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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

AUSTIN SADIK on behalf of himself and
all similarly situated persons, and the
general public,

Plaintiff,

vs.

HYATT CORPORATION and DOES 1
through 25, inclusive,

Defendants.

Case No.: 3:24-cv-02060-AJB-JLB

**SECOND AMENDED
COMPLAINT FOR PENALTIES
FOR VIOLATION OF LABOR
CODE § 2698 et seq. (PRIVATE
ATTORNEYS GENERAL ACT
OF 2004)**

COMES NOW PLAINTIFF AUSTIN SADIK AND HEREBY ALLEGES THE FOLLOWING:

1. The allegations in this Complaint, stated on information and belief, have evidentiary support or are likely to have evidentiary support after a reasonable opportunity for further investigation and discovery.

NATURE OF THE ACTION

2. This representative action is brought by Plaintiff AUSTIN SADIK (“Plaintiff”) against Defendant HYATT CORPORATION (“HYATT”) and Defendant DOES 1 through 25 (all Defendants are collectively referred to herein as “Defendants”), inclusive, pursuant to Labor Code § 2698 et seq. (the Private Attorneys General Act of 2004 (“PAGA”)) for Defendants’ violations of including without limitation to Labor Code §§ 201, 202, 203, 204, 210, 221-224, 225.5, 226, 226.3, 226.7, 500-508, 510, 512, 515, 558, 1174, 1174.5, 1182, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2800, *et seq.*, 2802, 2810.5, 8 Cal. Code Reg. Sections 11050, and all applicable Wage Orders, including Wage Order 5-2001.

3. This is a PAGA action and not a class action.

4. This Complaint challenges Defendants’ systemic illegal employment practices resulting in violations of the stated provisions of the Labor Code against the identified group of employees.

5. Plaintiff is informed and believes and thereon alleges that Defendants jointly and severally acted intentionally and with deliberate indifference and conscious disregard to the rights of all employees in Defendants’ (1) failure to pay overtime wages, (2) failure to pay minimum wage, (3) failure to timely pay wages during employment, (4) failure to maintain accurate employment records, (5) failure to provide proper wage statements, (6) failure to provide and authorize and permit rest breaks, (7) failure to provide meal periods, (8) Unlawful Deductions, (9) failure to pay all wages upon separation, and (10) failure to reimburse expenses, amongst other violations.

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THE PARTIES

6. Plaintiff AUSTIN SADIK is a citizen of California.

7. Defendant HYATT CORPORATION was and is, upon information and belief, a Delaware corporation, with its principal place of business in Chicago, Illinois, and, at all times mentioned herein, whose employees that are the subject of this action were/are employed in the State of California.

8. That the true names and capacities, whether individual, corporate, associate or otherwise of each of the defendants designated herein as a DOE are unknown to Plaintiff at this time, who therefore, sue said defendants by fictitious names, and will ask leave of this Court for permission to amend this Complaint to show their names and capacities when the same have been ascertained. Plaintiff is informed and believes and thereon alleges that each of the defendants designated as a DOE is legally responsible in some manner for the events and happenings herein referred to and caused injuries and damages thereby to Plaintiff as alleged herein.

9. 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.

10. Plaintiff is informed and believes, and thereon alleges, that Defendants are responsible in some manner for one or more of the events and happenings that proximately caused the injuries and damages hereinafter alleged.

11. Plaintiff is informed and believes, and thereon alleges, that Defendants knowingly and willfully acted in concert, conspired together and agreed among themselves to enter into a combination and systemized campaign of activity to cause the injuries and damages hereinafter alleged, and to otherwise consciously and/or recklessly act in derogation of Plaintiff's rights, and the trust reposed by Plaintiff and each of said Defendants, said acts being negligently and/or intentionally inflicted. Said conspiracy, and Defendants' concerted actions, were such that, to Plaintiff's information and belief, and to all appearances, Defendants represented a unified body so that the actions of one

1 defendant was accomplished in concert with, and with knowledge, ratification,
2 authorization and approval of each and every other defendant.

3 12. Plaintiff is informed and believes, and thereon alleges, that each and every
4 defendant named in this complaint, including DOES 1 through 25, inclusive, is, and at all
5 times mentioned herein was, the agent, servant, alter ego, and/or employee of each of the
6 other defendants and that each defendant was acting within the course of scope of his, her
7 or its authority as the agent, servant and/or employee of each of the other defendants.
8 Consequently, each and every defendant is jointly and severally liable to Plaintiffs for the
9 damages sustained as a proximate result of their conduct.

10 13. As such, and based upon all the facts and circumstances incident to
11 Defendants' business in California, Defendants are subject to PAGA and including
12 without limitation to Labor Code §§ 201, 202, 203, 204, 210, 221-224, 225.5, 226, 226.3,
13 226.7, 500-508, 510, 512, 515, 558, 1174, 1174.5, 1182, 1182.12, 1194, 1194.2, 1197,
14 1197.1, 1198, 2800, *et seq.*, 2802, 2810.5, 8 Cal. Code Reg. Sections 11050, and all
15 applicable Wage Orders, including Wage Order 5-2001.

16 **JURISDICTION AND VENUE**

17 14. This Court has personal jurisdiction over Defendants. Defendants employ
18 non-exempt employees within the State of California.

19 15. Venue is proper in this District under 28 U.S.C. § 1391(a). Substantial acts
20 in furtherance of the alleged improper conduct, including Defendants' violations of the
21 California Labor Code, occurred within this District.

22 16. This Court has jurisdiction over the violations of including without limitation
23 to PAGA and Labor Code §§ 201, 202, 203, 204, 210, 221-224, 225.5, 226, 226.3, 226.7,
24 500-508, 510, 512, 515, 558, 1174, 1174.5, 1182, 1182.12, 1194, 1194.2, 1197, 1197.1,
25 1198, 2800, *et seq.*, 2802, 2810.5, 8 Cal. Code Reg. Sections 11050, and all applicable
26 Wage Orders, including Wage Order 5-2001.

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INTRODUCTION

17. Plaintiff was hired by Defendants as a non-exempt employee on or about December 18, 2018. Plaintiff's employment with Defendants as a food runner was terminated on or about May 21, 2024. Defendants hired Plaintiff to work at its hotel Andaz San Diego, located in San Diego, California.

18. Plaintiff is informed and believes and thereon alleges that Defendant HYATT CORPORATION is a Delaware corporation licensed to do business and is actually doing business throughout the State of California.

19. Plaintiff alleges Aggrieved Employees are current and former non-exempt employees of Defendants employed in the State of California, including at Defendants' Andaz San Diego location, from August 15, 2023 to the present date. ("Aggrieved Employees").

20. Upon information and belief, to date, the Defendants' illegal practices set forth herein this complaint is present and continuing.

21. Plaintiff, upon information and belief and based upon such basis, alleges that Defendants did not regularly provide Plaintiff and other similarly situated employees what they were legally entitled to.

FACTUAL ALLEGATIONS

22. Plaintiff and Aggrieved Employees were employed by Defendants in non-exempt, non-managerial positions and similar and incidental positions related to Defendants' hotel business. At all times set forth herein, Defendants employed Plaintiff and Aggrieved Employees, however titled, throughout the state of California.

23. On information and belief, Plaintiff is informed and believes, and thereon alleges, that Defendants are and were advised by skilled lawyers and other professionals, employees, and advisors with knowledge of the requirements of California's wage and employment laws. Defendants had the authority to hire and terminate Plaintiff and Aggrieved Employees; to set work rules and conditions governing Plaintiff and Aggrieved Employees' employment; and to supervise their daily employment activities.

24. During the relevant time frame, Plaintiff and Aggrieved Employees worked in excess of eight (8) hours in a day and forty (40) hours in a workweek. Defendants required Plaintiff and Aggrieved Employees to work but did not pay Plaintiff and Aggrieved Employees for all hours worked on any given day or in any given workweek.

25. Upon information and belief, during the relevant time frame, Defendants maintained a series of policies and practices that effectively coerced and pressured its non-exempt employees to, work without all minimum wage and overtime compensation, have their wages deducted, have their wages miscalculated, to shorten (tantamount to a missed meal/rest period) or forego meal and rest periods (or not be paid for their meal and/or rest breaks), not being reimbursed business expenses, receive improper wage statements, and not receive all wages owed upon separation, amongst other violations.

26. Upon information and belief, Plaintiff and Aggrieved Employees worked in excess of eight (8) hours in a day or forty (40) hours per workweek. On information and belief, Plaintiff and Aggrieved Employees did not receive overtime, had meal and rest breaks interrupted, and were not reimbursed business expenses. Defendants required Plaintiff and Aggrieved Employees to work but did not pay Plaintiff and Aggrieved Employees for all hours worked on any given day or in any given workweek. On information and belief, Plaintiff and Aggrieved Employees of Defendants, were regularly compelled to work without receiving all pay for minimum wage and overtime wage.

27. Upon information and belief, during the relevant time frame, Defendants required Plaintiff and Aggrieved Employees to interrupt or shorten their lawful meal periods of thirty (30) uninterrupted minutes while being relieved of all duty. Plaintiff and Aggrieved Employees were forced to work in excess of five (5) hours per day on a regular basis without being provided a daily thirty (30) minute restrictive-free meal period. During all relevant periods, Defendants illegally and unlawfully required Plaintiff and Aggrieved Employees to work through meal periods. Wage orders required that Plaintiff and Aggrieved Employees be compensated for the meal periods for which Defendant required Plaintiff and Aggrieved Employees to work. Defendants failed to compensate

1 Plaintiff and the Aggrieved Employees for these meal periods worked on any given day
2 or during any given workweek.

3 28. Upon information and belief, during the relevant time frame, Plaintiff and
4 Aggrieved Employees did not receive meal periods; in addition, Defendants' work
5 demands and pressure from Defendants' management, with specific knowledge and/or at
6 the instruction of Defendants, as a result of an implemented policy, regularly required
7 Plaintiff and all other similarly situated employees to return to work before completing
8 (constitutes a missed meal period) an uninterrupted meal period of thirty (30) minutes.

9 29. Upon information and belief, during the relevant time frame, Plaintiff and
10 Aggrieved Employees often worked shifts in excess of then (10) hours, yet were never
11 provided a second, uninterrupted meal period of thirty (30) minutes for those shifts.

12 30. Despite the above-mentioned meal period violations, Defendants did not
13 compensate Plaintiff, and on information and belief, never compensated Aggrieved
14 Employees an additional hour of pay at their regular rate as required by California law
15 when meal and rest periods were not provided.

16 31. Upon information and belief, during the relevant time frame, Defendants
17 maintained and enforced a schedule and policies that due to business demands often
18 required Plaintiff and Aggrieved Employees to shorten (constitutes a missed rest break)
19 or forego their lawful rest periods of ten (10) minutes for every four (4) hours worked or
20 major fraction thereof. During all relevant periods, Defendants illegally and unlawfully
21 required Plaintiff and Aggrieved Employees to work through rest periods. Wage orders
22 required that Plaintiff and the Aggrieved Employees be compensated for the rest periods
23 for which Defendant required Plaintiff and the Aggrieved Employees to work. Defendants
24 failed to compensate Plaintiff and the Aggrieved Employees for these rest periods worked
25 on any given day or in any given workweek.

26 32. Despite the above-mentioned rest period violations, Defendants never
27 compensated Plaintiff, and on information and belief, never compensated all other
28 Aggrieved Employees one additional hour of pay at their regular rate as required by

1 California law for each day on which rest periods were not authorized or permitted.

2 33. Defendants failed to pay when due and on time, Plaintiff and Aggrieved
3 Employees the legal wages they earned or that were due, failed to provide all authorized
4 meal and rest periods (or failed to pay an hour at the regular rate for meal and rest breaks)
5 owed to Plaintiff and Aggrieved Employees, and failed to pay one (1) hour wages in lieu
6 of Defendants' failure to provide a meal and rest period, including at such time when
7 employee quit or was discharged. Additionally, as a result of Defendants' failure to pay
8 the proper minimum wage and overtime wages, account for all hours worked, and
9 premium payments due for missed meal and rest breaks, wage statements issued to
10 Plaintiff and Aggrieved Employees are deemed inaccurate and false. Defendants have
11 made it difficult to account with precision for the unlawfully deducted and/or withheld
12 wages owed to Plaintiff and Aggrieved Employees without an examination of all records
13 during the liability period and failed to implement and on information and belief failed to
14 preserve a lawful record-keeping method to record all non-provided meal and rest breaks
15 owed to employees, as required for non-exempt employees by California Labor Code
16 section 226 and applicable California Wage Orders.

17 34. Plaintiff is informed and believes, and thereon alleges, that Defendants knew,
18 should know, and/or should have known that Plaintiff and Aggrieved Employees were
19 entitled to receive accurate wages for regular and overtime work, and premium wages
20 under Labor Code §226.7(b), but were not receiving accurately calculated compensation.

21 35. Plaintiff is informed and believes, and thereon alleges, that at all times herein
22 mentioned, Defendants knew that they had a duty to accurately compensate Plaintiff and
23 Aggrieved Employees for all hours worked including minimum and overtime wages as
24 well as meal and rest period premiums, and that Defendants had the financial ability to
25 pay such compensation, but willfully, knowingly, recklessly, and/or intentionally failed to
26 do so.

27 36. Plaintiff is informed and believes, and based thereon alleges, that
28 Defendants knew or should have known that Defendants had to keep complete and

1 accurate payroll records for Plaintiff and Aggrieved Employees in accordance with
2 California law, but, in fact, did not keep complete and accurate payroll records. Plaintiff
3 is informed and believes, and based thereon alleges, that Defendants knew or should have
4 known that Plaintiff and Aggrieved Employees were entitled to reimbursement for
5 necessary business-related expenses. At all material times set forth herein, Defendants
6 failed to reimburse Plaintiff and Aggrieved Employees for necessary business-related
7 expenses and costs such as including without limitation to parking fees. At all material
8 times set forth herein, Defendants failed to properly reimburse Plaintiff and Aggrieved
9 Employees pursuant to California law in order to increase Defendants' profits.

10 **CAUSE OF ACTION**

11 **VIOLATION OF LABOR CODE SECTION 2698, ET SEQ.**

12 **(PRIVATE ATTORNEYS GENERAL ACT)**

13 *(Plaintiff Against All Defendants)*

14 37. Plaintiff and Aggrieved Employees re-allege and incorporate by reference,
15 as though fully set forth herein, all preceding paragraphs of this Complaint.

16 38. Plaintiff is seeking to represent all aggrieved current and former non-exempt
17 employees of Defendants in the state of California, at any time from August 15, 2023, to
18 the present date. This cause of action under the Private Attorneys General Act ("PAGA")
19 is a representative action and not a class action.

20 39. PAGA expressly establishes that any provision of the California Labor Code
21 which provides for a civil penalty to be assessed and collected by the LWDA, or any of
22 its departments, divisions, commissions, boards, agencies, or employees for a violation of
23 the California Labor Code, may be recovered through a civil action brought by an
24 aggrieved employee on behalf of himself or herself, and other current or former
25 employees.

26 40. On August 15, 2024 and October 29, 2024, Plaintiff provided written notice
27 to the LWDA and Defendants of the specific provisions of the Labor Codes he contends
28 were violated, and the theories supporting his contentions. On February 13, 2025, Plaintiff

1 provided a second amended written notice providing corrections to the previous notices
2 to the LWDA and Defendants. Plaintiff believes that on or about, October 21, 2024 and
3 January 2, 2025, the sixty-five (65) day notice period expired and the LWDA did not take
4 any action to investigate or prosecute this matter. Therefore, Plaintiff has exhausted the
5 statutory time period to bring this action.

6 41. Plaintiff and the other non-exempt employees of Defendants in the state of
7 California are “Aggrieved Employees” as defined by California Labor Code § 2699(c) in
8 that they are all current and former non-exempt employees of Defendants, and one or more
9 of the alleged violations was committed against them (“Aggrieved Employees”).

10 **Failure to Pay Overtime Wages**

11 42. Defendants violated Labor Code Section 510 by failing to pay all wages
12 owed, failing to pay any wages for time worked, and failing to pay Plaintiff and Aggrieved
13 Employees at the correct premium overtime rate for overtime hours Plaintiff and
14 Aggrieved Employees worked. Defendants are thus subject to a civil penalty as set forth
15 under this Labor Code Section 558.

16 43. Defendants’ policies and practices are to refuse to pay all wages owed, pay
17 any wages for time worked, and pay Plaintiff and Aggrieved Employees at the correct
18 premium overtime rate for overtime hours worked by Plaintiff and Aggrieved Employees.
19 Defendants’ policies and practices violate Labor Code Sections 510 and 1198. Labor Code
20 Section 1198 prohibits employers from having employees work beyond the hours fixed
21 by the commission or under conditions prohibited by the commission. Labor Code Section
22 510 sets forth the order of the commission and thus requires the employer to compensate
23 at the rate of no less than one and one-half times the regular rate of pay for an employee
24 who works in excess of eight (8) hours in one workday, works in excess of forty (40) hours
25 in any one workweek, or works on the seventh day of the workweek. Labor Code Section
26 510 further requires that an employer compensate an employee at no less than twice the
27 regular rate of pay for work in excess of twelve (12) hours in any workday and for work
28 on the seventh day of the work week in excess of eight (8) hours. Defendants’ policies and

1 practices refusing to compensate Plaintiff and Aggrieved Employees at the correct
2 premium overtime rate places Defendants in violation of Labor Code Section 510.

3 44. At all times relevant herein, Defendants were required to compensate their
4 non-exempt employees minimum wages for all hours worked and overtime wages for all
5 hours worked in excess of eight (8) hours in a day or forty (40) hours in a workweek,
6 pursuant to the mandate of Labor Code §§ 510, 1194, 1197, and 1198. Plaintiff and
7 Aggrieved Employees frequently worked more than eight (8) hours in a single workday
8 or forty (40) hours in a workweek.

9 45. Defendants required Plaintiff and Aggrieved Employees to work but did not
10 pay Plaintiff and Aggrieved Employees for all hours worked on any given day or in any
11 of the given workweeks herein mentioned. Defendants failed to compensate Plaintiff and
12 all Aggrieved Employees for work performed in excess of eight (8) hours a day or forty
13 (40) hours per workweek while employed by Defendants, which occurred throughout
14 Plaintiff's and Aggrieved Employees' course of employment with Defendants.
15 Additionally, Plaintiff and Aggrieved Employees frequently worked in excess of ten (10)
16 hours and often times worked in excess of twelve (12) hours in one (1) work day.

17 46. Defendants failed to pay all premium overtime wages due to Plaintiff and
18 Aggrieved Employees, which directly led to Defendants under compensating Plaintiff and
19 Aggrieved Employees for overtime hours worked.

20 47. As a pattern and practice, Defendants failed to compensate Plaintiff and other
21 Aggrieved Employees for all hours worked, including for all overtime wages and double
22 time, where applicable.

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

28 49. Labor Code Section 558 states: "(a) Any employer or other person acting on

1 behalf of an employer who violates, or causes to be violated, a section of this chapter or
2 any provision regulating hours and days of work in any order of the Industrial Welfare
3 Commission shall be subject to a civil penalty as follows: (1) For any initial violation,
4 fifty dollars (\$50) for each underpaid employee for each pay period for which the
5 employee was underpaid in addition to an amount sufficient to recover underpaid wages.
6 (2) For each subsequent violation, one hundred dollars (\$100) for each underpaid
7 employee for each pay period for which the employee was underpaid in addition to an
8 amount sufficient to recover underpaid wages." The requirements set forth herein are also
9 confirmed in the wage order applicable to Defendants' industry, including Wage Order 5-
10 2001.

11 **Failure to Pay Minimum Wage**

12 50. Defendant failed to pay wages for all hours worked under Labor Code
13 Sections 1182, 1182.12, 1194 1198. Pursuant to Labor Code Section 1182, the State of
14 California has adopted a minimum wage standard which shall be no less than the federal
15 standard. Labor Code Section 1182.12 set the minimum wage standards. Labor Code
16 Section 1198 generally prohibits employers from having employees work beyond the
17 hours fixed by the commission or under conditions prohibited by the commission. Labor
18 Code Section 1197 prohibits paying less than minimum wage. Labor Code Section 1194
19 requires the payment of overtime wages as specified.

20 51. Defendant's policies and practices are to refuse to pay all wages owed, refuse
21 to pay any wages for time worked, and failure to pay wages for all hours worked at the
22 correct minimum wage and overtime rate as required by Labor Code Sections 1182,
23 1182.12, 1197, 1194 and 1198. Defendants' policies and practices of failing to pay wages
24 for all hours worked, according to law, places Defendants in violation of Labor Code
25 Sections 1182, 1182.12, 1194, 1197, and 1198.

26 52. Pursuant to Labor Code Section 1197.1, "(1) For any initial violation that is
27 intentionally committed, one hundred dollars (\$100) for each underpaid employee for each
28 pay period for which the employee is underpaid. This amount shall be in addition to an

1 amount sufficient to recover underpaid wages. (2) For each subsequent violation for the
2 same specific offense, two hundred fifty dollars (\$250) for each underpaid employee for
3 each pay period for which the employee is underpaid regardless of whether the initial
4 violation is intentionally committed. This amount shall be in addition to an amount
5 sufficient to recover underpaid wages."

6 53. As stated herein above, Labor Code Section 1194 allows for a civil suit for
7 minimum wage compensation, interest, reasonable attorney fees, and costs of suit. For
8 Defendants' violations, Plaintiff, the State of California and Aggrieved Employees are
9 entitled to compensation, penalties, attorney fees, interest, and costs of suit under Labor
10 Code Sections 1182, 1182.12, 1194, 1197, 1197.1, and 1198.

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

12 54. At all times relevant herein, Defendants were required to pay their employees
13 within a specified time period pursuant to the mandate of Labor Code §§ 204 and 210.

14 55. Section 204 of the California Labor Code states that all wages, other than
15 those mentioned in 201, 201.3, 202, 204.1, or 204.2, earned by any person in any
16 employment are due and payable twice during each calendar month, on days designated
17 in advance by the employer as the regular paydays. In addition, every person who fails to
18 pay the wages of each employee as provided in Sections 201.3, 204, 204b, 204.1, 204.2,
19 205, 205.5, and 1197.5, shall be subject to a civil penalty as follows: (1) For any initial
20 violation, one hundred dollars (\$100) for each failure to pay each employee. (2) For each
21 subsequent violation, or any willful or intentional violation, two hundred dollars (\$200)
22 for each failure to pay each employee, plus 25 percent of the amount unlawfully withheld.

23 56. As a pattern and practice, Defendants regularly failed to timely pay Plaintiff
24 and Aggrieved Employees all wages due and owing them within the required time period.

25 57. Defendants' policies and practices fail to provide full pay to Plaintiff and
26 Aggrieved Employees in a timely manner by failure to pay all wages owed, failure to pay
27 any wages for time worked, and failure to pay all minimum and overtime wages owed
28 under California law. Each pay period, Defendants failed/fail to pay timely and full

1 payment to Plaintiff and Aggrieved Employees, in violation of Labor Code Section 210.
2 Defendants therefore owe penalties accordingly.

3 **Failure to Maintain Accurate Employment Records**

4 58. Pursuant to Labor Code §§ 1174, 1174.5, and 2810.5, Defendants were
5 required to maintain accurate employment records for Plaintiff and Aggrieved Employees
6 of including but not limited to time records, pay stubs, clock in and clock out, meal break
7 periods, rest break periods, and the employment file itself.

8 59. As a pattern and practice, Defendants failed to maintain accurate employment
9 records regarding employment for Plaintiff and Aggrieved Employees and as a result,
10 Defendants have violated Labor Code §§ 1174, 1174.5, and 2810.5.

11 **Failure to Provide Complete and Accurate Wage Statements**

12 60. Defendants did not comply with the requirements of Labor Code Section 226
13 which requires that “every employer shall, semimonthly or at the time of each payment of
14 wages, furnish each of his or her employees, either as a detachable part of the check, draft,
15 or voucher paying the employee's wages, or separately when wages are paid by personal
16 check or cash, an accurate itemized statement in writing showing:

17 (1) gross wages earned,

18 (2) total hours worked by the employee, except for any employee whose
19 compensation is solely based on a salary and who is exempt from payment of
20 overtime under subdivision (a) of Section 515 or any applicable order of the
21 Industrial Welfare Commission,

22 (3) the number of piece-rate units earned and any applicable piece rate
23 if the employee is paid on a piece-rate basis,

24 (4) all deductions, provided that all deductions made on written orders
25 of the employee may be aggregated and shown as one item,

26 (5) net wages earned,

27 (6) the inclusive dates of the period for which the employee is paid,

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1 (7) the name of the employee (and the last four digits of his or her social
2 security number or an employee identification number other than a social security
3 number *may* be shown on the itemized statement),

4 (8) the name and address of the legal entity that is the employer, and

5 (9) all applicable hourly rates in effect during the pay period and the
6 corresponding number of hours worked at each hourly rate by the employee.

7 61. Defendants' policy and practice is to refuse to furnish to Plaintiff and
8 Aggrieved Employees, at the time of each payment of wages, an accurate itemized wage
9 statement showing the accurate hourly rate(s) applicable to Plaintiff and Aggrieved
10 Employees.

11 62. Defendants failed to provide accurate and complete information, as specified
12 above as set forth in section 226(a) to Plaintiff and Aggrieved Employees.

13 63. California Labor Code Section 226(e) provides: "An employee suffering
14 injury as a result of a knowing and intentional failure by an employer to comply with
15 subdivision (a) shall be entitled to recover the greater of all actual damages or fifty dollars
16 (\$50) for the initial pay period in which a violation occurs and one hundred dollars (\$100)
17 per employee for each violation in a subsequent pay period, not exceeding an aggregate
18 penalty of four thousand dollars (\$4,000), and shall be entitled to an award of costs and
19 reasonable attorney's fees." Plaintiff and the other Aggrieved Employees suffered injuries
20 as defined and set forth in California Labor Code Section 226(e) because, in addition to
21 Defendants' failure to provide accurate and complete information, as specified above (as
22 set forth in section 226(a)), Plaintiff and the other Aggrieved Employees could not
23 "promptly and easily determine" from the wage statements alone all correct information,
24 including without limitation to the correct hourly rate in effect during the pay period (i.e.,
25 without reference to other documents or information), nor was the overtime rate or the
26 hours worked provided in the statements accurate.

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1 64. During the applicable time period, Defendants failed to provide Plaintiff and
2 Aggrieved Employees with timely itemized and accurate wage statements in compliance
3 with Labor Code Section 226.

4 65. As alleged herein, Plaintiff and Aggrieved Employees are/were not exempt
5 from the requirements of California's labor laws and regulations. Plaintiff and the
6 Aggrieved Employees were and will be injured by Defendants' failure to comply with the
7 aforementioned requirements for time records and wage statements.

8 66. At all times relevant herein, Defendants were required to both provide and
9 keep *accurate* records regarding their California employees pursuant to the mandate of
10 Labor Code §§ 226 and 1174.

11 67. As a result of Defendants' various Labor Code violations, Defendants failed
12 to keep accurate records regarding Plaintiff and other Aggrieved Employees.

13 68. Defendants' policy and practice of failing to furnish to Plaintiff and each
14 Aggrieved Employee an accurate itemized wage statement for Plaintiff and Aggrieved
15 Employees, according to law, places Defendants in violation of Labor Code Section 226.
16 Further, Labor Code Section 226.3 states: Any employer who violates subdivision (a) of
17 Section 226 shall be subject to a civil penalty in the amount of two hundred fifty dollars
18 (\$250) per employee per violation in an initial citation and one thousand dollars (\$1,000)
19 per employee for each violation in a subsequent citation, for which the employer fails to
20 provide the employee a wage deduction statement or fails to keep the records required in
21 subdivision (a) of Section 226. Defendants are in violation of Labor Code Section 226
22 and are therefore subject to penalties pursuant to Labor Code Section 226.3 in addition to
23 remedies under Labor Code 226(e).

24 **Failure to Provide and Authorize and Permit Rest Breaks**

25 69. In accordance with the mandates of Labor Code §§ 226.7 and 512,
26 Defendants were required to authorize and permit their non-exempt employees to take a
27 paid off duty 10-minute rest break for every four (4) hours worked or major fraction
28 thereof.

1 70. As a pattern and practice, Defendants failed to authorize and permit Plaintiff
2 and Aggrieved Employees with legally-mandated rest breaks, and failed to compensate
3 them premium wages.

4 71. Defendants' policies and practices are to refuse to provide/authorize Plaintiff
5 and Aggrieved Employees with lawful rest periods. Cal. Code Reg., Tit. 8, Section
6 11050(12) and Labor Code Section 512 provide that Defendants must authorize and
7 permit an off duty consecutive ten minutes of paid rest break for every four hours of work
8 or fraction thereof. It is Defendants' policy and practice to fail to authorize and permit
9 Plaintiff and Aggrieved Employees with the required uninterrupted and off duty
10 consecutive ten (10) minute rest period per four (4) hours or major fraction thereof.

11 72. Defendants' policies and practices of refusing to provide/authorize rest
12 periods for Plaintiff and Aggrieved Employees and Defendants' failure to pay one hour of
13 pay for instances where the meal and rest breaks were noncompliant, according to law,
14 places Defendants in violation of these Labor Code and California Code Regulation
15 provisions. Labor Code 226.7 states that, "[i]f an employer fails to provide an employee
16 a meal period or rest period in accordance with an applicable order of the Industrial
17 Welfare Commission, the employer shall pay the employee one additional hour of pay at
18 the employee's regular rate of compensation for each work day that the meal or rest period
19 is not provided."

20 73. Thus, Defendants owe rest period premiums to Plaintiff and Aggrieved
21 Employees. Defendants are in violation of Labor Code Sections 226.6, 226.7, 512, 1174,
22 1198, 1199 and 8 Cal. Code Reg. Sections 11050 (12).

23 **Failure to Provide Meal Periods**

24 74. In accordance with the mandates of Labor Code §§ 226.7 and 512,
25 Defendants were required to provide their non-exempt employees with an off duty 30-
26 minute meal period for every five (5) hours worked.

27 75. Defendants' policies and practices are to refuse to provide/authorize Plaintiff
28 and Aggrieved Employees with lawful meal periods. Labor Code Section 512 and Cal.

1 Code Reg., Tit. 8, Section 11050(11) require Defendants to provide an uninterrupted thirty
2 minute off duty meal break to employees who work more than five hours per day and a
3 second thirty-minute meal break to those working more than ten hours per day. Defendants
4 regularly failed to provide meal breaks as required by law. Therefore, Defendants' policies
5 and practices violate Labor Code Section 512 and Cal. Code Reg., Tit. 8, Section
6 11050(11).

7 76. Defendants' policies and practices of refusing to provide/authorize meal
8 periods for Plaintiff and Aggrieved Employees and Defendants' failure to pay one hour of
9 pay for instances where the meal breaks were noncompliant, according to law, places
10 Defendants in violation of these Labor Code and California Code Regulation provisions.
11 Labor Code 226.7 states that, "[i]f an employer fails to provide an employee a meal period
12 or rest period in accordance with an applicable order of the Industrial Welfare
13 Commission, the employer shall pay the employee one additional hour of pay at the
14 employee's regular rate of compensation for each work day that the meal or rest period is
15 not provided."

16 77. As a pattern and practice, Defendants failed to provide Plaintiff and other
17 aggrieved current and former employees with legally-mandated meal periods and failed
18 to compensate them premium wages. Defendants required Plaintiff and other aggrieved
19 current and former employees to work through, interrupt, or cut short their meal periods
20 to complete their daily workload and satisfy the company's expectations, without
21 compensation. Further, Defendants failed to provide Plaintiff and other aggrieved current
22 and former employees with the requisite number of meal periods when working shifts
23 exceeding greater than 10 hours in length.

24 78. Thus, Defendants owe meal period premiums to Plaintiff and Aggrieved
25 Employees. Defendants are in violation of Labor Code Sections 226.6, 226.7, 512, 1174,
26 1198, 1199 and 8 Cal. Code Reg. Sections 11050(11).

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Unlawful Deduction of Wages

79. Labor Code §204 provides that all earned wages are due and payable twice during each calendar month. Labor Code §221 provides that it shall be unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee. Defendants unlawfully deducted wages from Plaintiff and Aggrieved Employees. Defendants created a system whereby Plaintiff and Aggrieved Employees would be deducted wages and were in fact deducted wages. Labor Code §223 provides that where a contract requires an employer to maintain the designated scale, it is unlawful to pay a lower wage while purporting to pay the wage designed by the contract. Labor Code §224 prohibits employers from making deductions from an employee's wages not authorized by the employee in writing or permitted by law.

80. Under California law, an employer can lawfully withhold amounts from an employee's wages only in the following circumstances:

- a) When required or empowered to do so by state or federal law;
- b) When a deduction is expressly authorized in writing by the employee to cover insurance premiums, benefit plan contributions or other deductions not amounting to a rebate on the employee's wages; and
- c) When a deduction to cover health, welfare or pension contributions is expressly authorized by a wage or collective bargaining agreement (Labor Code Sections 221 and 224).

81. Defendants violated this provision by taking deductions from Plaintiff and Aggrieved Employees that are deemed illegal.

82. None of the exceptions and outlined by the Labor Code apply to Plaintiff and Aggrieved Employees and therefore the deductions by Defendants are deemed illegal. Defendants have maintained a policy of failing to inform Plaintiff and Aggrieved Employees of the illegal deductions and have willfully failed to compensate Plaintiff and Aggrieved Employees for wages earned as a result of the illegal deductions.

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83. Plaintiff and Aggrieved Employees are entitled to the wages deducted by Defendants, damages and/or civil penalties pursuant to (including penalties pursuant to Labor Code section 225.5), and waiting time penalties associated with the deductions and according to proof at trial.

Failure to Reimburse Expenses

84. Under California Labor Code section 2802, Defendants must reimburse and indemnify Plaintiff and other Aggrieved Employees for all necessary expenditures Plaintiff and all other Aggrieved Employees incurred. At all times relevant herein, Defendants were required to reimburse its employees for any and all necessary expenditures or losses incurred by the employees in direct consequences of the discharge or his or her duties pursuant to the mandate of California Labor Code sections 2800 and 2802. As a pattern and practice, Defendants failed to pay Plaintiff and other Aggrieved Employees all business expenses incurred and owing them within the required time period, including but not limited to such things as parking fees.

85. “An employer shall indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer, even though unlawful, unless the employee, at the time of obeying the directions, believed them to be unlawful.” (Cal. Labor Code § 2802(a).)

86. California Labor Code section 2802(c) provides: “For purposes of this section, the term “necessary expenditures or losses” shall include all reasonable costs, including, but not limited to, attorney’s fees incurred by the employee enforcing the rights granted by this section.”

87. As explained above, Defendants required Plaintiff and Aggrieved Employees to incur necessary business expenses, but failed to reimburse those necessary business expenses, including without limitation to such things as parking fees that they incurred in order to discharge their duties for Defendants.

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1 88. Defendants have had and continue to have a policy and practice of not
2 reimbursing Plaintiff and Aggrieved Employees for the above reimbursable expenses.

3 89. Defendants violated Labor Code Section 2800, *et seq.* by failing to reimburse
4 Plaintiff and Aggrieved Employees for expenses incurred on behalf of Defendants while
5 performing work on behalf of Defendants. Plaintiff and Aggrieved Employees incurred
6 expenses such as, including without limitation to parking fees while performing work for
7 Defendants. Defendants failed to reimburse Plaintiff and all Aggrieved Employees for
8 any of the expenses they incurred while working on behalf of Defendants.

9 90. Because Defendants have failed and continue to fail to reimburse these
10 necessary business expenses to Plaintiff and Aggrieved Employees, and for its failure to
11 pay interest under California Labor Code section 2802(b), Defendants have violated
12 California Labor Code section 2802 and 2800, *et seq.*

13 **Failure to Timely Pay Wages Upon Separation**

14 91. Defendants willfully failed to pay, without abatement, Plaintiff and
15 Aggrieved Employees upon discharge or quit. Defendants' policy and practice is to refuse
16 to pay Plaintiff and Aggrieved Employees all wages due and owing to them upon
17 discharge or resignation. Defendants' pay policies and practices violate Labor Code
18 Sections 201, 202, 203 and 208. Labor Code Section 201 requires immediate payment of
19 wages upon discharge. Labor Code Section 202 requires payment of all compensation due
20 employees who voluntarily resigns within 72 hours of resignation. Labor Code Section
21 208 requires final payment of wages to discharged employees "at the place of discharge"
22 and that all employees who resign must be paid at the office or agency of the employer in
23 the county where the employees have been performing labor.

24 92. At all times relevant herein, Defendants were required to pay their employees
25 all wages owed in a timely fashion at the end of employment pursuant to California Labor
26 Code §§ 201 to 204.

27 93. Defendants' policies and practice of failing to issue final paychecks to
28 employees, without abatement or reduction, in a timely manner according to law places

Defendants in violation of these Labor Code provisions. Defendants do not timely pay all unpaid wages due to employees upon separation. Therefore, Defendants are in violation of the following code sections: Labor Code Sections 201, 202, 203, 208.

94. Defendants are subject to civil penalties pursuant to Labor Code sections 203, 210, and/or 256. Each violation results in a separate civil penalty, for Plaintiff and Aggrieved Employees for each pay period during which the statute provisions were violated.

95. As a result of Defendants' Labor Code violations alleged above, Defendants failed to pay Plaintiff and the other aggrieved former employees their final wages pursuant to Labor Code §§ 201 to 204 and accordingly owe waiting time penalties pursuant to Labor Code § 203.

Penalties

96. Pursuant to California Labor Code § 2699, Plaintiff, individually, and on behalf of other current and former Aggrieved Employees, requests and is entitled to recover from Defendants, and each of them, civil penalties, interest, attorneys' fees and costs pursuant, as well as all statutory penalties against Defendants, and each of them, including but not limited to:

97. Penalties under California Labor Code § 2699 in the amount of a hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation, and two hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent violation;

98. Penalties under California Code of Regulations Title 8 § 11050 in the amount of fifty dollars (\$50) for each aggrieved employee per pay period for the initial violation, and one hundred dollars (\$100) for each aggrieved employee per pay period for each subsequent violation;

99. Penalties under California Labor Code § 210 in addition to, and entirely independent and apart from, any other penalty provided in the California Labor Code in the amount of a hundred dollars (\$100) for each aggrieved employee per pay period for

the initial violation, and two hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent violation;

100. Penalties under Labor Code § 1197.1 in the amount of a hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation, and two hundred fifty dollars (\$250) for each aggrieved employee per pay period for each subsequent violation;

101. Any and all additional penalties as provided by the Labor Code and/or other statutes; and

102. Plaintiff requests penalties against Defendants as provided under Lab. Code Section 2699(f), plus reasonable attorneys' fees and costs, in amounts to be proved at trial.

PRAYER FOR RELIEF

Plaintiff, on behalf of himself and all other Aggrieved Employees, prays for relief and judgment against Defendants, as follows:

1. Upon the Cause of Action, for civil penalties pursuant to statutes as set forth in Labor Code § 2698 et seq., for Defendants' violations of including without limitation to Labor Code §§ 201, 202, 203, 204, 210, 221-224, 225.5, 226, 226.3, 226.7, 500-508, 510, 512, 515, 558, 1174, 1174.5, 1182, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2800, *et seq.*, 2802, 2810.5, 8 Cal. Code Reg. Sections 11050, and all applicable Wage Orders, including Wage Order 5-2001.
2. Upon the Cause of Action, for costs and attorneys' fees pursuant to Labor Code §§ 210, 1194, and 2699, and any other applicable statute; and
3. For such other and further relief the court may deem just and proper.

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1 DATED: February 28, 2025

NATHAN & ASSOCIATES, APC

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3 BY: s/ Reuben D. Nathan
4 Reuben D. Nathan, Esq.
5 Attorneys for Plaintiff,
6 AUSTIN SADIK
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