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

MARTIN AERON ARIAS, individually,
and on behalf of other members of the
general public similarly situated, and as an
aggrieved employee pursuant to the Private
Attorneys General Act ("PAGA"),

Plaintiff,

vs.

BERG SENIOR SERVICES, LLC, a
California limited liability company; and
DOES 1 through 10, inclusive,

Defendants.

Case No.: 24-CIV-04622

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

- (1) Violation of California Labor Code §§ 510 and 1198 (Unpaid Overtime);
- (2) Violation of California Labor Code §§ 1182.12, 1194, 1197, 1197.1, and 1198 (Unpaid Minimum Wages);
- (3) Violation of California Labor Code §§ 226.7, 512(a), 516, and 1198 (Failure to Provide Meal Periods);
- (4) Violation of California Labor Code §§ 226.7, 516, and 1198 (Failure to Authorize and Permit Rest Periods);
- (5) Violation of California Labor Code §§ 226(a), 1174(d), and 1198 (Non-Compliant Wage Statements and Failure to Maintain Payroll Records);
- (6) Violation of California Labor Code §§ 201 and 202 (Wages Not Timely Paid Upon Termination);
- (7) Violation of California Labor Code § 204 (Failure to Timely Pay Wages During Employment);
- (8) Violation of California Labor Code § 2802 (Unreimbursed Business Expenses);
- (9) Civil Penalties for Violations of California Labor Code, Pursuant to PAGA, §§ 2698, *et seq.*

Electronically
FILED

by Superior Court of California, County of San Mateo

ON

2/5/2025

By

/s/ Haley Correa

Deputy Clerk

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- (10) Violation of California Business & Professions Code §§ 17200, *et seq.* (Unlawful Business Practices); and
- (11) Violation of California Business & Professions Code §§ 17200, *et seq.* (Unfair Business Practices)

Jury Trial Demanded

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

4 JURISDICTION AND VENUE

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

18 2. This Court has jurisdiction over Defendants because Defendants are either
19 citizens of California, have sufficient minimum contacts in California, or otherwise
20 intentionally avail themselves of the California market so as to render the exercise of
21 jurisdiction over them by the California courts consistent with traditional notions of fair play
22 and substantial justice. There is no basis for federal diversity jurisdiction in this action
23 because there is no complete diversity, and this case falls within the statutory exceptions to
24 “minimal diversity” jurisdiction under the Class Action Fairness Act, 28 U.S.C. § 1332(d)(4).
25 Upon information and belief, two-thirds or more of the class members and Defendants are
26 citizens of California and/or (a) two-thirds of the class members and Defendants are citizens
27 of California; (b) the alleged wage and hour violations occurred in California; (c) significant
28 relief is being sought against Defendants whose violations of California wage and hour laws

form a significant basis for Plaintiff's claims; and (d) no other class action has been filed within the past three (3) years on behalf of the same proposed class against Defendants asserting the same or similar factual allegations.

3. Venue is proper in this Court, because Defendants employ persons within the County of San Mateo, and have violated the requirements of the California Labor Code and applicable IWC Wage Order in this county which give rise to the penalties sought in this action. Cal. Code Civ. P. § 393. Specifically, Defendants have violated the requirements of the California Labor Code and applicable IWC Wage Order in at least one location within the County of San Mateo, including Defendants' location in South San Francisco (89 Westborough Boulevard, South San Francisco, California 94080). Pursuant to California Civil Code of Procedure section 393, venue is proper for the recovery of a penalty or forfeiture imposed by statute in the county in which the cause, or some part of the cause, arose. Because Defendants have employees in San Mateo County and Plaintiff could bring this action to recover penalties in San Mateo County, venue is proper.

THE PARTIES

4. Plaintiff Martin Aeron Arias is a resident of Concord, in Contra Costa County, California. Defendants employed Plaintiff as an hourly paid, non-exempt employee from approximately June 2023 to January 2024. Plaintiff worked for Defendants as an Activity Director at their facility in Moraga, California. During his employment, Plaintiff typically worked ten (10) hours per day and six (6) days or more per week. Plaintiff's primary job duties included, without limitation, planning and doing activities with dementia patients, such as making art, exercising, and reading.

5. BERG SENIOR SERVICES, LLC was and is, upon information and belief, a California limited liability company, and at all times hereinafter mentioned, an employer whose employees are engaged throughout this county and the State of California.

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

capacities become known.

7. Plaintiff is informed and believes, and thereon alleges, that DOES 1 through 10 were the partners, agents, owners, or managers of BERG SENIOR SERVICES, LLC at all relevant times.

8. Plaintiff is informed and believes, and thereon alleges, that each and all of the acts and omissions alleged herein was performed by, or is attributable to, BERG SENIOR SERVICES, LLC and/or DOES 1 through 10 (collectively, “Defendants” or “BSS”), each acting as the agent, employee, alter ego, and/or joint venturer of, or working in concert with, each of the other co-Defendants and was acting within the course and scope of such agency, employment, joint venture, or concerted activity with legal authority to act on the others’ behalf. The acts of any and all Defendants were in accordance with, and represent, the official policy of Defendants.

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

10. Plaintiff is 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

11. Defendants operate four assisted living and memory care facilities in the Bay Area. Upon information and belief, Defendants maintain a single, centralized Human Resources (“HR”) department at their company headquarters in Moraga, California, which is responsible for the recruiting and hiring of new employees, and communicating and implementing Defendants’ company-wide policies, including timekeeping policies and meal and rest period policies, to employees throughout California.

12. In particular, Plaintiff and class members, on information and belief, received the same standardized documents and/or written policies. Upon information and belief, the

1 usage of standardized documents and/or written policies, including new-hire documents,
2 indicate that Defendants dictated policies at the corporate level and implemented them
3 company-wide, regardless of their employees' assigned locations or positions. Upon
4 information and belief, Defendants set forth uniform policies and procedures in several
5 documents provided at an employee's time of hire.

6 13. Upon information and belief, Defendants maintain a centralized Payroll
7 department at their company headquarters in Moraga, California, which processes payroll for
8 all non-exempt, hourly paid employees working for Defendants at their various locations in
9 California, including Plaintiff and class members. Based upon information and belief,
10 Defendants issue the same formatted wage statements to all non-exempt, hourly paid
11 employees in California, irrespective of their work locations. Upon information and belief,
12 Defendants process payroll for departing employees in the same manner throughout the State
13 of California, regardless of the manner in which each employee's employment ends.

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

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

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

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

26 18. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
27 should have known that Plaintiff and class members were entitled to receive at least minimum
28 wages for compensation and that they were not receiving at least minimum wages for work

1 that was required to be done off-the-clock. In violation of the California Labor Code, Plaintiff
2 and class members were not paid at least minimum wages for work done off-the-clock.

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

11 20. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
12 should have known that Plaintiff and class members were entitled to rest periods in
13 accordance with the California Labor Code and applicable IWC Wage Order or payment of
14 one (1) additional hour of pay at their regular rates of pay when they were not authorized and
15 permitted to take a compliant rest period and that Plaintiff and class members were not
16 authorized and permitted to take compliant rest periods or provided with payment of one (1)
17 additional hour of pay at their regular rates of pay when they were not authorized and
18 permitted to take a compliant rest period.

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

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

28 23. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or

1 should have known that Plaintiff and class members were entitled to timely payment of all
2 wages earned upon termination of employment. In violation of the California Labor Code,
3 Plaintiff and class members did not receive payment of all wages due, including, but not
4 limited to, overtime wages, minimum wages, and/or meal and rest period premiums, within
5 permissible time periods.

6 24. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
7 should have known that Plaintiff and class members were entitled to timely payment of wages
8 during their employment. In violation of the California Labor Code, Plaintiff and class
9 members did not receive payment of all wages, including, but not limited to, overtime wages,
10 minimum wages, and/or meal and rest period premiums, within permissible time periods.

11 25. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
12 should have known that Plaintiff and class members were entitled to receive full
13 reimbursement for all business-related expenses and costs they incurred during the course and
14 scope of their employment and that they did not receive full reimbursement of applicable
15 business-related expenses and costs incurred.

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

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

26 **PAGA REPRESENTATIVE ALLEGATIONS**

27 28. At all times herein set forth, PAGA provides that any provision of law under
28 the Labor Code and applicable IWC Wage Order that provides for a civil penalty to be

1 assessed and collected by the Labor and Workforce Development Agency (“LWDA”) for
2 violations of the California Labor Code and applicable IWC Wage Order may, as an
3 alternative, be recovered by aggrieved employees in a civil action brought on behalf of
4 themselves and other current or former employees pursuant to procedures outlined in
5 California Labor Code section 2699.3.

6 29. PAGA defines an “aggrieved employee” in Labor Code section 2699(c)(1) as
7 “any person who was employed by the alleged violator and personally suffered each of the
8 violations alleged.”

9 30. Plaintiff and other current and former employees of Defendants are “aggrieved
10 employees” as defined by Labor Code section 2699(c)(1) in that they are all Defendants’
11 current or former employees and each of the alleged violations were committed against them.

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

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

1 notice, the aggrieved employee may commence a civil action pursuant
2 to California Labor Code section 2699 to recover civil penalties.

3 32. Pursuant to California Labor Code sections 2699.3(c), aggrieved employees,
4 through Plaintiff, may pursue a civil action arising under PAGA for violations of any
5 provision other than those listed in Section 2699.5 after the following requirements have been
6 met:

- 7 (a) The aggrieved employee or representative shall give written notice by
8 online filing with the LWDA and by certified mail to the employer of
9 the specific provisions of the California Labor Code alleged to have
10 been violated (other than those listed in Section 2699.5), including the
11 facts and theories to support the alleged violation.
- 12 (b) An aggrieved employee's notice filed with the LWDA pursuant to
13 2699.3(c) and any employer response to that notice shall be
14 accompanied by a filing fee of seventy-five dollars (\$75).
- 15 (c) The employer may cure the alleged violation within thirty-three (33)
16 calendar days of the postmark date of the notice sent by the aggrieved
17 employee or representative. The employer shall give written notice
18 within that period of time by certified mail to the aggrieved employee or
19 representative and by online filing with the LWDA if the alleged
20 violation is cured, including a description of actions taken, and no civil
21 action pursuant to Section 2699 may commence. If the alleged violation
22 is not cured within the 33-day period, the aggrieved employee may
23 commence a civil action pursuant to Section 2699.

24 33. On August 23, 2024, Plaintiff provided written notice by online filing to the
25 LWDA and by Certified Mail to Defendants of the specific provisions of the California Labor
26 Code alleged to have been violated, including facts and theories to support the alleged
27 violations, in accordance with California Labor Code section 2699.3. Plaintiff's written
28 notice was accompanied with the applicable filing fee of seventy-five dollars (\$75). The

1 LWDA PAGA Administrator confirmed receipt of Plaintiff's written notice and assigned
2 Plaintiff PAGA Case Number LWDA-CM-1047155-24. A true and correct copy of Plaintiff's
3 written notice to the LWDA and Defendants is attached hereto as "Exhibit 1."

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

7 35. Thus, Plaintiff has satisfied the administrative prerequisites under California
8 Labor Code sections 2699.3(a) and 2699.3(c) to recover civil penalties against Defendants for
9 violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 510, 512(a), 516,
10 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2802, and 2810.5.

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

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

23 38. As set forth below, Defendants have violated numerous provisions of both the
24 Labor Code sections regulating hours and days of work as well as the applicable IWC Wage
25 Order.

26 39. Pursuant to PAGA, and in particular, California Labor Code sections 1194.5,
27 2699(a), 2699(k), 2699.3(a), 2699.3(c), and 2699.5, and section 558, Plaintiff, acting in the
28 public interest as a private attorney general, seeks assessment and collection of civil penalties

1 and injunctive relief for himself, all other aggrieved employees, and the State of California
2 against Defendants for violations of California Labor Code sections 201, 202, 204, 226(a),
3 226.7, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2802, and 2810.5.

4 **CLASS ACTION ALLEGATIONS**

5 40. Plaintiff brings this action on his own behalf, as well as on behalf of each and
6 all other persons similarly situated, and thus seeks class certification under California Code of
7 Civil Procedure section 382.

8 41. All claims alleged herein arise under California law for which Plaintiff seeks
9 relief authorized by California law.

10 42. Plaintiff's proposed class consists of and is defined as follows:
11 All persons who worked for Defendants as non-exempt, hourly paid employees
12 in California, within four years prior to the filing of the initial complaint until the
date of trial ("Class").

13 43. Plaintiff's proposed subclass consists of and is defined as follows:
14 All persons who worked for Defendants as non-exempt, hourly
15 paid employees in California and who received at least one wage
16 statement within one (1) year prior to the filing of the initial
complaint until the date of trial ("Subclass").

17 44. Members of the Class and Subclass are referred to herein as "class members."

18 45. Plaintiff reserves the right to redefine the Class and Subclass and to add
19 additional subclasses as appropriate based on further investigation, discovery, and specific
20 theories of liability.

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

- 23 (a) Whether Defendants required Plaintiff and class members to work over
24 eight (8) hours per day, over twelve (12) hours per day, or over forty
25 (40) hours per week and failed to pay all legally required overtime
26 compensation to Plaintiff and class members;
27 (b) Whether Defendants failed to pay Plaintiff and class members at least
28 minimum wages for all hours worked;

- (c) Whether Defendants failed to provide Plaintiff and class members with meal periods;
- (d) Whether Defendants failed to authorize and permit Plaintiff and class members to take rest periods;
- (e) Whether Defendants provided Plaintiff and class members with complete and accurate wage statements as required by California Labor Code section 226(a);
- (f) Whether Defendants maintained accurate payroll records as required by California Labor Code section 1174(d);
- (g) Whether Defendants failed to pay earned overtime wages, minimum wages, and/or meal and rest period premiums due to Plaintiff and class members upon their discharge;
- (h) Whether Defendants failed timely to pay overtime wages, minimum wages, and/or meal and rest period premiums due to Plaintiff and class members during their employment;
- (i) Whether Defendants failed to reimburse Plaintiff and class members for necessary and required business-related expenditures and/or losses incurred by them in the scope of their employment;
- (j) Whether Defendants failed to provide written notice of information material to Plaintiff's and class members' employment with Defendants;
- (k) Whether Defendants engaged in unlawful and unfair business practices in violation of California Business & Professions Code sections 17200, *et seq.*; and
- (l) The appropriate amount of damages, restitution, or monetary penalties resulting from Defendants' violations of California law.

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

- (a) Numerosity: The class members are so numerous that joinder of all

1 members would be unfeasible and impractical. The membership of the
2 entire class is unknown to Plaintiff at this time; however, the class is
3 estimated to be greater than one hundred (100) individuals and the
4 identity of such membership is readily ascertainable by inspection of
5 Defendants' employment records.

6 (b) Typicality: Plaintiff is qualified to, and will, fairly and adequately
7 protect the interests of each class member with whom he has a well-
8 defined community of interest, and Plaintiff's claims (or defenses, if
9 any) are typical of all class members as demonstrated herein.

10 (c) Adequacy: Plaintiff is qualified to, and will, fairly and adequately
11 protect the interests of each class member with whom he has a well-
12 defined community of interest and typicality of claims, as demonstrated
13 herein. Plaintiff acknowledges that he has an obligation to make known
14 to the Court any relationship, conflicts or differences with any class
15 member. Plaintiff's attorneys, the proposed class counsel, are versed in
16 the rules governing class action discovery, certification, and settlement.
17 Plaintiff has incurred, and throughout the duration of this action, will
18 continue to incur costs and attorneys' fees that have been, are, and will
19 be necessarily expended for the prosecution of this action for the
20 substantial benefit of each class member.

21 (d) Superiority: The nature of this action makes the use of class action
22 adjudication superior to other methods. A class action will achieve
23 economies of time, effort, and expense as compared with separate
24 lawsuits, and will avoid inconsistent outcomes because the same issues
25 can be adjudicated in the same manner and at the same time for the
26 entire class.

27 (e) Public Policy Considerations: Employers in the State of California
28 violate employment and labor laws every day. Current employees are

1 often afraid to assert their rights out of fear of direct or indirect
2 retaliation. Former employees are fearful of bringing actions because
3 they believe their former employers might damage their future
4 endeavors through negative references and/or other means. Class
5 actions provide the class members who are not named in the complaint
6 with a type of anonymity that allows for the vindication of their rights
7 while simultaneously protecting their privacy.

8 **FIRST CAUSE OF ACTION**

9 **Violation of California Labor Code §§ 510 and 1198—Unpaid Overtime** 10 **(Against all Defendants)**

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

13 49. Labor Code section 1198 makes it illegal to employ an employee under
14 conditions of labor that are prohibited by the applicable wage order. California Labor Code
15 section 1198 requires that “. . . the standard conditions of labor fixed by the commission shall
16 be the . . . standard conditions of labor for employees. The employment of any employee . . .
17 under conditions of labor prohibited by the order is unlawful.”

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

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

27 52. The applicable IWC Wage Order further provides that Defendants are and were
28 required to pay Plaintiff and class members working more than twelve (12) hours in a day,

overtime compensation at a rate of two (2) times their regular rate of pay. An employee's regular rate of pay includes all remuneration for employment paid to, or on behalf of, the employee, including nondiscretionary bonuses and incentive pay.

53. California Labor Code section 510 codifies the right to overtime compensation at one and one-half (1 ½) times the regular rate of pay for hours worked in excess of eight (8) hours in a day or forty (40) hours in a week or for the first eight (8) hours worked on the seventh (7th) day of work, and to overtime compensation at twice the employee's regular rate of pay for hours worked in excess of twelve (12) hours in a day or in excess of eight (8) hours in a day on the seventh (7th) day of work.

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

55. First, Defendants had a company-wide policy and/or practice of improperly rounding employee clock-in and clock-out duration times in their timekeeping system to the start and/or end of their scheduled hours worked, rather than their actual hours worked. Moreover, on information and belief, Defendants' timekeeping system rounded employees' clock-in and clock-out duration times to the nearest tenth-hour or the nearest quarter-hour in their timekeeping system. Defendants' rounding policy resulted in the failure to compensate Plaintiff and class members fully for all hours worked, causing Plaintiff and class members to not be paid overtime wages for all of the overtime hours they actually worked. Upon information and belief, Defendants' rounding policy was, and continues to be, unfair and has, over time, resulted in the underpayment of wages to Plaintiff and class members. To the extent Defendants' rounding policy took away time worked that was eligible for overtime, Plaintiff and class members were denied overtime pay for all hours worked.

56. For example, on June 22, 2023, Plaintiff clocked in at the start of his shift at 7:23 a.m., clocked out for his meal period at 12:29 p.m., clocked back in from his meal period

1 at 12:59 p.m., and clocked out at the end of his shift at 5:40 p.m., working a total of eight (8)
2 hours plus one (1) hour and 37 minutes of overtime (or 9.62 hours) for the day. However,
3 according to Plaintiff's timesheets, Defendants calculated his shift as a total of 9.50 hours
4 worked. Accordingly, Defendants failed to pay Plaintiff for at least seven (7) minutes of work
5 that was eligible for overtime pay. As another example, on July 3, 2023, Plaintiff clocked in
6 at the start of his shift at 7:29 a.m., clocked out for his meal period at 12:30 p.m., clocked
7 back in from his meal period at 12:59 p.m., and clocked out at the end of his shift at 5:30 p.m.,
8 working a total of eight (8) hours plus one (1) hour and 32 minutes of overtime (or 9.53 hours)
9 for the day. However, according to Plaintiff's timesheets, Defendants calculated his shift as a
10 total of 9.50 hours worked, thereby failing to pay Plaintiff for at least two (2) minutes of work
11 that was eligible for overtime pay.

12 57. Second, Defendants had, and continue to have, a company-wide policy and/or
13 practice of requiring Plaintiff and class members to perform work off-the-clock outside of
14 their scheduled shifts. For example, Plaintiff was required to complete work-related tasks
15 after his scheduled shifts for about six (6) to eight (8) hours per week. Thus, Plaintiff and
16 class members were subject to Defendants' control outside of their shifts, time for which they
17 were not paid.

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

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

as interest, costs, and attorneys' fees.

SECOND CAUSE OF ACTION

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

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

61. At all relevant times, California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198 provide that the minimum wage for employees fixed by the IWC is the minimum wage to be paid to employees, and the payment of a wage less than the minimum so fixed is unlawful. Compensable work time is defined in IWC Wage Order No. 5-2001 as "the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so." Cal. Code Regs. Tit. 8, § 11050(2)(L) (defining "Hours Worked").

62. First, as stated above, during the relevant time period, Defendants had a policy of rounding Plaintiff's and class members' hourly clock-in and clock-out duration times in their timekeeping system to the start and/or end of their scheduled shift times and/or to the quarter-hour or tenth-hour, resulting in the failure to compensate Plaintiff and class members fully for all hours worked. Second, as set forth above, Defendants had a company-wide policy and/or practice requiring Plaintiff and class members to perform work-related tasks while off-the-clock outside of their shifts. Defendants failed to track this time Plaintiff and class members spent working off-the-clock, and Plaintiff and class members received no compensation for this time.

63. Thus, Defendants did not pay minimum wages for all hours worked by Plaintiff and class members. To the extent that these off-the-clock hours did not qualify for overtime premium payment, Defendants did not pay at least minimum wages for those hours worked off-the-clock in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198.

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

THIRD CAUSE OF ACTION

Violation of California Labor Code §§ 226.7, 512(a), 516, and 1198—Meal Period Violations (Against all Defendants)

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

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

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

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

1 69. First, during the relevant time period, Defendants had, and continue to have, a
2 company-wide policy and/or practice of understaffing their facilities, including the adoption
3 of a single-staffing model for certain positions, which, combined with the practice of failing to
4 adhere to a schedule for meal periods, has resulted in a lack of meal period coverage and
5 prevented Plaintiff and class members from taking all timely, uninterrupted meal periods to
6 which they were entitled. As a result, Plaintiff and class members had to work through all or
7 part of their meal periods, had their meal periods interrupted, and/or had to wait extended
8 periods of time before taking meal periods. For example, once per week, Plaintiff took his
9 meal periods late in order to supervise residents. As a further example, once every few
10 months, Plaintiff took his meal periods late to help with the facility's events and
11 programming, due to the lack of coverage.

12 70. Further, as set forth above, Defendants have a company-wide policy and/or
13 practice of rounding employee clock-in and clock-out duration times in their timekeeping
14 system, which prevented Plaintiff and class members from receiving all meal period premiums
15 due when they took late and/or shortened meal periods. To the extent that Defendants'
16 rounding policy reported that Plaintiff and class members were provided with timely, full 30-
17 minute meal periods when, in fact, the meal periods were taken after the fifth hour of work or
18 were less than 30 minutes, Plaintiff and class members were entitled to a meal period penalty.
19 For example, as stated above, on 7/3/2023, Plaintiff clocked out for his meal period at 12:30
20 p.m. and clocked back in from his meal period at 12:59 p.m., and thus was only provided with
21 a 29-minute meal period. Similarly, according to Plaintiff's time records, Plaintiff recorded
22 29-minute meal periods on 6/25/2023, 12/19/2023, 1/5/2024, and 1/7/2024; however, upon
23 information and belief, Defendants' timekeeping system rounded these meal period durations
24 to 30 minutes. Therefore, Plaintiff and class members did not receive meal period penalties
25 for these improperly rounded meal periods.

26 71. Moreover, on information and belief, because Defendants frowned upon
27 employees accruing meal period penalties, Defendants' management adjusted employee time
28 records, regardless of whether they had received a compliant meal period or not, in order to

1 strictly limit meal penalties that would need to be paid by Defendants. Alternatively, on
2 information and belief, Defendants implemented a company-wide policy and/or practice of
3 automatically deducting meal periods from Plaintiff's and class members' time records,
4 instead of allowing employees to clock in and out for meal periods. As a result of this policy,
5 Defendants deducted 30 minutes from Plaintiff's and class members' time records even when
6 meal periods were missed, short, interrupted, and/or late, instead of allowing employees to
7 clock in and out for meal periods. Thus, Defendants systematically failed to correctly record
8 meal periods.

9 72. At all times mentioned herein, Defendants knew or should have known that as a
10 result of their policies, Plaintiff and class members were prevented from being relieved of all
11 duties to take timely, uninterrupted meal periods. Defendants further knew or should have
12 known that they did not pay Plaintiff and class members all meal period premiums when meal
13 periods were late, interrupted, shortened, and/or missed.

14 73. Furthermore, Defendants engaged in a company-wide practice and/or policy of
15 not paying meal period premiums owed when compliant meal periods are not provided.
16 Because of this practice and/or policy, Plaintiff and class members have not received premium
17 pay for all missed, late, and interrupted meal periods. As a result, Defendants failed to
18 provide Plaintiff and class members compliant meal periods in violation of California Labor
19 Code sections 226.7, 512(a), and 516 and failed to pay the full meal period premiums due.

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

24 **FOURTH CAUSE OF ACTION**

25 **Violation of California Labor Code §§ 226.7, 516, and 1198—Rest Period Violations** 26 **(Against all Defendants)**

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

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

4 77. At all relevant times, the applicable IWC Wage Order provides that "[e]very
5 employer shall authorize and permit all employees to take rest periods, which insofar as
6 practicable shall be in the middle of each work period" and that the "rest period time shall be
7 based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4)
8 hours or major fraction thereof" unless the total daily work time is less than three and one-half
9 (3 ½) hours.

10 78. At all relevant times, California Labor Code section 226.7 provides that no
11 employer shall require an employee to work during any rest period mandated by an applicable
12 order of the California IWC. To comply with its obligation to authorize and permit rest
13 periods under California Labor Code section 226.7 and the applicable IWC Wage Order, an
14 employer must "relinquish any control over how employees spend their break time, and
15 relieve their employees of all duties—including the obligation that an employee remain on
16 call. A rest period, in short, must be a period of rest." *Augustus v. ABM Security Services,*
17 *Inc.*, 2 Cal. 5th 257, 273 (2016).

18 79. Under IWC Wage Order No. 5-2001, subdivision 12(C), employees of 24 hour
19 residential care facilities for elderly, blind or developmentally disabled individuals, may be
20 required to remain on the premises and maintain general supervision of residents during rest
21 periods if the employee is in sole charge of residents. Another rest period shall be authorized
22 and permitted by the employer when an employee is affirmatively required to interrupt his/her
23 break to respond to the needs of residents.

24 80. Pursuant to the applicable IWC Wage Order and California Labor Code section
25 226.7(c), Plaintiff and class members are entitled to recover from Defendants one (1)
26 additional hour of pay at their regular rates of pay for each work day that a required rest
27 period was not authorized and permitted.

28 81. During the relevant time period, Defendants regularly failed to authorize and

1 permit Plaintiff and class members to take a ten (10) minute rest period per each four (4) hour
2 period worked or major fraction thereof. As with meal periods, Defendants' company-wide
3 use of understaffing resulted in a lack of rest period coverage and prevented Plaintiff and class
4 members from being relieved of all duty in order to take their rest periods. Defendants also
5 failed to schedule rest periods, which, coupled with Defendants' failure to provide adequate
6 rest period coverage, further led to Plaintiff and class members not being authorized and
7 permitted to take compliant rest periods.

8 82. Moreover, Defendants had a company-wide practice and/or policy of requiring
9 that Plaintiff and class members carry and respond to company-issued walkie-talkies during
10 rest periods. As a result of Defendants' practices and policies, Plaintiff and class members
11 worked shifts in excess of 3.5 hours, in excess of 6 hours, and/or in excess of 10 hours without
12 receiving all uninterrupted rest periods to which they were entitled. For example, about two
13 (2) times per week, Plaintiff would have his rest periods interrupted because he was required
14 to answer communications from management or co-workers on his company-issued walkie-
15 talkie and return to work to complete work tasks. Further, Defendants failed to authorize and
16 permit Plaintiff and class members to take another rest period when their rest periods were
17 interrupted to respond to the needs of residents, as required by IWC Wage Order No. 5-2001,
18 subdivision 12(C).

19 83. Furthermore, Defendants maintained and implemented a company-wide on-
20 premises rest period policy, which mandated that Plaintiff and class members remain on the
21 premises during their rest periods. Because Plaintiff and class members were restricted from
22 leaving Defendants' premises during rest periods, even when they were not in sole charge of
23 residents, they were denied the ability to use their rest periods freely for their own purposes,
24 such as completing personal errands. Thus, Defendants maintained control over Plaintiff and
25 class members during rest periods.

26 84. Defendants have also engaged in a systematic, company-wide practice and/or
27 policy of not paying rest period premiums owed when rest periods are not authorized and
28 permitted. Because of this practice and/or policy, Plaintiff and class members have not

1 received premium pay for all missed rest periods.

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

7 **FIFTH CAUSE OF ACTION**

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

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

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

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

25 89. Because Defendants did not accurately record the time Plaintiff and Subclass
26 members spent working off-the-clock, improperly rounded Plaintiff's and Subclass members'
27 total hours worked, and/or deducted time from their records for meal periods that were
28 interrupted and/or missed (and therefore time for which they should have been paid),

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

90. The wage statement deficiencies also include, without limitation, failing to list the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis; failing to list all deductions; failing to list the inclusive dates of the period for which employees were paid; failing to list the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number; failing to list the name and address of the legal entity that is the employer; and/or failing to state all hours worked as a result of not recording or stating hours worked off-the-clock.

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

92. California Labor Code section 1198 provides that the maximum hours of work and the standard conditions of labor shall be those fixed by the Labor Commissioner and as set forth in the applicable IWC Wage Order. Section 1198 further provides that “[t]he

1 employment of any employees for longer hours than those fixed by the order or under
2 conditions of labor prohibited by the order is unlawful.” Pursuant to the applicable IWC
3 Wage Order, employers are required to keep accurate time records showing when the
4 employee begins and ends each work period. During the relevant time period, Defendants
5 engaged in company-wide practices and/or policies of failing to record actual hours worked
6 (including falsifying time records by recording that compliant meal periods were taken
7 regardless of if or when meal periods were actually taken), and thereby failed to keep accurate
8 records of work period and meal period start and end times for Plaintiff and Subclass
9 members, in violation of section 1198.

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

14 **SIXTH CAUSE OF ACTION**

15 **Violation of California Labor Code §§ 201 and 202—Wages Not Timely Paid Upon** 16 **Termination** 17 **(Against all Defendants)**

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

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

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

1 time of quitting.

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

7 98. Defendants' failure to pay Plaintiff and class members who are no longer
8 employed by Defendants their wages earned and unpaid at the time of discharge, or within
9 seventy-two (72) hours of their leaving Defendants' employ, violates Labor Code sections 201
10 and 202. Plaintiff and class members are therefore entitled to recover from Defendants the
11 statutory penalty wages for each day they were not paid, at their regular rate of pay, up to a
12 thirty (30) day maximum pursuant to California Labor Code section 203.

13 SEVENTH CAUSE OF ACTION

14 **Violation of California Labor Code § 204—Failure to Timely Pay Wages During** 15 **Employment** 16 **(Against all Defendants)**

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

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

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

27 102. At all times relevant herein, Labor Code section 204 provides that all wages
28 earned by any person in any employment between the sixteenth (16th) and the last day,

1 inclusive, of any calendar month, other than those wages due upon termination of an
2 employee, are due and payable between the first (1st) and the tenth (10th) day of the following
3 month.

4 103. At all times relevant herein, Labor Code section 204 provides that all wages
5 earned for labor in excess of the normal work period shall be paid no later than the payday for
6 the next regular payroll period. Alternatively, at all times relevant herein, Labor Code section
7 204 provides that the requirements of this section are deemed satisfied by the payment of
8 wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more than
9 seven (7) calendar days following the close of the payroll period.

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

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

17 **EIGHTH CAUSE OF ACTION**

18 **Violation of California Labor Code § 2802—Unpaid Business-Related Expenses** 19 **(Against all Defendants)**

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

22 107. At all times herein set forth, California Labor Code section 2802 provides that
23 an employer must reimburse employees for all necessary expenditures and losses incurred by
24 the employee in the performance of his or her job. The purpose of Labor Code section 2802 is
25 to prevent employers from passing off their cost of doing business and operating expenses on
26 to their employees. *Cochran v. Schwan's Home Service, Inc.*, 228 Cal. App. 4th 1137, 1144
27 (2014). The applicable wage order, IWC Wage Order No. 5-2001, provides that: "[w]hen
28 tools or equipment are required by the employer or they are necessary to the performance of a

1 job, such tools and equipment shall be provided and maintained by the employer, except that
2 an employee whose wages are at least two (2) times the minimum wage may provide and
3 maintain hand tools and equipment customarily required by the particular trade or craft.”

4 108. During the relevant time period, Defendants, on a company-wide basis,
5 required that Plaintiff and class members use their own personal vehicles to run company
6 errands. For example, Plaintiff was required to drive to art supply stores using his personal
7 vehicle to purchase materials for residents. Although Defendants required Plaintiff and class
8 members to utilize their personal vehicles to carry out their work-related responsibilities,
9 Defendants failed to reimburse them for their mileage or travel expenses.

10 109. Defendants could have provided Plaintiff and class members with the actual
11 equipment for use on the job, such as company vehicles, or Defendants could have reimbursed
12 employees for the costs of their mileage and travel expenses. Instead, Defendants passed
13 these operating costs onto Plaintiff and class members. At all relevant times, Plaintiff did not
14 earn at least two (2) times the minimum wage.

15 110. Defendants’ company-wide policy and/or practice of not reimbursing
16 employees for expenses necessarily incurred and passing on their operating costs to Plaintiff
17 and class members violates California Labor Code section 2802. Defendants have
18 intentionally and willfully failed to reimburse Plaintiff and class members for necessary
19 business-related expenses and costs.

20 111. Plaintiff and class members are entitled to recover from Defendants their
21 business-related expenses incurred during the course and scope of their employment, plus
22 interest.

23 **NINTH CAUSE OF ACTION**

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

25 **(Against all Defendants)**

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

28 113. California Labor Code §§ 2698, *et seq.* (“PAGA”) permits Plaintiff to recover

1 civil penalties for the violation(s) of the Labor Code sections enumerated in Labor Code
2 section 2699.5. Section 2699.5 enumerates Labor Code sections 201, 202, 204, 1174(d), and
3 1198. Labor Code section 2699.3(c) permits aggrieved employees, including Plaintiff, to
4 recover civil penalties for violations of those Labor Code sections not found in section 2699.5,
5 including sections 226(a), 226.7, 510, 512(a), 516, 1182.12, 1194, 1197, 1197.1, 2802, and
6 2810.5.

7 114. Defendants' conduct, as alleged herein, violates numerous sections of the
8 California Labor Code, including, but not limited to, the following:

- 9 (a) Violation of Labor Code sections 510 and 1198, and the applicable IWC
10 Wage Order for Defendants' failure to compensate Plaintiff and other
11 aggrieved employees with all required overtime pay, as alleged herein;
- 12 (b) Violation of Labor Code sections 1182.12, 1194, 1197, 1197.1, and
13 1198, and the applicable IWC Wage Order for Defendants' failure to
14 compensate Plaintiff and other aggrieved employees with at least
15 minimum wages for all hours worked, as alleged herein;
- 16 (c) Violation of Labor Code sections 226.7, 512(a), 516, and 1198, and the
17 applicable IWC Wage Order for Defendants' failure to provide Plaintiff
18 and other aggrieved employees with meal periods, as alleged herein;
- 19 (d) Violation of Labor Code sections 226.7, 516, and 1198, and the
20 applicable IWC Wage Order for Defendants' failure to authorize and
21 permit Plaintiff and other aggrieved employees to take rest periods, as
22 alleged herein;
- 23 (e) Violation of Labor Code sections 226(a) and 1198, and the applicable
24 IWC Wage Order for failure to provide accurate and complete wage
25 statements to Plaintiff and other aggrieved employees, as alleged herein;
- 26 (f) Violation of Labor Code sections 1174(d) and 1198, and the applicable
27 IWC Wage Order for failure to maintain payroll records, as alleged
28 herein;

- (g) Violation of Labor Code sections 201 and 202 for failure to pay all earned wages upon termination, as alleged herein;
- (h) Violation of Labor Code section 204 for failure to pay all earned wages during employment, as alleged herein;
- (i) Violation of Labor Code section 2802 for failure to reimburse Plaintiff and other aggrieved employees for all business expenses necessarily incurred, as alleged herein; and
- (j) Violation of Labor Code section 2810.5(a)(1)(A)-(C) for failure to provide written notice of information material to Plaintiff's and other aggrieved employees' employment with Defendants, as set forth below.

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

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

1 **TENTH CAUSE OF ACTION**

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

3 **Unlawful Business Practices**

4 **(Against all Defendants)**

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

7 118. Defendants are “persons” as defined by California Business & Professions
8 Code section 17201, as they are corporations, firms, partnerships, joint stock companies,
9 and/or associations.

10 119. Defendants’ conduct, as alleged herein, has been, and continues to be, unfair,
11 unlawful and harmful to Plaintiff, class members, and to the general public. Plaintiff has
12 suffered injury in fact and has lost money as a result of Defendants’ unlawful business
13 practices. Plaintiff seeks to enforce important rights affecting the public interest within the
14 meaning of Code of Civil Procedure section 1021.5.

15 120. Defendants’ activities, as alleged herein, are violations of California law, and
16 constitute unlawful business acts and practices in violation of California Business &
17 Professions Code sections 17200, *et seq.*

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

- 21 (a) Requiring non-exempt, hourly paid employees, including Plaintiff and
22 class members, to work overtime without paying them proper
23 compensation in violation of California Labor Code sections 510 and
24 1198, and the applicable IWC Wage Order, as alleged herein;
- 25 (b) Failing to pay at least minimum wage to Plaintiff and class members in
26 violation of California Labor Code sections 1182.12, 1194, 1197,
27 1197.1, and 1198, and the applicable IWC Wage Order, as alleged
28 herein;

- 1 (c) Failing to provide all meal periods to Plaintiff and class members in
2 violation of California Labor Code sections 226.7, 512(a), 516, and
3 1198, and the applicable IWC Wage Order, as alleged herein;
- 4 (d) Failing to authorize and permit Plaintiff and class members to take all
5 rest periods in violation of California Labor Code sections 226.7, 516,
6 and 1198, and the applicable IWC Wage Order, as alleged herein;
- 7 (e) Failing to provide Plaintiff and class members with accurate wage
8 statements and failing to maintain accurate payroll records in violation
9 of California Labor Code sections 226(a), 1174(d), and 1198, and the
10 applicable IWC Wage Order, as alleged herein;
- 11 (f) Failing timely to pay all earned wages to Plaintiff and class members in
12 violation of California Labor Code section 204, as alleged herein;
- 13 (g) Failing to reimburse Plaintiff and class members for all business
14 expenses necessarily incurred in violation of California Labor Code
15 section 2802, as alleged herein; and
- 16 (h) Failing to provide written notice of information material to Plaintiff's
17 and class members' employment with Defendants in violation of
18 California Labor Code section 2810.5(a)(1)(A)-(C), as set forth below.

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

Code § 2810.5(a)(1)(A)-(C).

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

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

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

ELEVENTH CAUSE OF ACTION

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

Unfair Business Practices

(Against all Defendants)

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

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

128. Defendants' conduct, as alleged herein, has been, and continues to be, unfair, and harmful to Plaintiff, class members, and to the general public. Plaintiff has suffered injury in fact and has lost money as a result of Defendants' unfair business practices. Plaintiff

1 seeks to enforce important rights affecting the public interest within the meaning of Code of
2 Civil Procedure section 1021.5.

3 129. Defendants' activities, namely Defendants' company-wide practice and/or
4 policy of not paying Plaintiff and class members all meal and rest period premiums due to
5 them under Labor Code section 226.7, deprived Plaintiff and class members of the
6 compensation guarantee and enhanced enforcement implemented by section 226.7. The
7 statutory remedy provided by section 226.7 is a "'dual-purpose' remedy intended primarily to
8 compensate employees, and secondarily to shape employer conduct." *Safeway, Inc. v.*
9 *Superior Court*, 238 Cal. App. 4th 1138, 1149 (2015). The statutory benefits of section 226.7
10 were guaranteed to Plaintiff and class members as part of their employment with Defendants,
11 and thus Defendants' practice and/or policy of denying these statutory benefits constitutes an
12 unfair business practice in violation of California Business & Professions Code sections
13 17200, *et seq.* (*Id.*)

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

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

25 **REQUEST FOR JURY TRIAL**

26 Plaintiff requests a trial by jury.

27 //

28 //

1 **PRAYER FOR RELIEF**

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

4 1. For damages, unpaid wages, penalties, injunctive relief, and attorneys' fees in
5 excess of twenty-five thousand dollars (\$25,000), exclusive of interest and costs. Plaintiff
6 reserves the right to amend his prayer for relief to seek a different amount.

7 **Class Certification**

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

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

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

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

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

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

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

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

21 9. For such other and further relief as the Court may deem equitable and
22 appropriate.

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

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

27 11. For general unpaid wages and such general and special damages as may be
28 appropriate;

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

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

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

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

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

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

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

15 18. For all actual, consequential, and incidental losses and damages, according to
16 proof;

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

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

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

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

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

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

28 24. That the Court make an award to the Plaintiff and class members of one (1) hour

1 of pay at each employee's regular rate of pay for each workday that a rest period was not
2 authorized and permitted;

3 25. For all actual, consequential, and incidental losses and damages, according to
4 proof;

5 26. For premiums pursuant to California Labor Code section 226.7(c);

6 27. For pre-judgment interest on any unpaid rest period premiums from the date
7 such amounts were due, or as otherwise provided by law;

8 28. For attorneys' fees pursuant to California Code of Civil Procedure section
9 1021.5, or as otherwise provided by law; and

10 29. For such other and further relief as the Court may deem equitable and
11 appropriate.

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

13 30. That the Court declare, adjudge and decree that Defendants violated the
14 recordkeeping provisions of California Labor Code section 226(a) and the applicable IWC
15 Wage Order as to Plaintiff and Subclass members, and willfully failed to provide accurate
16 itemized wage statements thereto;

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

19 32. For injunctive relief pursuant to California Labor Code section 226(h);

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

21 34. For attorneys' fees and costs pursuant to California Labor Code section
22 226(e)(1); and

23 35. For such other and further relief as the Court may deem equitable and
24 appropriate.

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

26 36. That the Court declare, adjudge and decree that Defendants violated California
27 Labor Code sections 201 and 202 by willfully failing to pay overtime wages, minimum wages,
28 and/or meal and rest period premiums owed at the time of termination of the employment of

1 Plaintiff and other terminated class members;

2 37. For all actual, consequential and incidental losses and damages, according to
3 proof;

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

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

8 40. For attorneys' fees pursuant to California Code of Civil Procedure section
9 1021.5, or as otherwise provided by law; and

10 41. For such other and further relief as the Court may deem equitable and
11 appropriate.

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

13 42. That the Court declare, adjudge and decree that Defendants violated California
14 Labor Code section 204 by willfully failing to timely pay Plaintiff and class members
15 overtime wages, minimum wages, and/or meal and rest period premiums pay during their
16 employment;

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

19 44. For statutory penalties according to proof pursuant to California Labor Code
20 section 210;

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

23 46. For attorneys' fees pursuant to California Code of Civil Procedure section
24 1021.5, or as otherwise provided by law; and

25 47. For such other and further relief as the Court may deem equitable and
26 appropriate.

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

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

1 Labor Code section 2802 by willfully failing to reimburse and/or indemnify all business-
2 related expenses and costs incurred by Plaintiff and class members;

3 49. For unpaid business-related expenses and such general and special damages as
4 may be appropriate;

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

7 51. For all actual, consequential, and incidental losses and damages, according to
8 proof;

9 52. For attorneys' fees and costs pursuant to California Labor Code section
10 2802(c), or as otherwise provided by law; and

11 53. For such other and further relief as the Court may deem equitable and
12 appropriate.

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

14 54. That the Court declare, adjudge and decree that Defendants violated the
15 following California Labor Code provisions as to Plaintiff and other aggrieved employees:
16 510 and 1198 (by failing to pay all overtime compensation); 1182.12, 1194, 1197, 1197.1, and
17 1198 (by failing to pay at least minimum wages for all hours worked); 226.7, 512(a), 516, and
18 1198 (by failing to provide all meal periods); 226.7, 516, and 1198 (by failing to authorize and
19 permit all rest periods); 226(a), 1174(d), and 1198 (by failing to provide accurate wage
20 statements and maintain accurate payroll records); 201 and 202 (by failing to timely pay all
21 earned wages upon termination); 204 (by failing to timely pay all earned wages during
22 employment); 2802 (by failing to reimburse business expenses); and 2810.5 (by failing to
23 provide notice of material terms of employment);

24 55. For civil penalties pursuant to the California Labor Code, including sections
25 210, 226.3, 256, 558, 1174.5, 2699(a), (f), and (k), for violations of California Labor Code
26 sections 201, 202, 204, 226(a), 226.7, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1,
27 1198, 2802, and 2810.5;

28 56. For injunctive relief pursuant to California Labor Code sections 1194.5 and/or

2699(k) to bring Defendants into compliance with the requirements of California Labor Code sections 201, 202, 204, 226(a), 226.7, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2802, and 2810.5;

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

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

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

As to the Tenth Cause of Action

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

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

62. 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 violations of California Business & Professions Code sections 17200, *et seq.*;

63. For reasonable attorneys' fees and costs of suit incurred herein pursuant to

California Code of Civil Procedure section 1021.5; and

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

As to the Eleventh Cause of Action

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

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

67. 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 violations of California Business & Professions Code sections 17200, *et seq.*;

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

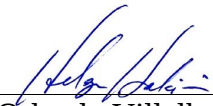
69. For pre-judgment and post-judgment interest as provided by law; and

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

Dated: February 05, 2025

Respectfully submitted,

Capstone Law APC

By: 

Orlando Villalba

Helga Hakimi

Joseph D. Parsons

Attorneys for Plaintiff Martin Aeron Arias

EXHIBIT “1”



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August 23, 2024

VIA ONLINE SUBMISSION

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

Subject: *Martin Aeron Arias v. Berg Senior Services, LLC*

Dear PAGA Administrator:

This office represents Martin Aeron Arias in connection with his claims under the California Labor Code. Mr. Arias was an employee of BERG SENIOR SERVICES, LLC ("BSS").

The employer may be contacted directly at the address below:

BERG SENIOR SERVICES, LLC
1036 COUNTRY CLUB DRIVE, SUITE 110
MORAGA, CA 94556

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

BSS employed Mr. Arias as a non-exempt employee from approximately June 2023 to January 2024. Mr. Arias worked for BSS as an Activity Director at its facility in Moraga, California. During his employment, Mr. Arias typically worked ten (10) hours per day and six (6) days per week. By the end of his employment, Mr. Arias was compensated approximately \$19.00 per hour. Mr. Arias' job duties included, without limitation, planning and doing activities with dementia patients, such as making art, exercising, and reading.

BSS has committed each of the following Labor Code violations against Mr. Arias, the facts and theories of which follow, making him an “aggrieved employee” pursuant to California Labor Code section 2699(c)(1):¹

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

BERG SENIOR SERVICES, LLC is a California limited liability company. BSS operates four assisted living and memory care facilities in the Bay Area. Upon information and belief, BSS maintains a single, centralized Human Resources (HR) department at its corporate headquarters in Moraga, California, for all non-exempt, hourly paid employees working for BSS in California, including Mr. Arias and other aggrieved employees. At all relevant times, BSS issued and maintained uniform, standardized scheduling and timekeeping practices and procedures for all non-exempt, hourly paid employees in California, including Mr. Arias and other aggrieved employees, regardless of their location or position.

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

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

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

BSS willfully failed to pay all overtime wages owed to Mr. Arias and other aggrieved employees. During the relevant time period, Mr. Arias and other aggrieved employees were not paid overtime premiums for all of the hours they worked in excess of eight (8) hours in a day, in excess of twelve (12) hours in a day, and/or in excess of forty (40) hours in a week, because all hours that they worked were not recorded.

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

First, BSS had, and continues to have, a company-wide policy and/or practice of improperly rounding employee clock-in and clock-out duration times in its timekeeping system to the start and/or end of their scheduled hours worked, rather than their actual hours worked. Moreover, on information and belief, BSS's timekeeping system rounded employees' clock-in and clock-out duration times to the nearest tenth-hour or the nearest quarter-hour in their timekeeping system. BSS's rounding policy resulted in the failure to compensate Mr. Arias and other aggrieved employees fully for all hours worked, causing Mr. Arias and other aggrieved employees to not be paid overtime wages for all of the overtime hours they actually worked. Upon information and belief, BSS's rounding policy was, and continues to be, unfair and has, over time, resulted in the underpayment of wages to Mr. Arias and other aggrieved employees. To the extent BSS's rounding policy took away time worked that was eligible for overtime, Mr. Arias and other aggrieved employees were denied overtime pay for all hours worked.

For example, on June 22, 2023, Mr. Arias clocked in at the start of his shift at 7:23 a.m., clocked out for his meal period at 12:29 p.m., clocked back in from his meal period at 12:59 p.m., and clocked out at the end of his shift at 5:40 p.m., working a total of 8 hours plus 1 hour and 37 minutes of overtime (or 9.62 hours) for the day. However, according to Mr. Arias' time sheets, BSS calculated his shift as a total of 9.50 hours worked. Accordingly, BSS failed to pay Mr. Arias for at least seven (7) minutes of work that was eligible for overtime pay. As another example, on July 3, 2023, Mr. Arias clocked in at the start of his shift at 7:29 a.m., clocked out for his meal period at 12:30 p.m., clocked back in from his meal period at 12:59 p.m., and clocked out at the end of his shift at 5:30 p.m., working a total of 8 hours plus 1 hour and 32 minutes of overtime (or 9.53 hours) for the day. However, according to Mr. Arias' time sheets, BSS calculated his shift as a total of 9.50 hours worked, thereby failing to pay Mr. Arias for at least two (2) minutes of work that was eligible for overtime pay.

Second, BSS had, and continues to have, a company-wide policy and/or practice of requiring Mr. Arias and other aggrieved employees to perform work off-the-clock outside of their scheduled shifts. For example, Mr. Arias was required to complete work-related tasks after his scheduled shifts for about six (6) to eight (8) hours per week. Thus, Mr. Arias and other aggrieved employees were subject to BSS's control outside of their shifts, time for which they were not paid.

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

BSS's failure to pay Mr. Arias and other aggrieved employees the balance of overtime compensation, as required by California law, violates the provisions of California Labor Code sections 510 and 1198. Mr. Arias and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring BSS into compliance with the applicable IWC Wage Order and Labor Code sections 510 and 1198, pursuant to Labor Code sections 558 and/or 2699(a), (f), and (k).

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

California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198 require employers to pay employees the minimum wage fixed by the IWC. The payment of a lesser wage than the minimum so fixed is unlawful. Compensable work time is defined in IWC Wage Order No. 5-2001 as “the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so.” Cal. Code Regs. tit. 8, § 11050(2)(L) (defining “Hours Worked”).

As stated above, during the relevant time period, BSS had a policy of rounding Mr. Arias’ and other aggrieved employees’ hourly clock-in and clock-out duration times in its timekeeping system to the start and/or end of their scheduled shift times and/or to the quarter-hour or tenth-hour, resulting in the failure to compensate Mr. Arias and other aggrieved employees fully for all hours worked. Second, as set forth above, BSS had a company-wide policy and/or practice requiring Mr. Arias and other aggrieved employees to perform work-related tasks while off-the-clock outside of their shifts. BSS failed to track this time Mr. Arias and other aggrieved employees spent working off-the-clock, and Mr. Arias and other aggrieved employees received no compensation for this time.

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

Accordingly, BSS regularly failed to pay at least minimum wages to Mr. Arias and other aggrieved employees for all of the hours they worked in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198. Mr. Arias and other aggrieved employees are entitled to recover civil penalties, attorneys’ fees, costs, and interest thereon, and seek injunctive relief to bring BSS into compliance with the applicable IWC Wage Order and Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198, pursuant to Labor Code sections 1197.1 and/or 2699(a), (f), and (k).

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

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

First, during the relevant time period, BSS had, and continues to have, a company-wide policy and/or practice of understaffing its facilities, including the adoption of a single-staffing model for certain positions, which, combined with the practice of failing to adhere to a schedule for meal periods, has resulted in a lack of meal period coverage and prevented Mr. Arias and other aggrieved employees from taking all timely, uninterrupted meal periods to which they were entitled. As a result, Mr. Arias and other aggrieved employees had to work through all or part of their meal periods, had their meal periods interrupted, and/or had to wait extended periods of time before taking meal periods. For example, once per week, Mr. Arias took his meal periods late in order to supervise residents. As a further example, once every few months, Mr. Arias took his meal periods late to help with the facility's events and programming, due to the lack of coverage.

Further, as set forth above, BSS has a company-wide policy and/or practice of rounding employee clock-in and clock-out duration times in its timekeeping system, which prevented Mr. Arias and other aggrieved employees from receiving all meal period premiums due when they took late and/or shortened meal periods. To the extent that BSS's rounding policy reported that Mr. Arias and other aggrieved employees were provided with timely, full 30-minute meal periods when, in fact, the meal periods were taken after the fifth hour of work or were less than 30 minutes, Mr. Arias and other aggrieved employees were entitled to a meal period penalty. For example, as stated above, on 7/3/2023, Mr. Arias clocked out for his meal period at 12:30 p.m. and clocked back in from his meal period at 12:59 p.m., and thus was only provided with a 29-minute meal period. Similarly, according to Mr. Arias' time records, Mr. Arias recorded 29-minute meal periods on 6/25/2023, 12/19/2023, 1/5/2024, and 1/7/2024; however, upon information and belief, BSS's timekeeping system rounded these meal period durations to 30 minutes. Therefore, Mr. Arias and other aggrieved employees did not receive meal period penalties for these improperly rounded meal periods.

Moreover, on information and belief, because BSS frowned upon employees accruing meal period penalties, BSS's management adjusted employee time records, regardless of whether they had received a compliant meal period or not, in order to strictly limit meal penalties that would need to be paid by BSS. Alternatively, on information and belief, BSS implemented a company-wide policy and/or practice of automatically deducting meal periods from Mr. Arias' and other aggrieved employees' time records, instead of allowing employees to clock in and out for meal periods. As a result of this policy, BSS deducted 30 minutes from Mr. Arias' and other aggrieved employees' time records even when meal periods were missed, short, interrupted, and/or late, instead of allowing employees to clock in and out for meal periods. Thus, BSS systematically failed to correctly record meal periods.

At all times herein mentioned, BSS knew or should have known that, as a result of these policies, Mr. Arias and other aggrieved employees were prevented from being relieved of all duties to take timely, uninterrupted meal periods. BSS further knew or should have known that BSS did not pay Mr. Arias and other aggrieved employees all meal period premiums when meal periods were late, missed, shortened, or interrupted.

Furthermore, BSS engaged in a company-wide practice and/or policy of not paying meal period premiums owed when compliant meal periods are not provided. Because of this practice and/or policy, Mr. Arias and other aggrieved employees have not received premium pay for all missed, late, and interrupted meal periods.

Accordingly, BSS failed to provide all meal periods in violation of California Labor Code sections 226.7, 512(a), 516, and 1198. Mr. Arias and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring BSS into

compliance with the applicable IWC Wage Order and Labor Code sections 226.7, 512(a), 516, and 1198, pursuant to Labor Code sections 558 and/or 2699(a), (f), and (k).

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

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

To comply with its obligation to authorize and permit rest periods under California Labor Code section 226.7 and the applicable IWC Wage Order, an employer must "relinquish any control over how employees spend their break time, and relieve their employees of all duties—including the obligation that an employee remain on call. A rest period, in short, must be a period of rest." *Augustus, et al. v. ABM Security Services, Inc.*, 2 Cal. 5th 257, 273 (2016).

Under IWC Wage Order No. 5-2001, subdivision 12(C), employees of 24 hour residential care facilities for elderly, blind or developmentally disabled individuals, may be required to remain on the premises and maintain general supervision of residents during rest periods if the employee is in sole charge of residents. Another rest period shall be authorized and permitted by the employer when an employee is affirmatively required to interrupt his/her break to respond to the needs of residents.

During the relevant time period, BSS regularly failed to authorize and permit Mr. Arias and other aggrieved employees to take a ten (10) minute rest period per each four (4) hour period worked or major fraction thereof. As with meal periods, BSS's company-wide use of understaffing resulted in a lack of rest period coverage and prevented Mr. Arias and other aggrieved employees from being relieved of all duty in order to take their rest periods. Additionally, BSS failed to schedule rest periods, which, coupled with BSS's failure to provide adequate rest period coverage, further led to Mr. Arias and other aggrieved employees not being authorized and permitted to take rest periods.

Moreover, BSS had a company-wide practice and/or policy of requiring that Mr. Arias and other aggrieved employees carry and respond to company-issued walkie-talkies during rest periods. As a result of BSS's practices and policies, Mr. Arias and other aggrieved employees worked shifts in excess of 3.5 hours, in excess of 6 hours, and/or in excess of 10 hours without receiving all uninterrupted rest periods to which they were entitled. For example, about two (2) times per week, Mr. Arias would have his rest periods interrupted because he was required to answer communications from management or co-workers on his company-issued walkie-talkie and return to work to complete work tasks. Further, BSS failed to authorize and permit Mr. Arias and other aggrieved employees to take another rest period when their rest periods were interrupted to respond to the needs of residents as required by IWC Wage Order No. 5-2001, subdivision 12(C).

Furthermore, BSS maintained and implemented a company-wide on-premises rest period policy, which mandated that Mr. Arias and other aggrieved employees remain on the premises during their

rest periods. Because Mr. Arias and other aggrieved employees were restricted from leaving BSS's premises during rest periods, even when they were not in sole charge of residents, they were denied the ability to use their rest periods freely for their own purposes, such as completing personal errands. Thus, BSS maintained control over Mr. Arias and other aggrieved employees during rest periods.

BSS has also engaged in a systematic, company-wide practice and/or policy of not paying rest period premiums owed when rest periods are not authorized and permitted. Because of this practice and/or policy, Mr. Arias and other aggrieved employees have not received premium pay for all missed rest periods.

Accordingly, BSS failed to authorize and permit all rest periods in violation of California Labor Code sections 226.7, 516, and 1198. Mr. Arias and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring BSS into compliance with the applicable IWC Wage Order and Labor Code sections 226.7, 516, and 1198, pursuant to Labor Code sections 558 and/or 2699(a), (f), and (k).

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

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

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

Because BSS did not record the time Mr. Arias and other aggrieved employees spent working off the clock, improperly rounded Mr. Arias' and other aggrieved employees' total hours worked, and/or deducted time from their records for meal periods that were interrupted and/or missed (and therefore time for which they should have been paid), BSS did not list the correct amount of gross wages and net wages earned by Mr. Arias and other aggrieved employees in compliance with sections 226(a)(1) and 226(a)(5). For the same reason, BSS failed to accurately list the total number of hours worked by Mr. Arias and other aggrieved employees, in violation of section 226(a)(2), and failed to list the applicable hourly rates of pay in effect during the pay period and the corresponding accurate number of hours worked at each hourly rate, in violation of section 226(a)(9).

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

California Labor Code section 1174(d) provides that “[e]very person employing labor in this state shall . . . [k]eep a record showing the names and addresses of all employees employed and the ages of all minors” and “[k]eep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments” Labor Code section 1174.5 provides that employers are subject to a \$500 civil penalty if they fail to maintain accurate and complete records as required by section 1174(d). During the relevant time period, and in violation of Labor Code section 1174(d), BSS willfully failed to maintain accurate payroll records for Mr. Arias and other aggrieved employees showing the daily hours they worked and the wages paid thereto as a result of failing to record the off-the-clock hours that they worked and improperly rounding Mr. Arias’ and other aggrieved employees’ total hours worked.

California Labor Code section 1198 provides that the maximum hours of work and the standard conditions of labor shall be those fixed by the Labor Commissioner and as set forth in the applicable IWC Wage Order. Section 1198 further provides that “[t]he employment of any employees for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful.” Pursuant to the applicable IWC Wage Order, employers are required to keep accurate time records showing when the employee begins and ends each work period and meal period. During the relevant time period, BSS engaged in company-wide practices and/or policies of failing to record actual hours worked (including falsifying time records by recording that compliant meal periods were taken regardless of if or when meal periods were actually taken), and thereby failed to keep accurate records of work period and meal period start and end times for Mr. Arias and other aggrieved employees, in violation of section 1198.

Because BSS failed to provide the correct net and gross wages earned, applicable rates of pay, and number of total hours worked on wage statements, Mr. Arias and other aggrieved employees have been prevented from verifying, solely from information on the wage statements themselves, that they were paid correctly and in full. Instead, Mr. Arias and other aggrieved employees have had to look to sources outside of the wage statements themselves and reconstruct time records to determine whether in fact they were paid correctly and the extent of underpayment, thereby causing them injury.

Mr. Arias and other aggrieved employees are entitled to recover civil penalties, attorneys’ fees, costs, and interest thereon, and seek injunctive relief to bring BSS into compliance with the applicable IWC Wage Order and Labor Code sections 226(a), 1174(d), and 1198, pursuant to Labor Code sections 226.3, 1174.5, and/or 2699(a), (f), and (k).

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

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon

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

During the relevant time period, BSS failed to pay Mr. Arias and other aggrieved employees all wages due to them, including, but not limited to, overtime wages, minimum wages, and/or meal and rest period premiums, within any time period specified by California Labor Code section 204.

Mr. Arias and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring BSS into compliance with Labor Code section 204, pursuant to Labor Code sections 210 and/or 2699(a), (f), and (k).

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

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

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

Mr. Arias and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring BSS into compliance with Labor Code sections 201 and 202, pursuant to Labor Code sections 256 and/or 2699(a), (f), and (k).

Violation of California Labor Code § 2802 – Unreimbursed Business Expenses

California Labor Code section 2802 requires employers to pay for all necessary expenditures and losses incurred by the employee in the performance of his or her job. The purpose of Labor Code section 2802 is to prevent employers from passing off their cost of doing business and operating expenses on to their employees. *Cochran v. Schwan's Home Service, Inc.*, 228 Cal. App. 4th 1137, 1144 (2014). The applicable wage order, IWC Wage Order No. 5-2001, provides that: "[w]hen tools or equipment are required by the employer or are necessary to the performance of a job, such tools and equipment shall be provided and maintained by the employer, except that an employee whose wages are at least two (2) times the minimum wage provided herein may be required to provide and maintain hand tools and equipment customarily required by the trade or craft."

During the relevant time period, BSS, on a company-wide basis, required Mr. Arias and other aggrieved employees to use their own personal vehicles to run company errands. For example, Mr. Arias was required to drive to art supply stores using his personal vehicle to purchase materials for residents. Although BSS required Mr. Arias and other aggrieved employees to use their personal vehicles to carry out their work-related responsibilities, BSS failed to reimburse them for their costs incurred.

BSS could have provided Mr. Arias and other aggrieved employees with the actual equipment for use on the job, such as company vehicles, or BSS could have reimbursed employees for the costs of their mileage and travel expenses. Instead, BSS passed these operating costs off onto Mr. Arias and other aggrieved employees. At all relevant times, Mr. Arias did not earn at least two (2) times the minimum wage.

Thus, BSS had, and continues to have, a company-wide policy and/or practice of not reimbursing employees for expenses necessarily incurred in violation of California Labor Code section 2802. Mr. Arias and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring BSS into compliance with the applicable IWC Wage Order and Labor Code section 2802, pursuant to Labor Code sections 2699(a), (f), and (k).

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

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

BSS failed to provide Mr. Arias and other aggrieved employees written notice that lists the requisite information set forth in Labor Code section 2810.5(a)(1)(A)-(C). BSS's failure to provide Mr. Arias and other aggrieved employees with written notice of basic information regarding their employment with BSS is in violation of Labor Code section 2810.5.

Mr. Arias and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring BSS into compliance with Labor Code section 2810.5, pursuant to Labor Code sections 2699(a), (f), and (k).

California Labor Code § 558(a)

California Labor Code section 558(a) provides "[a]ny employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provision regulating hours and days of work in any order of the Industrial Welfare Commission shall be subject

to a civil penalty as follows: (1) For any initial violation, fifty dollars (\$50) for each underpaid employee for each pay period for which the employee was underpaid (2) For each subsequent violation, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee was underpaid” Labor Code section 558(c) provides that “[t]he civil penalties provided for in this section are in addition to any other civil or criminal penalty provided by law.” BSS, at all relevant times, was an employer or person acting on behalf of an employer(s) who violated Mr. Arias’ and other aggrieved employees’ rights by violating various sections of the California Labor Code.

Accordingly, Mr. Arias seeks the remedies set forth in Labor Code section 558 for himself, the State of California, and all other aggrieved employees. Specifically, pursuant to PAGA, and in particular California Labor Code sections 1194.5, 2699(a), 2699(k), 2699.3(a) and 2699.3(c), 2699.5, and 558, Mr. Arias, acting in the public interest as a private attorney general, seeks assessment and collection of civil penalties and injunctive relief for himself, all other aggrieved employees, and the State of California against BSS for violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2802, and 2810.5.

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

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

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

Best Regards,



Sairah Budhwani

Copy: BERG SENIOR SERVICES, LLC (via U.S. Certified Mail)

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



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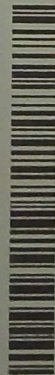
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PROOF OF SERVICE

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

On **February 5, 2025**, I served the document described as: **FIRST AMENDED CLASS ACTION COMPLAINT & ENFORCEMENT ACTION UNDER THE PRIVATE ATTORNEYS GENERAL ACT, CALIFORNIA LABOR CODE §§ 2698, ET SEQ.** on the interested parties in this action by sending ☐ the original [or] ☒ a true copy thereof ☒ to interested parties as follows [or] ☐ as stated on the attached service list:

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Attorneys for Defendants:
BERG SENIOR SERVICES, LLC

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

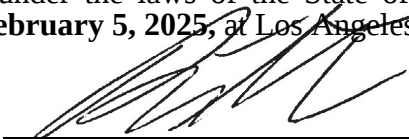
☐ **BY E-MAIL:** I hereby certify that this document was served from Los Angeles, California, by e-mail delivery on the parties listed herein at their most recent known e-mail address or e-mail of record in this action.

☐ **BY PERSONAL SERVICE:** I delivered the document, enclosed in a sealed envelope, by hand to the counsel for Defendant.

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

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on **February 5, 2025**, at Los Angeles, California.

Riley McIntire
Type/Print Name


Signature