

Larry W. Lee (State Bar No. 228175)
Kristen M. Agnew (State Bar No. 247656)
Max W. Gavron (State Bar No. 291697)
Kwanporn "Mai" Tulyathan (State Bar No. 316704)

DIVERSITY LAW GROUP, P.C.

515 S. Figueroa Street, Suite 1250
Los Angeles, CA 90071
(213) 488-6555
(213) 488-6554 facsimile
lwlee@diversitylaw.com
kagnew@diversitylaw.com
mgavron@diversitylaw.com
ktulyathan@diversitylaw.com

David Lee (State Bar No. 296294)

DAVID LEE LAW, APC

777 S. Alameda St., 2nd floor
Los Angeles, California 90021
Telephone: (213) 731-1402
Facsimile: (866) 658-4722
David@davidjleelaw.com

Attorneys for Plaintiff and the Aggrieved Employees

ELECTRONICALLY FILED
Superior Court of California
County of Sacramento

10/11/2024

By: P. Russell Deputy

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

KYSTAL HALE, as an individual and on
behalf of all others similarly situated,

Plaintiff,

vs.

ZURICH AMERICAN INSURANCE
COMPANY; and DOES 1 through 50,
inclusive,

Defendants.

Case No.: **24CV020702**

**REPRESENTATIVE ACTION COMPLAINT
FOR VIOLATION OF LABOR CODE §2698,
ET SEQ.**

DEMAND OVER \$25,000.00

1 Plaintiff Krystal Hale (“Plaintiff”) hereby submits this PAGA Representative Action
2 Complaint (“Complaint”) against Defendant Zurich American Insurance Company
3 (“Defendant”), and Does 1 through 50 (collectively, “Defendants”), on behalf of herself and all
4 other aggrieved employees of Defendants for penalties pursuant to the Private Attorneys General
5 Act, Labor Code section 2698, *et seq.* (“PAGA”), for Defendants’ violations of the California
6 Labor Code, as follows:

7 **INTRODUCTION**

8
9 1. This complaint is within the Court’s jurisdiction under California Labor Code
10 sections 201, 202, 203, 204, 226(a), 558, 1194, 1197, 1197.1, 2802, and 2698, *et seq.*, and the
11 applicable Wage Orders of the California Industrial Welfare Commission (“IWC”).

12 2. This Complaint challenges systemic illegal employment practices resulting in
13 violations of the California Labor Code and the against individuals who worked for Defendant.

14 3. Plaintiff is informed and believes, and based thereon alleges, that Defendants,
15 jointly and severally, have acted intentionally and with deliberate indifference and conscious
16 disregard to the rights of all employees by: (a) failing to pay overtime wages, in violation of
17 Labor Code sections 201, 202, 203, 204, 510, 558 and 1194; (b) failing to provide accurate
18 itemized wage statements, in violation of Labor Code section 226; and (c) failing to reimburse
19 employees for all work-related expenses, in violation of Labor Code section 2802.

20 4. Plaintiff is informed and believes, and based thereon alleges, that Defendants
21 have engaged in, among other things a system of willful violations of the California Labor Code
22 and the applicable IWC Wage Orders by creating and maintaining policies, practices, and
23 customs that knowingly deny employees the above stated rights and benefits.

24 **JURISDICTION AND VENUE**

25 5. The Court has jurisdiction over the violations of the California Labor Code
26 sections 201, 202, 203, 204, 226(a), 558, 1194, 1197, 1197.1, 2802, , and 2698, *et seq.* and the
27 applicable Wage Orders.

28 6. Venue is proper in Sacramento County because Plaintiff worked for Defendant in
Rancho Cordova, California.

PARTIES

7. Plaintiff was employed by Defendant as a Claims Associate from approximately March 3, 2022 to on or about May 10, 2024. For the duration of Plaintiff's employment, Defendant misclassified Plaintiff as a salaried, exempt employee.

8. Plaintiff is informed and believes, and based thereon alleges, that Defendant Zurich American Insurance Company was and is a New York corporation that maintains operations in the State of California, including in Sacramento County, California. Plaintiff is informed and believes, and based thereon alleges, that Defendant is a provider of commercial property-casualty insurance solutions and services in the United States and Canada.

9. Plaintiff is informed and believes, and based thereon alleges, that at all times herein mentioned Does 1 through 50, are and were corporations, business entities, individuals, and partnerships, licensed to do business and actually doing business in the State of California. As such, and based upon all the facts and circumstances incident to Defendants' business, Defendants are subject to the California Labor Code.

10. Plaintiff does not know the true names or capacities, whether individual, partner, or corporate, of the defendants sued herein as Does 1 through 50, inclusive, and for that reason, said defendants are sued under such fictitious names, and Plaintiff prays for leave to amend this Complaint when the true names and capacities are known. Plaintiff is informed and believes and based thereon alleges that each of said fictitious defendants was responsible in some way for the matters alleged herein and proximately caused Plaintiff and aggrieved employees to be subject to the illegal employment practices, wrongs and injuries complained of herein.

11. At all times herein mentioned, each defendant participated in the doing of the acts hereinafter alleged to have been done by the named Defendant; and furthermore, Defendants, and each of them, were the agents, servants, and employees of each of the other defendants, as well as the agents of all Defendants, and at all times herein mentioned, were acting within the course and scope of said agency and employment.

12. Plaintiff is informed and believes, and based thereon alleges, that at all times material hereto, each of the Defendants named herein was the agent, employee, alter ego and/or

1 joint venturer of, or working in concert with each of the other co-Defendants and was acting
2 within the course and scope of such agency, employment, joint venture, or concerted activity. To
3 the extent said acts, conduct, and omissions were perpetrated by certain Defendants, each of the
4 remaining Defendants confirmed and ratified said acts, conduct, and omissions of the acting
5 Defendants.

6 13. At all times herein mentioned, Defendants, and each of them, were members of,
7 and engaged in, a joint venture, partnership, and common enterprise, and acting within the course
8 and scope of, and in pursuance of, said joint venture, partnership, and common enterprise.

9 14. At all times herein mentioned, the acts and omissions of various Defendants, and
10 each of them, concurred and contributed to the various acts and omissions of each and all of the
11 other Defendants in proximately causing the injuries and damages as herein alleged. At all times
12 herein mentioned, Defendants, and each of them, ratified each and every act or omission
13 complained of herein. At all times herein mentioned, Defendants, and each of them, aided and
14 abetted the acts and omissions of each and all of the other Defendants in proximately causing the
15 damages as herein alleged.

16 **FIRST CAUSE OF ACTION**

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

18 **(BY PLAINTIFF AND AGGRIEVED EMPLOYEES AGAINST ALL DEFENDANTS)**

19 15. Plaintiff re-alleges and incorporates by reference the preceding paragraphs as
20 though fully set forth herein.

21 16. Plaintiff brings this cause of action as a proxy for the State of California and in
22 this capacity, seeks penalties on behalf of all Aggrieved Employees in the State of California
23 from August 6, 2023, through the present, for Defendant's violations of Labor Code sections
24 201, 202, 203, 204, 226(a), 558, 1194, 1197, 1197.1 and 2802, arising from Defendants' policy
25 and practice of: (a) failing to pay overtime wages, in violation of Labor Code sections 201, 202,
26 203, 204, 510, 558 and 1194; (b) failing to provide accurate itemized wage statements, in
27 violation of Labor Code section 226(a); and (c) failing to reimburse business expenses, in
28 violation of Labor Code section 2802.

1 17. Defendant routinely required Plaintiff and Aggrieved Employees to work more
2 than eight (8) hours per day, and/or forty (40) hours per week without paying overtime for the
3 additional hours worked. Although Defendant classified Plaintiff and Aggrieved Employees as
4 exempt employees, their position and duties failed to meet the requirements of either the
5 administrative, executive, or professional exemptions of the applicable Wage Order and
6 California Labor Code section 510. As a result of such policy and practice, Defendant failed to
7 pay overtime wages to Plaintiff and Aggrieved Employees and thus owes additional overtime
8 wages. Defendant willfully failed to pay Plaintiff and Aggrieved Employees wages due and
9 owing to them upon separation of employment.

10 18. Due to the non-payment of overtime wages, Defendant issued inaccurate wage
11 statements to Plaintiff and Aggrieved Employees. In this regard, the wage statements failed to
12 accurately identify the hourly rates of pay, gross wages earned, and net wages earned.

13 19. As a pattern and practice, Defendant failed to reimburse and indemnify Plaintiff
14 and Aggrieved Employees for business expenses necessary for the discharge of their duties,
15 including without limitation, the costs associated with working remotely. Although Defendant
16 provided Aggrieved Employees with a computer and telephone, Defendant required that
17 employees use their own internet for work-related purposes. This was a reasonable and necessary
18 business expense but was not reimbursed by Defendant.

19 20. On or about August 6, 2024, Plaintiff sent written notice to the California Labor
20 & Workforce Development Agency (“LWDA”) of Defendant’s violations of Labor Code
21 sections 201, 202, 203, 204, 226(a), 558, 1194, 1197, 1197.1 and 2802, pursuant to the PAGA.
22 In addition to the LWDA, Plaintiff also sent her notice to Defendant via certified mail pursuant
23 to Labor Code section 2699.3.

24 21. As of the date of the filing of this Complaint, the LWDA has not responded to
25 Plaintiff’s written notice nor indicated that it intends to investigate the Labor Code violations
26 provided for in the written notice.

27 22. As such, pursuant to Labor Code section 2699(a), Plaintiff seeks recovery of any
28 and all applicable civil penalties for Defendant’s violations of Labor Code sections 201, 202,

203, 204, 226, 226.7, 510, 558, 1194, 1197, 1197.1, and 2802, for the time period described above, on behalf of herself and other Aggrieved Employees.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for judgment for herself and all others on whose behalf this suit is brought against Defendants, jointly and severally, as follows:

1. Upon the First Cause of Action, for the full amount of penalties pursuant to California Labor Code section 201, 202, 203, 204, 226(a), 558, 1194, 1197, 1197.1, 2802 and 2698, *et seq.*, and for costs and attorneys' fees; and

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

DATED: October 11, 2024

DIVERSITY LAW GROUP, P.C.

By: _____

Larry W. Lee

Kristen M. Agnew

Attorneys for Plaintiff and the Aggrieved Employees