved Employees” as defined by California Labor Code section 2699(c) because they are  
4 current or former employees of Defendants against whom one of more of the alleged violations were  
5 committed.

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

9 a. The aggrieved employee shall give written notice by certified mail (hereinafter  
10 “Employee’s Notice”) to the LWDA and the employer of the specific provisions of  
11 the California Labor Code alleged to have been violated, including the facts and  
12 theories to support the alleged violations.

13 b. The LWDA shall provide notice (“LWDA Response”) to the employer and the  
14 aggrieved employee by certified mail that it does not intend to investigate the alleged  
15 violation within sixty (60) calendar days of the postmark date of the Employee’s  
16 Notice. Upon receipt of the LWDA Response, or if the LWDA Response is not  
17 provided within sixty-five (65) calendar days of the postmark date of the Employee’s  
18 Notice, the aggrieved employee may commence a civil action pursuant to California  
19 Labor Code section 2699 to recover civil penalties in addition to any other penalties  
20 to which the employee may be entitled.

21 43. On May 28, 2024, Plaintiff Hector Sanchez provided notice by electronic submission  
22 to the LWDA and by certified mail to Defendants regarding the specific provisions of the California  
23 Labor Code alleged to have been violated, including the facts and theories to support the alleged  
24 violations, pursuant to California Labor Code section 2699.3. A true and correct copy of the  
25 Employee’s Notice is attached hereto as Exhibit A.

26 44. Plaintiff Hector Sanchez did not receive a LWDA Response within sixty-five (65)  
27 calendar days of providing the Employee’s Notice.

28 ~~31-45.~~ Therefore, the administrative prerequisites under California Labor Code section

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1 2699.3(a) to recover civil penalties against Defendants, in addition to other remedies for violations of,  
2 inter alia, California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d),  
3 1194, 1197, 1197.1, 1198, 2800, and 2802 have been satisfied.

4 **FIRST CAUSE OF ACTION**

5 **VIOLATION OF LABOR CODE SECTIONS 1194, 1197, AND 1197.1**

6 **Unpaid Minimum Wages**

7 **(Against Defendants and Does 1 – 25)**

8 32-46. Plaintiff~~s~~ incorporates herein by specific reference, as though fully set forth, the  
9 allegations in all preceding paragraphs.

10 33-47. At all relevant times, California Labor Code sections 1194, 1197 and 1197.1 provide  
11 that the minimum wage for employees fixed by the Industrial Welfare Commission is the minimum  
12 wage to be paid to employees, and the payment of a wage less than the minimum so fixed is unlawful.  
13 Plaintiff~~s~~ and the other class members were not paid the appropriate minimum wage for all of the  
14 hours they worked. Plaintiff~~s~~ and the other class members were not paid the minimum wage for work  
15 performed outside of their shifts, and the wages paid to them were not sufficient to compensate them  
16 for all hours they worked at a minimum wage rate on a cumulative basis. Defendants failed to pay  
17 Plaintiff~~s~~ and the other class members for time spent working “off-the-clock” including, but not  
18 limited to, (1) time spent preparing to work and performing work tasks prior to logging in; (2) time  
19 Plaintiff~~s~~ and other class members worked while clocked out during their shifts, such as during meal  
20 periods; (3) time spent after clocking out performing work-related tasks so they could complete their  
21 excessive workload in the time allotted by Defendants; and (4) responding to work communications  
22 between shifts, such as from supervisors. Performing this off-the-clock work ensured that Plaintiff~~s~~  
23 and other class members were not properly paid for all time worked at their regular rate or the  
24 minimum wage rate.

25 34-48. Accordingly, Defendants regularly failed to pay at least minimum wages to Plaintiff~~s~~  
26 and the other class members for all hours they worked in violation of California Labor Code sections  
27 1194, 1197, and 1197.1.

28 35-49. Defendants’ failure to pay Plaintiff~~s~~ and the other class members the minimum wage

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1 as required violates California Labor Code sections 1194, 1197 and 1197.1. Pursuant to those sections,  
2 Plaintiff~~s~~ and the other class members are entitled to recover the unpaid balance of their minimum  
3 wage compensation, as well as interest, costs, and attorney's fees.

4 ~~36-50.~~ Pursuant to California Labor Code section 1194.2, Plaintiff~~s~~ and the other class  
5 members are entitled to recover liquidated damages in an amount equal to the wages unlawfully unpaid  
6 and interest thereon.

## 7 **SECOND CAUSE OF ACTION**

### 8 **VIOLATION OF LABOR CODE SECTIONS 510 AND 1198**

#### 9 **Unpaid Overtime**

#### 10 **(Against Defendants and Does 1 – 25)**

11 ~~37-51.~~ Plaintiff~~s~~ incorporate~~s~~ herein by specific reference, as though fully set forth, the  
12 allegations in all preceding paragraphs.

13 ~~38-52.~~ California Labor Code section 1198 and the applicable Industrial Welfare Commission  
14 ("IWC") Wage Order provide that it is unlawful to employ persons without compensating them at a  
15 rate of pay either time-and-one-half or two-times that person's regular rate of pay, depending on the  
16 number of hours worked by the person on a daily or weekly basis.

17 ~~39-53.~~ Specifically, the applicable IWC Wage Order provides that Defendants were required  
18 to pay Plaintiff and the other class members at the rate of time-and-one-half for all hours worked in  
19 excess of eight (8) hours in a day or more than forty (40) hours in a workweek.

20 ~~40-54.~~ The applicable IWC Wage Order further provides that Defendants were required to pay  
21 Plaintiff~~s~~ and the other class members overtime compensation at a rate of two (2) times their regular  
22 rate of pay for all hours worked in excess of twelve (12) hours in a day.

23 ~~41-55.~~ California Labor Code section 510 codifies the right to overtime compensation at one-  
24 and-one half times the regular hourly rate for hours worked in excess of eight (8) hours in a day or  
25 forty (40) hours in a week or for the first eight (8) hours worked on the seventh day of work, and to  
26 overtime compensation at twice the regular hourly rate for hours worked in excess of twelve (12) hours  
27 in a day or in excess of eight (8) hours in a day on the seventh day of work.

28 ~~42-56.~~ Defendants maintained strict policies, practices and procedures: (1) assigning

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1 employees excessive amounts of work, (2) severely restricting employee overtime, (3) requiring  
2 employees to generally complete their workload prior to leaving for the day, and (4) understaffing  
3 their business operations. These policies resulted in Plaintiff~~s~~ and the other class members regularly  
4 working in excess of eight (8) hours in a day, in excess of twelve (12) hours in a day, and/or in excess  
5 of forty (40) hours in a week, but not receiving overtime wages for such work.

6 ~~43-57.~~ During the relevant time period, Defendants did not accurately record Plaintiff~~s~~ and the  
7 other class members' actual hours worked and intentionally and willfully failed to pay all overtime  
8 wages owed to Plaintiff~~s~~ and the other class members.

9 ~~44-58.~~ Defendants' failure to pay Plaintiff~~s~~ and the other class members as outlined above  
10 violates California Labor Code sections 510 and 1198 and is therefore unlawful.

11 ~~45-59.~~ Pursuant to California Labor Code section 1194, Plaintiff~~s~~ and the other class members  
12 are entitled to recover their unpaid overtime compensation, as well as interest, costs, and attorneys'  
13 fees.

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17 **THIRD CAUSE OF ACTION**

18 **VIOLATION OF LABOR CODE SECTIONS 226.7 AND 512**

19 **Meal Period Violations**

20 **(Against Defendants and Does 1 – 25)**

21 ~~46-60.~~ Plaintiff~~s~~ incorporates herein by specific reference, as though fully set forth, the  
22 allegations in all preceding paragraphs.

23 ~~47-61.~~ At all relevant times herein set forth, the applicable IWC Wage Order(s) and California  
24 Labor Code sections 226.7 and 512(a) were applicable to Plaintiff~~s~~ and the other class members'  
25 employment by Defendants.

26 ~~48-62.~~ At all relevant times herein set forth, California Labor Code section 226.7 provides that  
27 no employer shall require an employee to work during any meal period mandated by an applicable  
28 IWC Order.

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1 49-63. At all relevant times herein set forth, California Labor Code section 512(a) provides  
2 that an employer may not require, cause, or permit an employee to work for a period of more than five  
3 (5) hours per day without providing the employee with a meal period of not less than thirty (30)  
4 minutes, except that if the total work period per day of the employee is not more than six (6) hours,  
5 the meal period may be waived by mutual consent of both the employer and the employee.

6 50-64. During the relevant time period, Plaintiff~~s~~ and the other class members who were  
7 scheduled to work for a period of time no longer than six (6) hours, and who did not waive their  
8 legally-mandated meal periods by mutual consent, were required to work for periods longer than five  
9 (5) hours without an uninterrupted meal period of not less than thirty (30) minutes.

10 51-65. During the relevant time period, Plaintiff~~s~~ and the other class members  
11 who were scheduled to work for a period of time in excess of six (6) hours, were required to work for  
12 periods longer than five (5) hours without an uninterrupted meal period of not less than thirty (30)  
13 minutes.

14 52-66. During the relevant time period, Plaintiff~~s~~ and the other class members,  
15 who were scheduled to work for a period of time in excess of ten (10) hours but no longer than twelve  
16 (12) hours, and who did not waive their legally-mandated meal periods by mutual consent, were  
17 required to work in excess of ten (10) hours without receiving a second uninterrupted meal period of  
18 not less than thirty (30) minutes.

19 53-67. During the relevant time period, Plaintiff~~s~~ and the other class members,  
20 who were scheduled to work for a period of time in excess of twelve (12) hours, were required to work  
21 for periods longer than ten (10) hours without a second uninterrupted meal period of not less than  
22 thirty (30) minutes.

23 54-68. During the relevant time period, Defendants willfully required Plaintiff~~s~~ and the other  
24 class members to work during meal periods and failed to compensate Plaintiff~~s~~ and the other class  
25 members for work performed during meal periods. As a result, Plaintiff~~s~~ worked through meal  
26 periods, took late meal periods, took interrupted meal periods, or took short meal periods, if at all.

27 55-69. During the relevant time period, Defendants failed to pay Plaintiff~~s~~ and the other class  
28 members all meal period premiums due pursuant to California Labor Code section 226.7 and

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

~~56.70.~~ Pursuant to the applicable IWC Wage Order and California Labor Code section 226.7(b), Plaintiff~~s~~ and the other class members are entitled to recover from Defendants one additional hour of pay at their regular rate of compensation for each workday that a complete, timely uninterrupted meal period was not provided.

**FOURTH CAUSE OF ACTION**  
**VIOLATION OF LABOR CODE SECTION 226.7**

**Rest Period Violations**  
**(Against Defendants and Does 1 – 25)**

~~57.71.~~ Plaintiff~~s~~ incorporate~~s~~ herein by specific reference, as though fully set forth, the allegations in all preceding paragraphs.

~~58.72.~~ At all relevant times herein set forth, the applicable IWC Wage Order and California Labor Code section 226.7 were applicable to Plaintiff and the other class members' employment by Defendants.

~~59.73.~~ At all relevant times, California Labor Code section 226.7 provides that no employer shall require an employee to work during any rest period mandated by an applicable order of the California IWC.

~~60.74.~~ At all relevant times, the applicable IWC Wage Order provides that "[e]very employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period" and that the "rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof" unless the total daily work time is less than three and one-half (3½) hours.

~~61.75.~~ Pursuant to the applicable IWC Wage Order and California Labor Code section 226.7(b), Plaintiff~~s~~ and the other class members were entitled to recover from Defendants one (1) additional hour of pay at their regular hourly rate of compensation for each workday that the rest period was not provided.

~~62.76.~~ During the relevant time period, Defendants required Plaintiff~~s~~ and the other class

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1 members to work three and one-half (3 ½) or more hours without authorizing or permitting a ten (10)  
2 minute rest period per each four (4) hour period, or major fraction thereof, worked.

3 ~~63-77.~~ During the relevant time period, Defendants willfully required Plaintiff~~s~~ and the other  
4 class members to work during rest periods. Defendants failed to relieve Plaintiff~~s~~ and the other class  
5 members of all duties such that they could take compliant rest breaks. As a result, Plaintiff~~s~~ worked  
6 through rest periods, took late rest periods, took interrupted rest periods, or took short rest periods, if  
7 at all.

8 ~~64-78.~~ Defendants also had no policy and/or practice to pay a premium when rest periods were  
9 missed, short, late, and/or interrupted and thus failed to pay Plaintiff~~s~~ and the other class members the  
10 full rest period premium due in violation of California Labor Code section 226.7.

11 ~~65-79.~~ Defendants' conduct violates the applicable IWC Wage Orders and California Labor  
12 Code section 226.7.

13 ~~66-80.~~ Pursuant to the applicable IWC Wage Orders and California Labor Code section  
14 226.7(c), Plaintiff~~s~~ and the other class members are entitled to recover from Defendants one additional  
15 hour of pay at their regular rate of compensation for each work day that a rest period was not  
16 provided.

17 **FIFTH CAUSE OF ACTION**

18 **VIOLATION OF CALIFORNIA LABOR CODE §§ 204 AND 210**

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

20 **(Against Defendants and Does 1 – 25)**

21 ~~67-81.~~ Plaintiff~~s~~ incorporates herein by specific reference, as though fully set forth, the  
22 allegations in all preceding paragraphs.

23 ~~68-82.~~ At all times herein set forth, California Labor Code section 204 provides that all wages  
24 earned by any person in any employment between the 1st and 15th days, inclusive, of any calendar  
25 month, other than those wages due upon termination of an employee, are due and payable between the  
26 16th and 26th day of the month during which the labor was performed.

27 ~~69-83.~~ At all times herein set forth, California Labor Code section 204 provides that all wages  
28 earned by any person in any employment between the 16th and the last day, inclusive, of any calendar

1 month, other than those wages due upon termination of an employee, are due and payable between the  
2 1st and the 10th day of the following month.

3 ~~70-84.~~ At all times herein set forth, California Labor Code section 204 provides that all wages  
4 earned for labor in excess of the normal work period shall be paid no later than the payday for the next  
5 regular payroll period.

6 ~~74-85.~~ During the relevant time period, Defendants intentionally and willfully failed to pay  
7 Plaintiff~~s~~ and other class members all wages due to them within any time period permissible under  
8 California Labor Code section 204.

9 ~~72-86.~~ Plaintiff~~s~~ and other class members are entitled to recover all available remedies for  
10 Defendant's violations of California Labor Code section 204, including statutory penalties pursuant to  
11 Labor Code section 210(b).

12 ~~##~~

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17 **SIXTH CAUSE OF ACTION**

18 **VIOLATION OF LABOR CODE SECTION 226(a)**

19 **Failure to Provide Accurate Wage Statements**

20 **(Against Defendants and Does 1 – 25)**

21 ~~73-87.~~ Plaintiff~~s~~ incorporates herein by specific reference, as though fully set forth, the  
22 allegations in all preceding paragraphs.

23 ~~74-88.~~ At all material times set forth herein, California Labor Code section 226(a) provides  
24 that every employer shall furnish each of his or her employees an accurate itemized wage statement  
25 in writing, including, but not limited to, the name and address of the legal entity that is the employer,  
26 total hours worked, and all applicable hourly rates.

27 ~~75-89.~~ Defendants have intentionally and willfully failed to provide Plaintiff~~s~~ and the other  
28 class members with complete and accurate wage statements. The deficiencies include, among other

1 things, the failure to state all hours worked.

2 ~~76.90.~~ As a result of Defendants' violation of California Labor Code section 226(a), Plaintiff~~s~~  
3 and the other class members have suffered injury and damage to their statutorily protected rights.

4 ~~77.91.~~ Specifically, Plaintiff~~s~~ and the other class members have been injured by Defendants'  
5 intentional violation of California Labor Code section 226(a) because they were denied both their legal  
6 right to receive, and their protected interest in receiving, accurate, itemized wage statements under  
7 California Labor Code section 226(a). In addition, because Defendants failed to provide the accurate  
8 number of total hours worked on wage statements, Plaintiff~~s~~ and the other class members been  
9 prevented by Defendants from determining if all hours worked were paid and the extent of the  
10 underpayment. Plaintiff~~s~~ had to file this lawsuit, and will further have to conduct discovery,  
11 reconstruct time records, and perform computations in order to analyze whether in fact Plaintiff~~s~~ and  
12 the other class members were paid correctly and the extent of the underpayment, thereby causing  
13 Plaintiff~~s~~ to incur expenses and lost time. Plaintiff~~s~~ would not have had to engage in these efforts and  
14 incur these costs had Defendants provided the accurate number of total hours worked. This has also  
15 delayed Plaintiff~~s~~' ability to demand and recover the underpayment of wages from Defendants.

16 ~~78.92.~~ Plaintiff~~s~~ and the other class members are entitled to recover from Defendants the  
17 greater of their actual damages caused by Defendants' failure to comply with California Labor Code  
18 section 226(a), or an aggregate penalty not exceeding four thousand dollars (\$4,000).

#### 19 **SEVENTH CAUSE OF ACTION**

#### 20 **VIOLATION OF LABOR CODE SECTIONS 201, 202, AND 203**

#### 21 **(Against Defendants and Does 1 – 25)**

22 ~~79.93.~~ Plaintiff~~s~~ incorporates herein by specific reference, as though fully set forth, the  
23 allegations in all preceding paragraphs.

24 ~~80.94.~~ Pursuant to California Labor Code sections 201, 202, and 203, Defendants are required  
25 to pay all earned and unpaid wages to an employee who is discharged. California Labor Code section  
26 201 mandates that if an employer discharges an employee, the employee's wages accrued and unpaid  
27 at the time of discharge are due and payable immediately. California Labor Code section 202  
28 mandates that if an employee quits, his or her wages shall become due and payable not later than

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seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

~~81-95.~~ California Labor Code section 203 provides that if an employer willfully fails to pay, in accordance with California Labor Code sections 201 and 202, 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 therefore is commenced; but the wages shall not continue for more than thirty (30) days.

~~82-96.~~ At the time that Plaintiff~~s~~ and the other class members' employment with Defendants ended, Defendants knowingly and willfully failed to pay Plaintiff~~s~~ and the other class members all wages owed to them pursuant to California Labor Code sections 201 and 202, including, without limitation, overtime wages, minimum wages, meal period premium wages, and rest period premium wages.

~~83-97.~~ As a result, Plaintiff~~s~~ and the other class members are entitled to all available statutory penalties, including the waiting time penalties provided in California Labor Code section 203, together with interest thereon, as well as other available remedies.

#### **EIGHTH CAUSE OF ACTION**

#### **VIOLATION OF LABOR CODE SECTIONS 2800 AND 2802**

#### **Failure to Reimburse Necessary Business Expenses**

#### **(Against Defendants and Does 1 – 25)**

~~84-98.~~ Plaintiff~~s~~ incorporates herein by specific reference, as though fully set forth, the allegations in all preceding paragraphs.

~~85-99.~~ Pursuant to California Labor Code sections 2800 and 2802, an employer must reimburse its employees for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her job duties or in direct consequence of his or her obedience to the directions of the employer.

~~86-100.~~ Plaintiff~~s~~ and the other class members incurred necessary business-related expenses and costs that were not fully reimbursed by Defendants, including, but not limited to, the use

1 of Plaintiff~~s~~' and other class members' cell phones and related service and internet.

2 ~~87.101.~~ Defendants intentionally and willfully failed to reimburse Plaintiff~~s~~ and the  
3 other class members for all necessary business-related expenses and costs. Plaintiff~~s~~ and the other  
4 class members are entitled to recover from Defendants their business-related expenses and costs  
5 incurred during the course and scope of her employment, plus interest accrued from the date on which  
6 Plaintiff~~s~~ and the other class members incurred the necessary expenditures at the same rate as  
7 judgments in civil actions in the State of California.

8 **NINTH CAUSE OF ACTION**

9 **VIOLATION OF CAL. BUS. & PROF. CODE §§ 17200 ET. SEQ.**

10 **Unfair and Unlawful Business Practices**

11 **(Against Defendants and Does 1 – 25)**

12 ~~88.102.~~ Plaintiff~~s~~ incorporates herein by specific reference, as though fully set forth, the  
13 allegations in all preceding paragraphs.

14 ~~89.103.~~ Each and every one of Defendants' acts and omissions in violation of the  
15 California Labor Code and/or the applicable IWC Wage Order as alleged herein, including but not  
16 limited to Defendant's failure and refusal to pay minimum wages, Defendant's failure and refusal to  
17 pay overtime compensation, Defendants' failure and refusal to provide required meal periods,  
18 Defendants' failure and refusal to provide required rest periods, Defendants' failure to timely pay all  
19 wages during Plaintiff~~s~~' and class members' employment, Defendants' failure and refusal to furnish  
20 accurate itemized wage statements, Defendants' failure and refusal to reimburse business-related  
21 expenses, and Defendants' failure to timely pay wages upon termination constitutes an unfair and  
22 unlawful business practice under California Business and Professions Code § 17200 *et seq.*

23 ~~90.104.~~ Defendants' violations of California wage and hour laws constitute an unfair  
24 and unlawful business practice because Defendants' aforementioned acts and omissions were done  
25 repeatedly over a significant period of time, and in a systematic manner, to the detriment of Plaintiff~~s~~  
26 and the other class members.

27 ~~91.105.~~ Defendants have avoided payment of overtime wages, minimum wages, meal  
28 period premiums, rest period premiums, and other benefits as required by the California Labor Code,

1 the California Code of Regulations, and the applicable IWC Wage Order. Further, Defendants have  
2 failed to record, report, and pay the correct sums of assessment to the state authorities under the  
3 California Labor Code and other applicable regulations.

4 92-106. As a result of Defendants' unfair and unlawful business practices, Defendants  
5 have reaped unfair and illegal profits during Plaintiff's and the other class members' tenure at the  
6 expense of Plaintiff's, the other class members, and members of the public. Defendants should be made  
7 to disgorge its ill-gotten gains and to restore them to Plaintiff and the other class members.

8 93-107. Defendants' unfair and unlawful business practices entitle Plaintiff's and the  
9 other class members to seek preliminary and permanent injunctive relief, including but not limited to  
10 orders that Defendants account for, disgorge, and restore to Plaintiff's and the other class members the  
11 wages and other compensation unlawfully withheld from them. Plaintiff's and the other class members  
12 are entitled to restitution of all monies to be disgorged from Defendants in an amount according to  
13 proof at the time of trial.

14 **## TENTH CAUSE OF ACTION**

15 **VIOLATION OF CAL. LABOR CODE §§ 2698, ET SEQ.**

16 **California Private Attorneys General Act of 2004**

17 **(Against All Defendants)**

18 108. Plaintiff Hector Sanchez incorporates herein by specific reference, as though fully set  
19 forth, the allegations in all preceding paragraphs.

20 109. Plaintiff Hector Sanchez brings this action on a representative basis on behalf of other  
21 Aggrieved Employees and the State of California, in Plaintiff's capacity as a private attorney general  
22 pursuant to the Private Attorneys General Act of 2004, California Labor Code sections 2698, et seq.

23 110. PAGA expressly provides for a private right of action to recover civil penalties for  
24 violations of the California Labor Code as follows: "Notwithstanding any other provision of law, any  
25 provision of this code that provides for a civil penalty to be assessed and collected by the Labor and  
26 Workforce Development Agency or any of its departments, divisions, commissions, boards, agencies,  
27 or employees, for a violation of this code, may, as an alternative, be recovered through a civil action  
28 brought by an aggrieved employee on behalf of himself or herself and other current or former

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1 employees pursuant to the procedures specified in Section 2699.3.” Cal. Lab. Code § 2699(a).

2 111. Whenever the LWDA, or any of its departments, divisions, commissions, boards,  
3 agencies, or employees has discretion to assess a civil penalty, a court in a civil action is authorized to  
4 exercise the same discretion, subject to the same limitations and conditions, to assess a civil penalty.

5 112. Plaintiff Hector Sanchez and the other hourly-paid, non-exempt employees are  
6 “Aggrieved Employees” as defined by California Labor Code section 2699(c) in that they are all  
7 current or former employees of Defendants, and one or more of the alleged violations were committed  
8 against them.

9 113. Defendants’ conduct, as alleged herein, violates numerous sections of the California  
10 Labor Code, including, but not limited to, the following:

11 a. Violation of California Labor Code sections 510 and 1198 for failure to pay  
12 overtime wages, as set forth more fully above;

13 b. Violation of California Labor Code sections 1194, 1197, and 1197.1 for failure  
14 to pay minimum wages, as set forth more fully above;

15 c. Violation of California Labor Code sections 226.7 and 512(a) for failure to  
16 provide legally required meal periods, as set forth more fully above;

17 d. Violation of California Labor Code sections 226.7 and 512(a) for failure to pay  
18 required meal period premiums, as set forth more fully above;

19 e. Violation of California Labor Code section 226.7 for failure to provide legally  
20 required rest periods, as set forth more fully above;

21 f. Violation of California Labor Code section 226.7 for failure to pay required rest  
22 period premiums, as set forth more fully above;

23 g. Violation of California Labor Code section 204 for failure to timely pay wages  
24 to Plaintiff Hector Sanchez and Aggrieved Employees during employment, as set forth  
25 more fully above;

26 h. Violation of California Labor Code sections 201, 202, and 203 for failure to pay  
27 all wages at time of discharge from employment, as set forth more fully above;

28 i. Violation of California Labor Code section 226(a) for failure to provide

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1 accurate wage statements to Plaintiff Hector Sanchez and Aggrieved Employees, as set  
2 forth more fully above;

3 j. Violation of California Labor Code section 1174(d) for failure to keep complete  
4 and accurate payroll records relating to Plaintiff Hector Sanchez and Aggrieved  
5 Employees; and

6 k. Violation of California Labor Code sections 2800 and 2802 for failure to  
7 reimburse Plaintiff Hector Sanchez and Aggrieved Employees for necessary business-  
8 related expenses and costs, as set forth more fully above.

9 114. Pursuant to PAGA, and in particular California Labor Code sections 2699(a), 2699.3,  
10 and 2699.5, Plaintiff Hector Sanchez, acting in the public interest as a private attorney general, seeks  
11 assessment and collection of civil penalties for Plaintiff Hector Sanchez, all Aggrieved Employees,  
12 and the State of California against Defendants for violations of California Labor Code sections set  
13 forth herein, including penalties under California Labor Code sections 2699, 558, 210, 1197.1, 226,  
14 226.3, 1174.5, and 1197.1, penalties under the applicable IWC Wage Order, and any and all additional  
15 penalties and remedies as provided by the California Labor Code and/or other statutes.

16 115. Pursuant to California Labor Code section 2699(i), civil penalties recovered by  
17 Aggrieved Employees shall be distributed as follows: seventy-five percent (75%) to the LWDA for  
18 the enforcement of labor laws and education of employers and employees about their rights and  
19 responsibilities and twenty-five (25%) to the Aggrieved Employees.

20 116. Plaintiff Hector Sanchez retained counsel to file this court action, and to assess and  
21 collect the civil penalties owed by Defendants. Plaintiff Hector Sanchez therefore seeks an award of  
22 reasonable attorneys' fees and costs pursuant to California Labor Code sections 210, 218.5, and  
23 2699(g)(1), and any other applicable statute.

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27 **DEMAND FOR JURY TRIAL**

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1 Plaintiff ~~JUAN CAMPOS-LEDEZMA~~ hereby demands a jury trial with respect to all issues  
2 triable of right by jury.

3 **PRAYER FOR RELIEF**

4 ~~Plaintiff JUAN CAMPOS-LEDEZMA, individually and on behalf of others similarly situated~~  
5 ~~& HECTOR SANCHEZ, individually, and on behalf of other similarly situated employees and~~  
6 ~~aggrieved employees pursuant to PAGA Plaintiff JUAN CAMPOS-LEDEZMA, on behalf of all others~~  
7 ~~similarly situated,~~ prays for relief and judgment against Defendants, jointly and severally, as follows:

8 **Class Certification**

- 9 1. That this action be certified as a class action;
- 10 2. That Plaintiff ~~s~~ be appointed as the representative of the Class;
- 11 3. That counsel for Plaintiff ~~s~~ be appointed as Class Counsel; and
- 12 4. That Defendants provide to Class Counsel immediately the names and most current/last  
13 known contact information (address, e-mail and telephone numbers) of all class members.

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

15 5. That the Court declare, adjudge and decree that Defendants violated California Labor  
16 Code sections 1194, 1197, and 1197.1 by willfully failing to pay minimum wages to Plaintiff ~~s~~ and the  
17 other class members;

18 6. For general unpaid wages and such general and special damages as may be appropriate;

19 7. For statutory wage penalties pursuant to California Labor Code section 1197.1 for  
20 Plaintiff and the other class members in the amount as may be established according to proof at trial;

21 8. For pre-judgment interest on any unpaid compensation from the date such amounts  
22 were due;

23 9. For reasonable attorneys' fees and costs of suit incurred herein pursuant to California  
24 Labor Code section 1194(a);

25 10. For liquidated damages pursuant to California Labor Code section 1194.2;

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

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

28 12. That the Court declare, adjudge and decree that Defendants violated California Labor

1 Code sections 510 and 1198 and applicable IWC Wage Orders by willfully failing to pay all overtime  
2 wages due to Plaintiff and the other class members;

3 13. For general unpaid wages at overtime wage rates and such general and special damages  
4 as may be appropriate;

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

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

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

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

11 17. That the Court declare, adjudge and decree that Defendants violated California Labor  
12 Code sections 226.7 and 512 and applicable IWC Wage Orders by willfully failing to provide all meal  
13 periods, (including second meal periods, to Plaintiff~~s~~ and the other class members;

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

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

18 20. For premium wages pursuant to California Labor Code section 226.7(c);

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

20 22. For reasonable attorneys' fees and costs of suit incurred herein;

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

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

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

26 25. That the Court make an award tPlaintiff~~s~~ and the other class members of one (1) hour  
27 of pay at each employee's regular rate of compensation for each workday that a rest period was not  
28 provided;

- 1 26. For all actual, consequential, and incidental losses and damages, according to proof;  
2 27. For premium wages pursuant to California Labor Code section 226.7(c);  
3 28. For pre-judgment interest on any unpaid wages from the date such amounts were due;  
4 29. For such other and further relief as the Court may deem just and proper.

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

6 30. That the Court declare, adjudge and decree that Defendants violated California Labor  
7 Code section 204 by willfully failing to pay all compensation owed at the time required by California  
8 Labor Code section 204 to Plaintiff~~s~~ and the Class;

- 9 31. For statutory penalties pursuant to California Labor Code section 210;  
10 32. For such other and further relief as the Court deems just and proper.

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

12 33. That the Court declare, adjudge and decree that Defendants violated the record keeping  
13 provisions of California Labor Code section 226(a) and applicable IWC Wage Orders as to Plaintiff~~s~~  
14 and the other class members, and willfully failed to provide accurate itemized wage statements thereto;

- 15 34. For actual, consequential and incidental losses and damages, according to proof;  
16 35. For statutory penalties pursuant to California Labor Code section 226(e);  
17 36. For injunctive relief to ensure compliance with this section, pursuant to California Labor  
18 Code section 226(g);  
19 37. For such other and further relief as the Court may deem just and proper.

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

21 38. That the Court declare, adjudge and decree that Defendants violated California Labor  
22 Code sections 201, 202, and 203 by willfully failing to pay all compensation owed at the time of  
23 termination of the employment of Plaintiff~~s~~ and the other class members no longer employed by  
24 Defendants;

- 25 39. For all actual, consequential, and incidental losses and damages, according to proof;  
26 40. For statutory wage penalties pursuant to California Labor Code section 203 for Plaintiff~~s~~  
27 and the other class members who have left Defendants' employ;  
28 41. For pre-judgment interest on any unpaid compensation from the date such amounts were

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1 due;

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

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

4 43. That the Court declare, adjudge, and decree that Defendants violated California Labor  
5 Code sections 2800 and 2802 by willfully failing to reimburse Plaintiff~~s~~ and the other class members  
6 for all necessary business-related expenses as required by California Labor Code sections 2800 and  
7 2802;

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

9 45. For the imposition of civil penalties and/or statutory penalties;

10 46. For reasonable attorneys' fees and costs of suit incurred herein; and

11 ~~47.~~ For such other and further relief as the Court may deem just and proper.

12 ~~47. ///~~

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

14 48. That the Court declare, adjudge and decree that Defendants violated the following  
15 California Labor Code sections as to Plaintiff~~s~~ and the other class members: 510 and 1198 (by failing  
16 to pay overtime wages); 1194, 1197, and 1197.1 (by failing to pay minimum wages); 226.7 and 512(a)  
17 (by failing to provide meal and rest periods or compensation in lieu thereof); 204 (by failing to timely  
18 pay wages during employment); 226(a) (by failing to provide accurate wage statements); and 201, 202,  
19 and 203 (by failing to pay all wages owed upon termination); and 2800 and 2802 (by failing to  
20 reimburse business-related expenses);

21 49. For restitution of unpaid wages to Plaintiff~~s~~ and all the other class members and all pre-  
22 judgment interest from the day such amounts were due and payable;

23 50. For the appointment of a receiver to receive, manage and distribute any and all funds  
24 disgorged from Defendants and determined to have been wrongfully acquired by Defendants as a result  
25 of violation of California Business and Professions Code sections 17200, *et seq.*;

26 51. For reasonable attorneys' fees and costs of suit incurred herein pursuant to California  
27 Code of Civil Procedure section 1021.5; and

28 52. For injunctive relief to ensure compliance with this section, pursuant to California

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1 Business and Professions Code sections 17200, *et seq.*

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

3 53. For the imposition of civil penalties pursuant to California Labor Code sections 2699,  
4 210, 558, 226, 226.3, 1174.5, and 1197.1, and all other penalties allowed by the California Labor Code  
5 and/or other applicable statutes;

6 54. For statutory attorneys' fees and costs pursuant to sections 210, 218.5, and 2699(g)(1)  
7 of the California Labor Code; and

8 55. For such other and further relief as the Court may deem proper.

9 ///

10 ///

11  
12  
13 DATED: January 31, 2025~~January 31, 2025~~~~January 21, 2025~~

14 **BLACKSTONE LAW, APC**



15  
16 By:

17 \_\_\_\_\_  
Jonathan M. Genish, Esq.  
Karen Gold, Esq.  
18 Marissa Mayhood, Esq.

19 Attorneys for Plaintiff JUAN CAMPOS-LEDEZMA,  
20 individually and on behalf of others similarly situated &  
21 HECTOR SANCHEZ, individually, and on behalf of  
22 other similarly situated employees and aggrieved  
23 employees pursuant to PAGA

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## **EXHIBIT A**

## WILSHIRE LAW FIRM, PLC

3055 Wilshire Blvd, 12<sup>th</sup> Floor  
Los Angeles, CA 90010  
Tel: (213) 381-9988  
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Bobby Saadian, Esq. JD/MBA

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| Thiago Coelho, Esq.      | Jesse Chen, Esq.        |
| Cameron Stewart, Esq.    | Arsine Grigoryan, Esq.  |
| Shahin Rezvan, Esq.      | Diego Aviles, Esq.      |

May 28, 2024

LWDA

Attn. PAGA Administrator  
1515 Clay Street, Ste. 801  
Oakland, CA 94612  
***(Via Online Submission)***

Institute for Environmental Health, Inc.  
15300 Bothell Way NE  
Lake Forest Park, WA 98155  
***(Via Certified Mail, Return Receipt Requested)***  
**#9489 0090 0027 6621 6035 96**

Ramon Aboytes  
Agent for Service of Process  
Institute for Environmental Health, Inc.  
19055 Portola Drive  
Salinas, CA 93908  
***(Via Certified Mail, Return Receipt Requested)***  
**#9489 0090 0027 6621 6036 02**

Re: ***Hector Sanchez v. Institute for Environmental Health, Inc.***  
**Notice of Labor Code Violations and PAGA Penalties**

To Whom It May Concern:

Please be advised that my office has been retained by Hector Sanchez ("Mr. Sanchez" or "Employee") to pursue a Labor Code Private Attorneys General Act of 2004 ("PAGA") representative action (Cal. Lab. Code §§ 2699, *et seq.*) against Employee's former employers, Institute for Environmental Health, Inc. ("IEH" or "Employers"). The purpose of this letter is to comply with PAGA and set forth the facts and theories of California Labor Code violations which we allege Employers engaged in with respect to Employee and some or potentially all of Employers' Aggrieved Employees.

Mr. Sanchez wishes to pursue this action on behalf of Employee as Aggrieved Employees, on behalf of the State of California, as well as on behalf of some or potentially all other persons who worked for IEH in California as a non-exempt or hourly-paid employee at any time within the applicable statutory period (hereafter, the "Aggrieved Employees").

Employee and the Aggrieved Employees, or some of them, suffered the Labor Code violations described below.

### **Mr. Sanchez's Employment with IEH**

IEH is an international lab and consulting services company specializing in food production and manufacturing safety. Employee worked as a sampler. Employee's primary job function included sampling water and agricultural commodities, quality control, and data entry. In performing Employee's duties, Employee was regularly required to perform work (off-the-clock), without

compensation. Due to high workloads, Employee was also frequently deprived of an opportunity to take legally compliant meal and rest breaks. Employers failed to provide Employee and other Aggrieved Employees with the meal and rest break premiums they were entitled to under the Labor Code. Additionally, Employee necessarily incurred business-related expenses, but Employers failed to reimburse such business-related expenses. These are just non-exhaustive examples of the facts and theories the Employee asserts, which are described in more detail below.

Employers own/owned and operate/operated an industry, business, and establishment within the State of California. As such and based upon all the facts and circumstances incident to Employers' business in California, Employers are subject to the California Labor Code, Wage Orders issued by the Industrial Welfare Commission ("IWC"), and the California Business & Professions Code.

Mr. Sanchez is a resident of Greenfield, California who worked for Employers in Monterey County, California as an hourly-paid, non-exempt employee from approximately April 2023 to approximately June 2023.

During Employee's employment for Employers, Employers paid Employee an hourly wage and classified Employee as non-exempt from overtime. Employers typically scheduled Employee to work at least five days in a workweek and at least eight hours per day, but Employee also worked more than eight hours in a workday and more than forty (40) hours in a workweek.

Throughout Employee's employment, Employers failed to pay for all hours worked (including minimum, straight time, and overtime wages), failed to provide Employee with legally compliant meal periods, failed to authorize and permit Employee to take rest periods, failed to timely pay all final wages to Employee when Employers terminated Employee's employment, failed to furnish accurate wage statements to Employee, failed to indemnify Employee for business expenditures, and failed to timely produce Employee's requested employment records. As discussed below, Employee's experience working for Employers was typical and illustrative.

### **Failure to Pay for All Hours Worked, Including Minimum, Straight Time, and Overtime Wages**

Under California law, an employer must pay for all hours worked by an employee. "Hours worked" is the time during which an employee is subject to the control of an employer and includes all the time the employee is suffered or permitted to work, whether or not required to do so.

In addition, Labor Code § 510 provides that employees in California shall not be employed more than eight hours in any workday or forty (40) hours in a workweek unless they receive additional compensation beyond their regular wages in amounts specified by law.

Labor Code §§ 1194 and 1198 also provide that employees in California shall not be employed more than eight hours in any workday unless they receive additional compensation beyond their regular wages in amounts specified by law. Additionally, Labor Code § 1198 states that the employment of an employee for longer hours than those fixed by the IWC is unlawful.

Throughout the statutory period, Employers at times failed to pay Employee and the Aggrieved Employees, or some of them, for all hours worked, including minimum, straight time, and overtime wages. Employers at times required Employee and the Aggrieved Employees, or some of them, to work "off-the-clock," uncompensated, by, for example, requiring Employee and the Aggrieved Employees to perform work during uncompensated meal periods and rest periods, and requiring Employee and the Aggrieved Employees to perform work before clocking in and/or after clocking

out. Some of this unpaid work should have been paid at the overtime rate. California Labor Code § 510 requires that employers compensate employees 1.5 times their regular rate of pay when employees work over eight hours per day, 40 hours per week, or when employees work up to eight hours on any seventh day of a workweek. Employers at times failed to properly calculate Employee's regular rate of pay when paying overtime, by failing to include all compensation in Employee's overtime calculations. In failing to pay for all hours worked, Employers also failed to maintain accurate records of the hours Employee and the Aggrieved Employees, or some of them, worked.

Throughout the statutory period, Employers also engaged, at times, in a practice of improper rounding. Under *Camp v. Home Depot U.S.A., Inc.* (2022) 84 Cal.App.5th 638, because Employers could and did track the exact time in minutes that Employee worked, they must pay for all time worked. When an employer uses an electronic timekeeping system to record time worked, this ability to "precisely capture time worked" means that "the employer must pay the employee for that worktime when due." (*Id.* at 671.) As a result of Employers' rounding policy, Employee consistently was not compensated at least minimum wage for all hours that Employee worked.

As a result, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 210, 1197.1, and 2699(f)(2) for failing to pay for all hours worked, including minimum, straight time, and overtime wages.

### **Failure to Provide Meal Periods**

Under California law, employers have an affirmative obligation to relieve employees of all duty in order to take their first 30-minute, duty-free meal periods no later than the start of sixth hour of work in a workday, and to allow employees to take their second 30-minute, duty-free meal period no later than the start of the eleventh hour of work in the workday. Further, employees are entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s).

Despite these legal requirements, Employers at times wrongfully failed to provide Employee and the Aggrieved Employees, or some of them, with their legally mandated 30-minute, uninterrupted, and duty-free meal period in a manner required by law (and also including but not limited to failing at times to provide Plaintiff, the Class, and the Aggrieved Employees, or some of them, the opportunity to leave the work premises to take meal periods). Employers also continued to assert control over Employee and the Aggrieved Employees, or some of them, by, among other things, requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory meal periods, or by denying Employee and the Aggrieved Employees, or some of them, permission to take a meal period under the conditions required by law, and without properly compensating Employee and the Aggrieved Employees, or some of them, for meal periods that were not provided as required by law. Employers also did not inform Employee of Employee's right to, nor permitted Employee to take, all of Employee's second meal periods when Employee worked at least ten hours of work in a workday and otherwise unlawfully pressured Employee to waive such breaks. Accordingly, Employers at times failed to provide meal periods to Employee and the Aggrieved Employees, or some of them, in compliance with California law.

Employee and the Aggrieved Employees, or some of them, are thus entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s). Employers, however, at times failed to pay Employee and the Aggrieved Employees, or some of them, the additional wages to which they were entitled for meal periods that were not provided.

As a result, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 210 and 2699(f)(2) for failing to provide meal periods and pay meal period premium wages.

#### **Failure to Authorize and Permit Rest Periods**

Employers are required by California law to authorize and permit breaks of ten uninterrupted minutes for each four hours of work or major fraction of four hours (i.e., more than two hours). Thus, for example, if an employee's work time is six hours and ten minutes, the employee is entitled to two rest breaks. Each failure to authorize rest breaks as so required is itself a violation of California's rest break laws.

Throughout the statutory period, Employers at times have wrongfully failed to authorize and permit Employee and the Aggrieved Employees, or some of them, to take legally compliant rest periods in a manner required by law (and also including but not limited to failing, at times, to authorize and permit Plaintiff, the Class, and the Aggrieved Employees, or some of them, the opportunity to leave the work premises to take rest periods). Employers at times required Employee and the Aggrieved Employees, or some of them, to work in excess of four consecutive hours a day without Employers' authorizing and permitting Employee to take a 10-minute, uninterrupted, duty-free rest period for every four hours of work (or major fraction of four hours), or without compensating Employee and the Aggrieved Employees, or some of them, for rest periods that were not authorized or permitted. Instead, Employers at times continued to assert control over Employee and the Aggrieved Employees, or some of them, by requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory rest periods, or at times by denying Employee and the Aggrieved Employees, or some of them, permission to take a rest period. Accordingly, Employers at times failed to authorize and permit Employee and the Aggrieved Employees, or some of them, to take rest periods in compliance with California law. Employee and the Aggrieved Employees, or some of them, are thus entitled to be paid one hour of additional wages for each workday he or she was not authorized and permitted to take all required rest period(s). Employers, however, at times failed to pay Employee and the Aggrieved Employees, or some of them, the additional wages to which they were entitled for rest periods that they were not authorized and permitted to take.

As a result, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 210 and 2699(f)(2) for failing to authorize and permit rest periods and pay rest period premium wages.

#### **Failure to Pay All Earned Wages Twice Per Month**

Based on Employers' failure at times to pay Employee and the Aggrieved Employees, or some of them, for all wages as discussed above, Employers also violated Labor Code § 204.

Labor Code § 204 requires employers to pay employees all earned wages two times per month. Throughout the statute of limitations period applicable to this cause of action, employees were entitled to be paid twice a month at their regular rates, including all meal period premium wages owed, rest period premium wages owed, and wages owed for overtime hours worked. However, at times, Employers failed and refused to pay the Employee all wages due, and failed to pay those wages twice a month, in that Employee was not paid all wages for all meal periods not provided by Employers, all wages for all rest periods not authorized and permitted by Employers, and all wages for all hours worked.

As a result, Employers owe Employee the legally required wages for unpaid wages, and Employee and the Aggrieved Employees, or some of them, suffered damages in those amounts. Moreover, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code § 210 for failing to pay all earned wages twice per month.

### **Failure to Maintain Accurate Records of Hours Worked and Meal Periods**

Employee seeks penalties under California Labor Code § 1174(d). Pursuant to California Labor Code § 1174.5, any person, including any entity, employing labor who willfully fails to maintain accurate and complete records required by California Labor Code § 1174 is subject to a penalty under § 1174.5. Pursuant to the applicable IWC Order § 7(A)(3), every employer shall keep time records showing when the employee begins and ends each work period. Meal periods and total hours worked daily shall also be recorded.

Employers, however, at times failed to maintain accurate records of hours worked and all meal periods taken or missed by Employee and the Aggrieved Employees, or some of them.

Employers' failure to provide and maintain records required by the California Labor Code and the applicable IWC Wage Orders deprived Employee and the Aggrieved Employees, or some of them, the ability to know, understand and question the accuracy and frequency of meal periods, and the accuracy of their hours worked stated in Employers' records. Therefore, Employee and the Aggrieved Employees, or some of them, had no way to dispute the resulting failure to pay wages, all of which resulted in an unjustified economic enrichment to Employers. As a direct result, Employee and the Aggrieved Employees, or some of them, have suffered and continue to suffer, substantial losses related to the use and enjoyment of such wages, lost interest on such wages and expenses and attorneys' fees in seeking to compel Employers to fully perform their obligation under state law, all to their respective damage in amounts according to proof at trial. As a result of Employers' knowing failure, at times, to comply with the California Labor Code and applicable IWC Wage Orders, Employee and the Aggrieved Employees, or some of them, have also suffered an injury in that they were prevented from knowing, understanding, and disputing the wage payments paid to them.

### **Failure to Timely Pay All Wages at Termination**

Labor Code §§ 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting. Direct deposits of wages to an employee's bank, saving and loan, or credit union account that were previously authorized by the employee are immediately terminated when an employee quits or is discharged, and the payment of wages upon termination of employment in the manner described above shall apply unless the employee has voluntarily authorized that deposit and provided that the employer complies with the provisions of Labor Code § 213(d) relating to the payment of wages upon termination or quitting of employment.

Within the applicable statute of limitations, the employment of Employee and many other Aggrieved Employees ended, i.e., was terminated by quitting or being discharged, and the employment of others will be terminated. However, during the relevant time period, Employers at times failed, and continue at times to fail, to pay Employee and terminated Aggrieved Employees, or some of them, without abatement, all wages required to be paid by Labor Code sections 201

and 202 either at the time of discharge, or within seventy-two (72) hours of their leaving Employers' employment. These unpaid wages include wages for unpaid work time (including minimum, straight time, and overtime wages), missed meal period premium wages, and missed rest period premium wages. Employers also violated, and continue to violate, Labor Code section 213(d) by paying final wages (if any are paid at all) via direct deposit without the employee's voluntary authorization.

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

Accordingly, Employee and the Aggrieved Employees, or some of them, are entitled to recover from Employers their additionally accruing wages for each day they were not paid, at their regular hourly rate of pay, up to thirty (30) days maximum pursuant to Labor Code § 203.

Moreover, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code § 2699(f)(2) for failing to timely pay all wages at termination, and for unlawfully making any such payment (if any) via direct deposit without the employee's voluntary authorization.

#### **Failure to Furnish Accurate Itemized Wage Statements**

Labor Code § 226(a) provides that every employer shall, semimonthly or at the time of each payment of wages, furnish each of his or her employees an accurate itemized wage statement in writing showing nine pieces of information, including: (1) gross wages earned, (2) total hours worked by the employee, (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 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 (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. An employee is presumed to suffer an injury if this information is missing. (Lab. Code § 226(e)(2)(B)(iii).)

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

Throughout the statutory period, Employers at times failed to, and continue at times to fail, to timely furnish Employee and the Aggrieved Employees, or some of them, with accurate, itemized wage statements showing all applicable hourly rates, and all gross and net wages earned (including correct hours worked, correct wages for meal periods that were not provided in accordance with California law, and correct wages for rest periods that were not authorized and permitted to take in accordance with California law).

Because Employers at times violated Labor Code § 226, Employee and similarly Aggrieved Employees, or some of them, suffered injury and damage to their statutorily protected rights. Accordingly, Employee and similarly Aggrieved Employees, or some of them, are entitled to recover from Employers the greater of their actual damages caused by Employers' failure to comply with Labor Code § 226(a), or an aggregate penalty not exceeding four thousand dollars (\$4,000) per employee. Moreover, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code § 226.3 for failing to timely furnish accurate itemized wage statements.

#### **Failure to Indemnify for Necessary Expenditures**

Labor Code § 2802(a) provides that employers shall indemnify their employees for all necessary business expenditures or losses that have been incurred by the employees in direct discharge of his or her duties. Throughout the statute of limitations period applicable to this cause of action, Employers at times wrongfully required Employee and the Aggrieved Employees, or some of them, to pay expenses that they incurred in direct discharge of their duties for Employers. Employee and the Aggrieved Employees, or some of them, at times paid out-of-pocket for necessary employment-related expenses. Employee and the Aggrieved Employees, or some of them, incurred substantial expenses as a direct result of performing their job duties for Employers, but Employers failed to indemnify Employee and the Aggrieved Employees, or some of them, for these employment-related expenses.

As a result, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 2802 and 2699(f)(2) for failing to indemnify Employee and the Aggrieved Employees, or some of them, for necessary business expenditures.

#### **Failure to Produce Requested Employment Records**

Labor Code § 226 provides that current and former employees have the right to inspect or receive a copy of their records pertaining to their employment, upon reasonable request to their employer. Under this statute, an employer that receives a request to inspect or receive a copy of records pertaining to a current or former employee must comply with the request as soon as practicable, but no later than twenty-one (21) calendar days from the date of the request. Labor Code § 1198.5(a) also provides that every current and former employee, or his or her representative, has the right to inspect and receive a copy of the personnel records that the employer maintains relating to the employees' performance or to any grievance concerning the employee. Under this statute, upon written request from a current or former employee or his or her representative, an employer must make the contents of those personnel records available for inspection or provide a copy of the personnel records to the current or former employee, or his or her representative, not later than thirty (30) calendar days from the date the employer receives the written request, subject to some limited exceptions. Labor Code § 432 provides that if an employee or applicant signs any instrument relating to the obtaining or holding of employment, he or she shall be given a copy of the instrument upon request.

On information and belief, Employee and the Aggrieved Employees, or some of them, submitted written request(s) to Employers for their payroll records, timecards, and personnel records but did not timely receive them as required by the Labor Code.

As a result, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 226(f), 1198.5(k), and 2699 for failing to timely produce the requested records.

### **Recordkeeping Requirement Violations**

California Labor Code section 1174 requires employers to keep “accurate and complete” payroll records showing, among other things, the hours worked daily by Employees and Aggrieved Employees. All applicable IWC Wage Orders, section 7 similarly requires employers to keep accurate time records reflecting the times during which all owed meal periods were provided each day.

Based on information and belief, Employers at times failed, and continue at times to fail, to keep accurate and complete payroll records as required by law, including but not limited to the following records: total daily hours worked, applicable rates of pay, time records showing when Employee and other Aggrieved Employees began and ended each work period, time records of meal periods, and accurate itemized wage statements.

Based on information and belief, Employers at times failed and continue at times to fail to keep accurate and complete records showing total hours worked by Employee and Aggrieved Employees, or some of them, by virtue of Employers’ time rounding and/or auto deduction policies and practices and/or other off-the-clock work policies and practices. Employers failed at times and continue at times to fail to keep accurate and complete records showing total hours worked by virtue of Employers’ failure to relieve Employee and Aggrieved Employees, or some of them, of all duties and Employers’ control for unpaid meal periods, resulting in unpaid hours worked.

Based on information and belief, Employers further failed at times, and continue at times to fail, to record the true start and end times of Employee’s and Aggrieved Employees’ meal periods, or some of them.

Based on further information and belief, Employers further failed at times and continue at times to fail, to record the true start and end times of Employee’s and Aggrieved Employees’ work shifts, or some of them.

Additionally, Employers at times failed, and continue at times to fail, to keep accurate records and issue accurate wage statements by not documenting accrued sick time for Employee and Aggrieved Employees, or some of them. Employers’ failure to keep “accurate and complete” payroll records for Employee and Aggrieved Employees, or some of them, violates Labor Code sections 1174, 1198, 1199, and all applicable IWC Wage Orders, section 7.

These violations subject Employers to civil penalties under Labor Code sections 558.1, 226.6, 1174.5 and 2699. Each violation of each Labor Code section and Wage Order provision, for each Aggrieved Employee (or some of them), results in a separate civil penalty.<sup>1</sup>

### **Violation of Wage Theft Protection Act of 2011**

Based on information and belief, Employers failed at times, and continue at times to fail, to comply with the notice requirements of Labor Code section 2810.5 (*i.e.*, the Wage Theft Protection Act of 2011) by, among other things, failing to provide Employee and Aggrieved Employees, or some of them, with the rates of pay and overtime rates of pay applicable to their employment, allowances claimed as part of the minimum wage, the regular payday designated by Employers, the name of

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<sup>1</sup> See Lab. Code §2699(f)(2) (establishing that the civil penalty is “for each aggrieved employee per pay period”).

the employer, including any “doing business as” names used, the name, address and telephone number of the workers’ compensation insurance carrier, information regarding paid sick leave, and other pertinent information required to be disclosed by Employers under Labor Code section 2810.5. Employee is informed and believes that failure to provide such information, including rates of pay that are in effect, has permitted Employers to pay Aggrieved Employees, or some of them, at rates of pay that were not agreed upon and violate minimum wage and overtime wage laws in California. Employee is additionally informed and believes that the notice requirement of Labor Code section 2810.5 involves a mandatory payroll or workplace injury reporting. Among other relief, Aggrieved Employees, or some of them, may collect from Employers in connection with these violations’ civil penalties pursuant to Labor Code sections 558 and 2699.

### **Violation of California Labor Code §§ 245-248.5**

Throughout the relevant time period, Employers at times failed to provide proper paid sick leave to Employee and other Aggrieved Employees, or some of them. Employers either failed at times to provide paid sick leave at all or improperly calculated the sick leave accrual and the sick leave rate of pay owed to Employee and other Aggrieved Employees, or some of them, by failing at times to base the accrued sick leave hours on the correct number of hours worked (as a result of the rounding/automatic deduction policies and practices for meal periods and/or shift start and end times/other required off-the-clock work including but not limited to unpaid meal periods that were restricted to Employers’ premises) and by failing at times to incorporate multiple rates of pay and/or all non-discretionary remuneration, including but not limited to, non-discretionary bonuses, shift differential pay and/or other non-discretionary compensation into the sick leave pay rate calculation.

Based on information and belief, Employers further failed at times to provide notice of the correct sick leave amount balance available to Employee and other Aggrieved Employees, or some of them, on their wage statements or other written statement.

Based on information and belief, Employers at times failed to put Aggrieved Employees, or some of them, on notice of their paid sick leave rights, thereby failing at times to put their entitlement to sick leave in a Labor Code section 2810.5 notice. In addition, Employers at times failed to maintain accurate records of used sick leave and the balance of paid sick leave left to the Aggrieved Employees, or some of them.

Based on information and belief, Employers at times failed to provide notice of sick leave amount balance left for Employee and other Aggrieved Employees, or some of them, thus affecting their intelligent exercise of their paid sick leave. But for this failure, Employee, and other Aggrieved Employees, or some of them, would have used their paid sick leave at least prior to their respective separations, for as on several occasions thereafter, he or she would have been entitled to use the banked sick leave and earn appropriate compensation.

This illegal retention of paid sick leave is unlawful, and Employee seeks all forms of injunctive relief, restitution, and declaratory relief as permitted by California law, on behalf of Employee and the Aggrieved Employees, or some of them.

In violation of Labor Code section 247.5, Employers at times failed to maintain records documenting the hours worked and paid sick days accrued and used by Employee and Aggrieved Employees, or some of them, permitting the presumption that Employee and these Aggrieved Employees, or some of them, were entitled to the maximum number of hours accruable under this article.

Upon information and belief, Employers at times further failed and continue at times to fail to comply with Labor Code section 246, by failing to provide Employee and Aggrieved Employees, or some of them, with a Labor Code section 226 wage statement, or separate writing containing the amount of paid sick leave available, or paid time off leave an employer provides in lieu of sick leave, at the time it pays wages. Employers at times unlawfully retained and continue at times to retain paid sick leave that should have been paid but was not, as a result of Employers' failure, at times, to properly institute a paid sick leave program.

On information and belief, Employee alleges that these practices at times were experienced and continue to be experienced at times by other Aggrieved Employees, or some of them.

Employee requests all appropriate relief under the PAGA and these statutes, including but not limited to the restitution of earned paid sick leave that could have been used, but was not due to Employers' sole failure to institute such a paid sick leave entitlement or paid sick leave bank as required by California law.

Accordingly, Employee and other Aggrieved Employees, or some of them, are entitled to injunctive relief, attorneys' fees, declaratory relief, restitution, and penalties as permitted by law. Employee requests all relief pursuant to the aforementioned code provisions, including but not limited to Labor Code sections 233 and 234, which incorporates the paid sick leave requirements.

### **Failure To Provide Supplemental Paid Sick Leave**

Labor Code section 248.2 provides that all employers with 26 or more employees are required to provide up to 80 hours for covered employees to take 2021 COVID-19 Supplemental Paid Sick Leave to care for themselves, to care for a family member or if it is vaccine-related. Based on information and belief, Employers at times violated Labor Code section 248.2 by not providing Aggrieved Employees, or some of them, with required 2021 COVID-19 Supplemental Paid Sick Leave.

### **Refusal to Make Payment**

Labor Code section 216 declares unlawful an employer's refusal to pay wages due and payable and/or denial of the validity of any claim to wages due.

Employers at times violated and continue at times to violate Labor Code section 216 by failing to pay Employee and Aggrieved Employees, or some of them, for all hours worked at the proper wage rate and by failing to pay Employee and Aggrieved Employees, or some of them, an additional hour of pay for each meal and/or rest period not provided or that was invalid. *Gould v. Maryland Sound Industries, Inc.* (1995) 31 Cal.App.4th 1137, 1154-1155.

These violations subject Employers to civil penalties under Labor Code section 225.5. Each violation results in a *separate* civil penalty, for each Aggrieved Employee (or some of them) so affected, for each pay period (or some of them) during which the statute's provisions were violated.<sup>2</sup>

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<sup>2</sup> Labor Code § 225.5 (establishing that “[i]n addition to, and entirely independent and apart from, any other penalty provided in this article, every person who unlawfully withholds wages due any employee in violation of sections 212, 216, 221, 222, or 223 shall be subject to a civil penalty...for each failure to pay each employee”) (emphasis added).

### **Seating Violations**

Per section 14(A-B) of all applicable IWC Wage Orders, employees shall be provided with suitable seats when the nature of the work reasonably permits the use of seats and when they are not actively engaged in the work duties that would not permit them to be seated.

All applicable IWC Wage Orders, Section 14(A-B) provides:

(B) All working employees shall be provided with suitable seats when the nature of the work reasonably permits the use of seats.

(B) When employees are not engaged in the active duties of their employment and the nature of the work requires standing, an adequate number of suitable seats shall be placed in reasonable proximity to the work area and employees shall be permitted to use such seats when it does not interfere with the performance of their duties.

Suitable seating is one of the worker protections covered by California's Wage Orders, which have the same dignity as statutes, are remedial in nature and are to be broadly construed to effectuate the goal of protecting the comfort and welfare of employees. *Brinker Restaurant Corp. v. Superior Court*, 53 Cal.4<sup>th</sup> 1004, 1027 (2012).

Based on information and belief, Employers at times failed to provide Aggrieved Employees, or some of them, with suitable seating, and when such employees, or some of them, were not engaged in duties which required them to stand, at times no seating was placed in reasonable proximity to their workstations.

Moreover, based on information and belief, the nature of the work reasonably permitted the use of seats for at least part of the time that Aggrieved Employees were working. Lastly, based on information and belief, Aggrieved Employees at times were not engaged in active duties of their employment, yet at times there were no suitable seats in reasonable proximity to the work area, and use of seats would not have interfered with the performance of their duties.

Employers' Aggrieved Employees worked in various positions. The nature of Employee's and other Aggrieved Employees' work, or some of them, reasonably permitted the use of seats. However, Employers at times failed to provide suitable seating in reasonable proximity to Aggrieved Employees' work areas, or some of them, in violation of section 14(A-B) of applicable Wage Orders, and Labor Code sections 1198 and 1199, subjecting Employers to civil penalties under Labor Code sections 1199 and 2699. Each violation of each Labor Code section and IWC Wage Order provision, for each Aggrieved Employee, or some of them, results in a separate civil penalty.<sup>3</sup>

### **Statutory Wage Violations**

Labor Code section 223 makes it unlawful for an employer to secretly pay wages lower than required by statute while purporting to pay legal wages.

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<sup>3</sup> See Lab. Code §2699(f)(2) (establishing that the civil penalty is "for each aggrieved employee per pay period").

As described above, Employers at times willfully and systematically denied Employee and other Aggrieved Employees, or some of them, of minimum and overtime wage compensation for all hours worked which resulted in the payment of less than statutorily required wages owed to them. Employers at times acted with the intent to deprive some or all of them of statutory wages, including, but not limited to, overtime wages and minimum wages, to which they were entitled to under California law.

Thus, Employers at times paid Employee and other Aggrieved Employees, or some of them, lower wages than those to which they were entitled, while purporting that Employee and all Aggrieved Employees were properly paid. As such, Employee and Aggrieved Employees, or some of them, are entitled to recover penalties, attorneys' fees, costs, and interest thereon, pursuant to Labor Code § 2699(f)-(g).

#### **Failure to Pay Vested Vacation/Paid Time Off**

California Labor Code section 227.3 provides that when an employer policy provides for paid vacations and/or paid time off, and an employee is terminated without having taken off his, her, or their vested vacation time, all vested vacation shall be paid to the employee as wages at the employee's final rate in accordance with such contract of employment or employer policy respecting eligibility or time served and that there shall be no forfeiture of vested vacation time or paid time off upon termination.

Based on information and belief, Employers at times had and continue at times to have a policy and/or practice of failing to allow Aggrieved Employees, or some of them, and Exempt Aggrieved Employees, or some of them, to use their earned vacation/paid time off during their employment and failing at times to pay all vested, accrued paid time off to Aggrieved Employees, or some of them, and/or Exempt Aggrieved Employees, or some of them, upon separation of employment, in violation of California law, including but not limited to, Labor Code section 227.3.

#### **Failure to Timely Provide Temporary Workers with Owed Wages**

On information and belief, Employers at times had and have failed to provide temporary workers, or some of them, with owed wages weekly by not later than the regular payday of the following week. As a result, pursuant to Labor Code section 201.3, Employers would be liable for civil penalties pursuant to Labor Code sections 201.3.

#### **Unlawful Agreements/ Unlawful Criminal History Inquiries**

##### **Unlawful Agreements**

Labor Code section 432.5 provides that "no employer ... shall require any employee or applicant for employment to agree, in writing, to any term or condition which is known by such employer ... to be prohibited by law." Based on information and belief, Employers at times required Employee, Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to unlawful conditions of employment including but not limited to unlawful non-compete and/or non-solicitation agreements as well as unlawful criminal and/or financial checks as a condition of obtaining and/or continuing employment in violation of Labor Code section 432.5.

The California Labor Code places certain procedural and substantive limits on employers' ability to conduct employee background checks and on how employers can use the information they obtain through those background checks. Labor Code section 1024.5 states that employers, except

for financial institutions, may order a credit check only if the individual works (or is applying to work) in certain positions (e.g., managerial positions, financially related positions, and certain government positions). Additionally, the Investigative Consumer Reporting Agencies Act (ICRAA - CA Civil Code section 1786, *et seq.*) and the Fair Credit Reporting Act (FCRA - 15 U.S.C. section 1681, *et seq.*) mandate several requirements prior to and following an employee background check, including but not limited to identifying an appropriate reason for the background check, a separate consent form with required disclosures and certain formatting requirements, additional forms such as a summary of rights, a way by which to request a copy of the report, as well as proper notice of adverse actions taken, among other statutory requirements.

Based on information and belief, Employers at times ordered unlawful financial credit checks on Aggrieved Employees and Exempt Aggrieved Employees, or some of them, in violation of Labor Code section 1024.5, and at times required Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to provide ongoing written consent to the unlawful credit checks as a condition of employment, in violation of California and Federal law, which results in a further violation of Labor Code section 432.5.

Based on information and belief, Employers also at times required Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to submit and/or agree to submit in writing to unlawful criminal background checks as a condition of obtaining and/or holding employment in violation of the ICRAA and the FCRA. For example, based on information and belief, Employers required Employee to submit and/or agree to submit in writing to an unlawful background check as a condition of obtaining and/or holding employment in violation of, including but not limited to, Labor Code section 432.5.

Based on information and belief, Employers at times required Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to a background check which failed to abide by the requirements set forth in California Civil Code section 1786, *et seq.* and 15 U.S.C. section 1681, *et seq.*, including but not limited to by failing, at times, to provide a clear and conspicuous disclosure (and/or failing to provide any disclosure at all), failing at times to provide disclosures free of extraneous information, failing at times to provide a lawful purpose for the background check, failing at times to provide a summary of rights under the ICRAA and/or the FCRA, failing at times to provide a way by which the individual could request a copy of the report, failing at times to disclose the name, address, and telephone number of the third party preparing the report, and failing at times to properly obtain authorization or consent to such a background check, and thus was an unlawful background check.

By at times requiring Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to unlawful criminal and/or financial checks not in conformance with the applicable laws, Employers violated Labor Code section 432.5.

Based on information and belief, Employers also at times required Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to provide ongoing consent to Employers to conduct background checks throughout the duration of employment, in violation of the ICRAA and/or FCRA and/or other applicable laws, resulting in a further violation of Labor Code section 432.5, by at times requiring applicants and employees, or some of them, to agree to an unlawful provision as a condition of employment.

Based on further information and belief, Employers knew that requiring Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree at times to unlawful criminal and/or financial background checks as a condition of obtaining and/or holding employment was unlawful.

By requiring Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree at times in writing to unlawful provisions as a condition of employment, Employers violated Labor Code section 432.5.

*Unlawful Inquires into Criminal History*

Labor Code section 432.7 prohibits an employer from asking applicants about past arrest(s) unless they resulted in conviction(s) and even then, certain limitations apply. Based on information and belief, Employers at times asked Aggrieved Employees and Exempt Aggrieved Employees, or some of them, about arrests not resulting in convictions on their employment application, in violation of California law.

Upon information and belief, Employers, in violation of California law, including but not limited to the Fair Chance Act/the California Fair Employment and Housing Act (“FEHA”), at times asked Aggrieved Employees and Exempt Aggrieved Employees, or some of them, about convictions prior to extending an offer of employment and/or otherwise impermissibly inquired into criminal history on their employment application in violation of California law.

By asking, at times, about arrests not resulting in convictions, Employers violated Labor Code section 432.7. By asking, at times, about convictions at the application phase or prior to extending an employment offer, Employers violated California’s Fair Chance Act, and thereby violated Labor Code section 432.5 by unlawfully requiring Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to disclose arrests and/or convictions as a condition of employment.

*Unlawful PAGA Waiver*

Additionally, Employers at times violated Labor Code section 432.5 by requiring Employee, Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to other unlawful agreements, including but not limited to an unlawful waiver of PAGA and or representative actions, as a condition of employment.

An action pursuant to PAGA “...is a representative action on behalf of the state” *Kim v Reins Int’l California, Inc.*, (2020) 9 Cal. 5th 73, 86-87. It is well settled that agreements purporting to waive an employee’s right to a trial of PAGA claims is contrary to California law and unenforceable. *See Iskanian v CLS Transportation Los Angeles, LLC* (2014) 59 Cal. 4th 348, 384 (“We conclude that where, as here, an employment agreement compels the waiver of representative claims under the PAGA, it is contrary to public policy and unenforceable as a matter of state law.”).

Moreover, the California Supreme Court has ruled that a court cannot compel arbitration of an aggrieved employee’s individual PAGA claim because there is no such thing as an individual PAGA claim. *Kim v Reins Int’l California, Inc.*, (2020) 9 Cal. 5th 73, 86-87 (“There is no individual component to a PAGA action because ‘every PAGA action ... is a representative action on behalf of the state.’”).

Upon information and belief, Employers at times required Employee, Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to waive their right to a trial of PAGA claims in violation of California law. By at times requiring Employee, Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree, in writing, to an unlawful PAGA waiver, Employers at times required written agreement to an unlawful provision as a condition of employment, which is a violation of labor code section 432.5.

As such, Employee, Aggrieved Employees and Exempt Aggrieved Employees, or some of them, continue to be subject at times to various unlawful provisions as a condition of employment.

### **Preventing Employees from Using or Disclosing Skills, Knowledge, and Experience**

On information and belief, Employers at times have prevented Employee and/or other Aggrieved Employees, or some of them, from using or disclosing the skills, knowledge, and experience they obtained at Employers for purposes of competing with Employers, including, without limitation, preventing Employees, or some of them, from disclosing their wages in negotiating a new job with a prospective employer, and from disclosing who else works at Employers and under what circumstances they might be receptive to an offer from a rival employer. As such, Employee is informed and believes, this violates Business and Professions Code sections 17200, 16600 and 16700 and, by virtue thereof, various provisions of the Labor Code, including Labor Code sections 232, 232.5, and 1197.5, subdivision (k). Employers would be liable for civil penalties pursuant to Labor Code section 2699.

### **Whistleblower Violations**

On information and belief, Employers at times have prevented Employee and/or other Aggrieved Employees, or some of them, from disclosing violations of state and federal law, either within Employers to their managers or outside Employers to private attorneys or government officials, among others, in violation of Business and Professions Code section 17200, and thus in violation of Labor Code section 1102.5. In addition, Employee is informed and believes that these policies and/or practices at times prevent Employee and/or other Aggrieved Employees, or some of them, from disclosing information about unsafe or discriminatory working conditions, or about wage and hour violations in violation of Labor Code sections 98.6, 232, and 232.5. These violations of the Labor Code would expose Employers to liability for civil penalties pursuant to Labor Code section 2699.

### **Workplace Health and Safety Violations**

On information and belief, Employers at times have failed to furnish and use safety devices and safeguards, and adopt and use practices, means, methods, operations and processes which are reasonably adequate to render such employment and place of employment safe and healthful, pursuant to, including but not limited to, Labor Code section 6401. Employee is informed and believes, and based thereon alleges, that Employers at times have required or permitted employees, or some of them, to go or be in any employment or place of employment which is not safe and healthful, pursuant to Labor Code section 6402. Employee is informed and believes, and based thereon alleges, that Employers at times have failed or neglected to provide and use safety devices and safeguards reasonably adequate to render the employment and place of employment safe; adopt and use methods and processes reasonably adequate to render the employment and place of employment safe; and do every other thing reasonably necessary to protect the life, safety, and health of employees, pursuant to Labor Code section 6403. Employee is informed and believes, and based thereon alleges, that these failures include, without limitation, at times failing to disinfect time clocks and other surfaces after use by Employee and/or other Aggrieved Employees, or some of them; at times failing to provide adequate protection equipment to Employee and/or other Aggrieved Employees, or some of them; and at times failing to provide adequate distance in working conditions between Employee and/or other Aggrieved Employees, or some of them.

On information and belief, Employers violated section 1527, 3366, 3457 and 8397.4 by failing at times to provide adequate and readily accessible sanitation facilities; a regular schedule for

servicing, cleaning, and supplying each facility to ensure it is maintained in a clean, sanitary and serviceable condition; an adequate supply of suitable cleansing agents, water, single-use towels or blowers; and a sufficient number of toilets to be used by each sex of employee.

**Action for Civil Penalties Under PAGA**

In light of the above, Employee alleges that Employers at times violated the following provisions of the Labor Code with respect to the Aggrieved Employees, or some of them:

1. Labor Code §§ 204, 510, 1194, 1197, and 1198 by failing at times to pay for all hours worked, including minimum wages, straight time wages, and overtime wages;
2. Labor Code § 226.7 and applicable Wage Orders by failing at times to provide meal periods;
3. Labor Code § 226.7 and applicable Wage Orders by failing at times to authorize and permit rest periods;
4. Labor Code § 204 by failing at times to pay all earned wages two times per month;
5. California Labor Code § 1174.5 and applicable Wage Orders by failing at times to maintain accurate records of hours worked and meal periods taken or missed;
6. Labor Code §§ 201 to 203 by willfully failing at times to pay all wages owed at termination;
7. Labor Code § 226 by failing at times to provide accurate itemized wage statements;
8. Labor Code § 2802 by failing at times to indemnify for necessary expenditures;
9. Labor Code §§ 226, 432, and 1198.5 by failing at times to timely produce requested payroll records, timecards, and personnel records;
10. Labor Code § 1174 by failing at times to keep accurate and complete payroll records;
11. Labor Code §§ 245-248.5 by failing at times to provide proper sick leave and supplemental paid sick leave;
12. Labor Code § 216 for refusal at times to pay wages due and payable and/or denial at times of the validity of any claim to wages due;
13. Labor Code § 223 for at times secretly paying wages lower than required by statute while purporting to pay legal wages;
14. Labor Code § 227.3 for failure at times to pay vested vacation and/or paid time off;
15. Section 14(A-B) of all applicable IWC Wage Orders for failure at times to provide suitable seating;
16. Labor Code § 432.5 for unlawful agreements;
17. Labor Code § 201.3 for failure at times to timely provide temporary workers, or some of them, with wages;
18. Labor Code §§ 98.6, 232, 232.5, 1102.5, and 1197.5 for at times preventing employees, or some of them, from using or disclosing the skills, knowledge and experience they obtained at Employers, and whistleblower violations;
19. Labor Code § 432.7 for unlawful inquiries at times into criminal histories; and

LWDA

*Notice of Labor Code Violations and PAGA*

May 28, 2024

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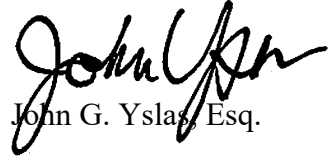
20. Labor Code §§ 1527, 3366, 3457, 8397.4, 6401, and 6401 for workplace health and safety violations.

Therefore, on behalf of potentially Aggrieved Employees, Employee seeks applicable penalties related to the violations alleged above pursuant to the PAGA. These include, but are not limited to, penalties under Labor Code §§ 210, 226.3, 1174.5, 1197.1, and 2699.

Employee has placed Employers on notice by mailing a certified copy of this correspondence, as indicated on the first page. Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me.

Sincerely,

WILSHIRE LAW FIRM

A handwritten signature in black ink, appearing to read "John Yslas", is written over the printed name.

John G. Yslas, Esq.

**PROOF OF SERVICE**

I, Yesenia Rosas, certify and declare as follows:

I am over eighteen years of age and not a party to the within action; my business address is 8383 Wilshire Blvd, Suite 745, Beverly Hills, California 90211. On January 31, 2025, I served a copy of the following document(s):

**STIPULATION RE: FIRST AMENDED COMPLAINT; [PROPOSED] ORDER**  
on the interested parties as follows:

Marcie Isom Fitzsimmons

Seth A. Weisburst

Amber A. Eklof

*Attorney for Defendants*

*Institute for Environmental Health, Inc.*

**GORDON REES SCULLY MANSUKHANI,  
LLP**

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☒ **BY ELECTRONIC MAIL (E-MAIL):** I caused said document(s) to be delivered electronically to the addressee(s) listed above via email from email address [yrosas@blackstonepc.com](mailto:yrosas@blackstonepc.com) pursuant to California Code of Civil Procedure section 1010.6(e)(1). I did not receive any electronic message or other indication that the transmission was unsuccessful.

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

Executed on January 31, 2025 at Beverly Hills, California.

*Yesenia Rosas*  
Yesenia Rosas