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Superior Court of California
County of Los Angeles
12/27/2024
David W. Slayton, Executive Officer / Clerk of Court
By: R. Lozano Deputy

Attorneys for Plaintiff, the Putative Class, and the Aggrieved Employees

**SUPERIOR COURT OF THE STATE OF
CALIFORNIA FOR THE COUNTY OF LOS ANGELES**

MARK ALLEN RUIZ, an individual, on behalf
of himself, the State of California, as a private
attorney general, and on behalf of all others
similarly situated,

Plaintiff,

v.

GOLDEN GATE LOGISTICS, LLC, a
California limited liability company; and DOES
1 TO 50,

Defendants.

Case Number: 24STCV28422

**First Amended Class and Representative
Action Complaint For:**

1. Penalties Pursuant to the Labor Code Private Attorneys General Act of 2004 (“PAGA”) for Willful Misclassification in Violation of Labor Code sections 226.8 and 2775,
2. Failure to Pay All Minimum Wages,
3. Failure to Pay Split Shift Premiums,
4. Failure to Pay All Overtime Wages,
5. Failure to Provide Rest Periods and Pay Missed Rest Period Premiums,
6. Failure to Provide Meal Periods and Pay Missed Meal Period Premiums,
7. Failure to Maintain Accurate Employment Records,
8. Failure to Pay Wages Timely during Employment,

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9. Failure to Pay All Wages Earned and Unpaid at Separation,
 10. Failure to Indemnify All Necessary Business Expenditures,
 11. Failure to Furnish Accurate Itemized Wage Statements,
 12. Failure to Pay Sick Leave,
 13. Violations of California’s Unfair Competition Law (Bus. & Prof. Code, §§ 17200–17210), and
 14. Penalties Pursuant to PAGA for Violations of California Labor Code Sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 246, 510, 512, 1174, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2802, 2804, and Other Provisions of the Labor Code.

Demand for Jury Trial

1 Plaintiff Mark Allen Ruiz (“Plaintiff”), on behalf of himself, the State of California, as a private
2 attorney general, and all other similarly situated employees within the State of California, complains
3 and alleges of defendants Golden Gate Logistics, LLC and Does 1 to 50 (collectively, “Defendants”),
4 and each of them, as follows:

5 **I. INTRODUCTION**

6 1. This is a class action complaint brought pursuant to California Code of Civil Procedure
7 section 382.

8 2. The “Class Period” as used herein, is defined as the period from October 29, 2020, and
9 continuing into the present and ongoing. Defendants’ violations of California’s laws as described more
10 fully below have been ongoing throughout the Class Period and are still ongoing.

11 3. Plaintiff brings this class action on behalf of himself and the following class: *All*
12 *individuals who are or were employed by Defendants as non-exempt employees in California during*
13 *the Class Period* (the “Class Members”). (Code Civ. Proc., § 382.)

14 4. Plaintiff brings this action on behalf of himself and the Class Members, as a class action,
15 against Defendants for:

- 16 A. Failure to pay all minimum wages,
- 17 B. Failure to pay split shift premiums,
- 18 C. Failure to pay all overtime wages,
- 19 D. Failure to provide rest periods and pay missed rest period premiums,
- 20 E. Failure to provide meal periods and pay missed meal period premiums,
- 21 F. Failure to maintain accurate employment records,
- 22 G. Failure to pay wages timely during employment,
- 23 H. Failure to pay all wages earned and unpaid at separation,
- 24 I. Failure to indemnify all necessary business expenditures,
- 25 J. Failure to furnish accurate itemized wage statements,
- 26 K. Failure to fully pay all sick leave wages,
- 27 L. Violations of California’s Unfair Competition Law (“UCL”) (Bus. & Prof.
28 Code, §§ 17200–17210).

1 5. This action is also a representative action brought pursuant to the California Labor Code
2 Private Attorneys General Act of 2004 (“PAGA”), codified at California Labor Code sections 2698
3 through 2699.6.

4 6. The “PAGA Period” as used herein, is defined as the period from October 23, 2023, and
5 continuing into the present and ongoing.

6 7. This PAGA action is brought on behalf of Plaintiff, the State of California as private
7 attorney general, and on behalf of the following aggrieved employees: *All individuals who are or were*
8 *employed by Defendants as non-exempt employees in California during the PAGA Period* (the
9 “Aggrieved Employees”).

10 8. Plaintiff is informed and believes and thereon alleges that the California Industrial
11 Welfare Commission (“IWC”) Wage Order applicable to the facts of this case is IWC Wage Order 9-
12 2001 (the “Applicable Wage Order”) and possibly others that may be applicable. (Cal. Code of Regs.,
13 tit. 8, § 11090.) Plaintiff reserves the right to amend or modify the definition of “Applicable Wage
14 Order” with greater specificity or add additional IWC Wage Orders if additional applicable wage orders
15 are discovered in litigation.

16 **II. JURISDICTION & VENUE**

17 9. This Court has subject matter jurisdiction over all causes of action asserted herein
18 pursuant to Article VI, section 10, of the California Constitution and Code of Civil Procedure section
19 410.10 because this is a civil action in which the matter in controversy, exclusive of interest, exceeds
20 \$25,000, and because each cause of action asserted arises under the laws of the State of California or
21 is subject to adjudication in the courts of the State of California.

22 10. This Court has personal jurisdiction over Defendants because Defendants have caused
23 injuries in the County of San Luis Obispo and the State of California through their acts, and by their
24 violation of the California Labor Code and California state common law. Defendants transact millions
25 of dollars of business within the State of California. Defendants own, maintain offices, transact
26 business, have an agent or agents within the County of San Luis Obispo, and/or otherwise are found
27 within the County of San Luis Obispo, and Defendants are within the jurisdiction of this Court for
28 purposes of service of process.

1 11. Venue as to Defendants is proper in this judicial district, pursuant to section 395 of the
2 Code of Civil Procedure. Defendants operate within California and do business within San Luis Obispo
3 County, California. The unlawful acts alleged herein have a direct effect on Plaintiff and all of
4 Defendants' employees identified above within San Luis Obispo County and surrounding counties
5 where Defendants may remotely operate.

6 12. This matter is not appropriate for removal under the Class Action Fairness Act (28
7 U.S.C. § 1332) as the amount in controversy for Plaintiff's and the Class Members' claims, in
8 aggregate, is less than \$5 million. Additionally, all the allegations herein occurred in the State of
9 California. As such, even if the amount in controversy did exceed \$5 million this matter would still not
10 be appropriate for removal under the "local controversy" exception to the Class Action Fairness Act.
11 (28 U.S.C. § 1332, subd. (d)(4)(A).)

12 **III. THE PARTIES**

13 **A. PLAINTIFF**

14 13. At all relevant times, Plaintiff, who is over the age of 18, was and currently is a citizen
15 of California residing in the State of California. Defendants employed Plaintiff as a non-exempt hourly
16 employee in the County of San Luis Obispo.

17 14. Plaintiff brings this action on behalf of himself and the following class pursuant to
18 section 382 of the Code of Civil Procedure as follows: *All individuals who are or were employed by*
19 *Defendants as non-exempt employees in California during the Class Period* (the "Class Members").

20 15. Plaintiff also brings this action on behalf of himself and the State of California, as a
21 private attorney general, and on behalf of the following group of aggrieved employees: *All individuals*
22 *who are or were employed by Defendants as non-exempt employees in California during the PAGA*
23 *Period* (the "Aggrieved Employees").

24 16. The Class Members and the Aggrieved Employees, at all times pertinent hereto, are or
25 were employees of Defendants during the relevant statutory period.

26 **B. DEFENDANTS**

27 17. Plaintiff is informed and believes and thereon alleges that Defendants were authorized
28 to and doing business in San Luis Obispo County and is and/or was the legal employer of Plaintiff, the

1 other Aggrieved Employees, and the other Class Members during the applicable statutory periods.
2 Plaintiff, the other Aggrieved Employees, and the other Class Members were, and are, subject to
3 Defendants' policies and/or practices complained of herein and have been deprived of the rights
4 guaranteed to them by: California Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7,
5 226.8, 246, 510, 512, 1174, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2775, 2802, 2804,
6 and others that may be applicable; California Business and Professions Code sections 17200 through
7 17210 ("UCL"); and the Applicable Wage Order (Cal. Code of Regs., tit. 8, § 11090).

8 18. Plaintiff is informed and believes, and based thereon alleges, that during the Class
9 Period and PAGA Period, Defendants did (and continue to do) business in the State of California,
10 County of San Luis Obispo.

11 19. Plaintiff does not know the true names or capacities, whether individual, partner, or
12 corporate, of the defendants sued herein as Does 1 to 50, inclusive, and for that reason, said defendants
13 are sued under such fictitious names, and Plaintiff will seek leave from this Court to amend this
14 complaint when such true names and capacities are discovered. Plaintiff is informed, and believes, and
15 thereon alleges, that each of said fictitious defendants, whether individual, partners, or corporate, were
16 responsible in some manner for the acts and omissions alleged herein, and proximately caused Plaintiff,
17 the other Aggrieved Employees, and the other Class Members to be subject to the unlawful employment
18 practices, wrongs, injuries, and damages complained of herein.

19 20. Plaintiff is informed, and believes, and thereon alleges, that at all times mentioned
20 herein, Defendants were and/or are the employers of Plaintiff, the other Aggrieved Employees, and the
21 other Class Members. At all times herein mentioned, each of said Defendants participated in the doing
22 of the acts hereinafter alleged to have been done by the named Defendants. Furthermore, the
23 Defendants, and each of them, were the agents, representatives, and employees of each and every one
24 of the other Defendants, and at all times herein mentioned were acting within the course and scope of
25 said agency, representation, and employment. Defendants, and each of them, approved of, condoned,
26 or otherwise ratified every one of the acts or omissions complained of herein.

27 21. Plaintiff is further informed, and believes, and thereon alleges, that at all times
28 mentioned herein, that Defendants, and each of them, are the alter egos of one another and that there

1 existed and now exists a unity of interest and ownership between them such that the individuality and
2 separateness of each of them has ceased. Plaintiff is further informed, and believes, and thereon alleges,
3 that at all times mentioned herein, that Defendants, and each of them, have been and now are mere
4 shells and naked frameworks that their principal uses for the conduct of that Defendant's own business,
5 property, and affairs, for which Defendants, and each of them, have concealed and misrepresented their
6 identities as the entities responsible for their ownership, management, and financial interests.

7 22. Plaintiff is further informed, and believes, and thereon alleges, that at all times
8 mentioned herein, Defendants, and each of them, were members of and engaged in a joint venture,
9 partnership, and common enterprise, and acting within the course and scope of and in pursuance of said
10 joint venture, partnership, and common enterprise. Further, Plaintiff is informed, and believes, and
11 thereon alleges, that all Defendants were joint employers for all purposes of Plaintiff, the other
12 Aggrieved Employees, and the other Class Members.

13 **IV. COMMON FACTS & ALLEGATIONS**

14 23. Plaintiff and the other Class Members (collectively, the "Class Members") are, and were
15 at all relevant times, employed by the Defendants within the State of California.

16 24. Likewise, Plaintiff and the other Aggrieved Employees (collectively, the "Aggrieved
17 Employees") are, and were at all relevant times, employed by the Defendants within the State of
18 California.

19 25. The Class Members and the Aggrieved Employees are, and were, at all relevant times,
20 non-exempt employees for the purposes of minimum wages, split shift premiums, overtime, rest breaks,
21 meal periods, and the other claims alleged in this complaint.

22 26. Specifically, Plaintiff was employed by Defendants within the statutory Class Period
23 and PAGA Period, working as a non-exempt delivery driver for Defendants.

24 **A. WILLFUL MISCLASSIFICATION**

25 27. Labor Code section 2775, subdivision (b), provides the test for determining whether an
26 individual performing work for another is an independent contractor or an employee. It states as
27 follows:
28

1 “[A] person providing labor or services for remuneration shall be considered an
2 employee rather than an independent contractor unless the hiring entity
3 demonstrates that all of the following conditions are satisfied:

4 “(A) The person is free from the control and direction of the hiring entity in
5 connection with the performance of the work, both under the contract for
6 the performance of the work and in fact.

7 “(B) The person performs work that is outside the usual course of the hiring
8 entity’s business.

9 “(C) The person is customarily engaged in an independently established trade,
10 occupation, or business of the same nature as that involved in the work
11 performed.”

12 28. This standard is commonly referred to as the “ABC Test.” Under the ABC Test, the
13 alleged employer, rather than the worker, has the burden of establishing that the worker is an
14 independent contractor and not intended to be included within the relevant wage order’s coverage. “The
15 focus is not on the label attached to a worker’s position, but on how that individual’s job may
16 reasonably be viewed.” (*Gonzales v. San Gabriel Transit, Inc.* (2019) 40 Cal.App.5th 1131, 1154–
17 1155.) Further, the alleged employer must establish that the worker meets **all three** factors of the ABC
18 Test or falls within an exception to the ABC Test. (*Id.* at p. 1154 [“The ABC test is conjunctive, and
19 the hiring entity’s failure to establish *any* of the following three factors precludes a finding that the
20 worker is an independent contractor”].) Otherwise, Labor Code section 2775’s default
21 presumption applies and the worker must be treated as an employee. (See *Dynamex Operations W. v.*
22 *Superior Court* (2018) 4 Cal.5th 903, 955 [“The ABC test presumptively considers all workers to be
23 employees, and permits workers to be classified as independent contractors only if the hiring business
24 demonstrates that the worker in question satisfies each of three conditions”].)

25 29. Here, at all times during the Class Period and PAGA Period, Defendants treated the
26 Class Members and the Aggrieved Employees as independent contractors despite the fact that
27 Defendants failed to meet any of the prongs of the ABC Test, let alone all three. First, Defendants
28 retained the right to control the manner and method of how the Class Members and the Aggrieved

1 Employees performed their job duties, and Defendants retained all necessary control over the Class
2 Members and the Aggrieved Employees during their employment. Among other things, the Class
3 Members and the Aggrieved Employees were required to follow detailed requirements imposed by
4 Defendants governing the performance of their job. Further, Defendants set their compensation.

5 30. Second, the job duties performed by the Class Members and the Aggrieved Employees
6 fell within Defendants’ usual course of business. Specifically, the roles performed by the Class
7 Members and the Aggrieved Employees are clearly comparable to those of Defendants’ employees
8 whose services are provided within the usual course of Defendants’ business. Thus, the work of the
9 Class Members and the Aggrieved Employees was not merely incidental to Defendants’ business, but
10 rather, was an integral and ordinary part of that business.

11 31. Finally, the Class Members and the Aggrieved Employees were not engaged in an
12 independently established trade, occupation, or business of the same nature as the work performed for
13 Defendants. The Class Members and the Aggrieved Employees did not, for example, take any of the
14 usual steps to establish and promote their businesses. Nor did the Class Members and the Aggrieved
15 Employees—through incorporation, licensure, advertisements, or routine offerings to provide services
16 to the public or to a number of potential customers—independently choose the burdens and benefits of
17 self-employment by engaging in an independently established trade, occupation, or business. Critically,
18 this last prong of the ABC Test requires that Defendants show the Class Members and the Aggrieved
19 Employees “*actually . . . engaged in an independent business, not merely that [they] could be.*”
20 (*Gonzales v. San Gabriel Transit, Inc.* (2019) 40 Cal.App.5th 1131, 1155, emphasis in original.) That
21 simply did not happen here: the Class Members and the Aggrieved Employees did not *actually engage*
22 in independent businesses. “A company that labels as independent contractors a class of workers who
23 are not engaged in an independently established business in order to enable the company to obtain the
24 economic advantages that flow from avoiding the financial obligations that a wage order imposes on
25 employers unquestionably violates the fundamental purposes of the wage order.” (*Dynamex*
26 *Operations W. v. Superior Court* (2018) 4 Cal.5th 903, 962.) Here, Defendants violated California law
27 by attempting to do so.

28 32. Labor Code section 226.8 provides, in pertinent part, as follows:

1 “(a) It is unlawful for any person or employer to engage in any of the following
2 activities:

3 “(1) Willful misclassification of an individual as an independent contractor.

4 “(2) Charging an individual who has been willfully misclassified as an
5 independent contractor a fee, or making any deductions from
6 compensation, for any purpose, including for goods, materials, space
7 rental, services, government licenses, repairs, equipment maintenance,
8 or fines arising from the individual's employment where any of the acts
9 described in this paragraph would have violated the law if the individual
10 had not been misclassified.

11 “(b) If the Labor and Workforce Development Agency or a court issues a
12 determination that a person or employer has engaged in any of the enumerated
13 violations of subdivision (a), the person or employer shall be subject to a civil
14 penalty of not less than five thousand dollars (\$5,000) and not more than fifteen
15 thousand dollars (\$15,000) for each violation, in addition to any other penalties
16 or fines permitted by law.

17 “(c) If the Labor and Workforce Development Agency or a court issues a
18 determination that a person or employer has engaged in any of the enumerated
19 violations of subdivision (a) and the person or employer has engaged in or is
20 engaging in a pattern or practice of these violations, the person or employer shall
21 be subject to a civil penalty of not less than ten thousand dollars (\$10,000) and
22 not more than twenty-five thousand dollars (\$25,000) for each violation, in
23 addition to any other penalties or fines permitted by law.”

24 33. As explained above, Defendants’ treatment of the Class Members and the Aggrieved
25 Employees cannot meet any part of the ABC Test and Defendants knew it. Defendants thus
26 intentionally and willfully misclassified the Class Members and the Aggrieved Employees as
27 independent contractors in violation of Labor Code section 226.8, subdivision (a). Moreover, this
28 treatment was not merely occasional, but reflected Defendants’ pattern and practice of willfully

1 misclassifying Defendants' employees as independent contractors. Defendants are thus liable, through
2 PAGA, for the civil penalties of up to \$25,000 for *each* violation as provided by Labor Code section
3 226.8, subdivisions (b) and (c). (Lab. Code, § 2699, subd. (a).)

4 **B. MINIMUM WAGE VIOLATIONS**

5 34. Labor Code section 1197 requires employees to be paid at least the minimum wage fixed
6 by the IWC, and any payment of less than the minimum wage is unlawful. Similarly, Labor Code
7 section 1194 entitles "any employee receiving less than the legal minimum wage . . . to recover in a
8 civil action the unpaid balance of the full amount of this minimum wage." Likewise, the Applicable
9 Wage Order also obligates employers to pay each employee minimum wages for all hours worked.
10 (Cal. Code of Regs., tit. 8, § 11090.) Labor Code section 1198 makes unlawful the employment of an
11 employee under conditions that the IWC Wage Orders prohibit.

12 35. These minimum wage standards apply to each hour that employees work. Therefore, an
13 employer's failure to pay for any particular time worked by an employee is unlawful, even if averaging
14 an employee's total pay over all hours worked, paid or not, results in an average hourly wage above
15 minimum wage. (*Armenta v. Osmose, Inc.* (2005) 135 Cal.App.4th 314, 324.)

16 36. Here, Defendants failed to fully conform their pay practices to the requirements of the
17 law during the relevant statutory periods. The Class Members and the Aggrieved Employees were not
18 compensated for all hours worked including, but not limited to, all hours they were subject to the control
19 of Defendants and/or suffered or permitted to work under the California Labor Code and the Applicable
20 Wage Order. Among other violations, the Class Members and the Aggrieved Employees were subject
21 to the control of Defendants while off-the-clock and did not receive minimum wage for each hour
22 worked.

23 37. Labor Code sections 1194, subdivision (a), and 1194.2, subdivision (a), provide that an
24 employer who has failed to pay its employees the legal minimum wage is liable to pay those employees
25 the unpaid balance of the unpaid wages as well as liquidated damages in an amount equal to the wages
26 due and interest thereon.

27 38. When employees, such as the Class Members, are not paid for all hours worked under
28 Labor Code section 1194, they are entitled to recover minimum wages for the time which they received

no compensation. (See *Sillah v. Command International Security Services* (N.D. Cal. 2015) 154 F.Supp.3d 891 [employees suing for failure to pay overtime could recover liquidated damages under Labor Code section 1194.2 if they also showed they were paid less than minimum wage].)

39. Labor Code section 1197.1 authorizes employees who are paid less than the minimum wage fixed by an applicable state or local law, or by an order of the IWC, a civil penalty, among other damages, as follows:

(1) “For any initial violation that is intentionally committed, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee is underpaid.”

(2) “For each subsequent violation for the same specific offense, two hundred fifty dollars (\$250) for each underpaid employee for each pay period for which the employee is underpaid regardless of whether the initial violation is intentionally committed.” (Lab. Code, § 1197.1, subd.

(a).)

40. As set forth above, Defendants failed to fully compensate the Class Members and the Aggrieved Employees for all minimum wages. Accordingly, the Class Members are entitled to recover liquidated damages for violations of Labor Code section 1197.1.

41. Based upon these same factual allegations, the Class Members are likewise entitled to penalties under Labor Code sections 1199.

C. UNPAID SPLIT SHIFT PREMIUMS

42. Under the Applicable Wage Order, a “split shift” is defined as “a work schedule, which is interrupted by non-paid non-working periods established by the employer, other than bona fide rest or meal periods.” When an employer requires an employee to work a split shift, the employee is entitled to a split shift premium, which is equal to the difference between what the employee earned for the shift and what they would have earned had they been paid the minimum wage for their entire shift plus an extra hour. (Cal. Code of Regs., tit. 8, § 11090, subd. 4(C); *Aleman v. AirTouch Cellular* (2012) 209 Cal.App.4th 556, 575–576.) The Applicable Wage Order treats split shift violations as a minimum

1 wage violation. Labor Code sections 1197 and 1198 make the minimum wages set by the IWC
2 enforceable and recoverable in a civil action.

3 43. Here, the Class Members and the Aggrieved Employees were at times scheduled to work
4 more than one shift in the same day, with an unpaid, non-working break of longer than an hour—and
5 longer than a bona fide meal period—between the shifts. This includes many occasions when the total
6 amount paid to the Class Members and the Aggrieved Employees was less than the minimum wage for
7 all hours worked plus one hour. Defendants, however, failed to pay the Class Members and the
8 Aggrieved Employees one hour's pay at the state minimum wage in addition to the minimum wage for
9 the workday.

10 **D. OVERTIME VIOLATIONS**

11 44. Labor Code section 510 requires employers to compensate employees who work more
12 than eight hours in one workday, forty hours in a workweek, and for the first eight hours worked on
13 the seventh consecutive day no less than one and one-half times the regular rate of pay for an employee.
14 (Lab. Code, § 510, subd. (a).) Further, Labor Code section 510 obligates employers to compensate
15 employees at no less than twice the regular rate of pay when an employee works more than twelve
16 hours in a day or more than eight hours on the seventh consecutive day of work. (Lab. Code, § 510,
17 subd. (a).) These rules are also reflected in the Applicable Wage Order.

18 45. In accordance with Labor Code section 1194 and the Applicable Wage Order, the Class
19 Members and the Aggrieved Employees could not then agree and cannot now agree to work for a lesser
20 wage than the amount provided by Labor Code sections 510 or the Applicable Wage Order.

21 46. Here, Defendants violated their duty to accurately and completely compensate the Class
22 Members and the Aggrieved Employees for all overtime worked. The Class Members and the
23 Aggrieved Employees periodically worked hours that entitled them to overtime compensation under
24 the law but were not fully compensated for those hours.

25 47. These actions were and are in clear violation of California's overtime laws as set forth
26 in Labor Code sections 510, 1194, 1199, and the Applicable Wage Order. (Cal. Code of Regs., tit. 8, §
27 11090.) As a result of Defendants' faulty policies and practices, the Class Members and the Aggrieved
28 Employees were not compensated for all hours worked or paid accurate overtime compensation.

1 **E. REST BREAK VIOLATIONS**

2 48. Pursuant to Labor Code section 226.7 and the Applicable Wage Order, Defendants were
3 and are required to provide the Class Members and the Aggrieved Employees with compensated, duty-
4 free rest periods of not less than ten minutes for every major fraction of four hours worked. Under the
5 Applicable Wage Order, an employer must authorize and permit all employees to take ten minute duty
6 free rest periods for every major fraction of four hours worked. (Cal. Code of Regs., tit. 8, § 11090.)

7 49. Likewise, Labor Code section 226.7 provides that “[a]n employer shall not require an
8 employee to work during a meal or rest or recovery period mandated pursuant to an applicable statute,
9 or applicable regulation, standard, or order of the Industrial Welfare Commission” (Lab. Code, §
10 226.7, subd. (b).) Labor Code section 226.7 also provides that employers must pay their employees one
11 additional hour of pay at the employee’s regular rate for each workday that a “meal or rest or recovery
12 period is not provided.” (Lab. Code, § 226.7, subd. (c).) The “regular rate” for these purposes must
13 factor in all nondiscretionary payments for work performed by the employee, including non-
14 discretionary bonuses, commissions, and other forms of wage payments exceeding the employees’ base
15 hourly rate. (*Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.5th 858, 878.) Thus, the Wage
16 Orders set when and for how long the rest period must take place and the Labor Code establishes that
17 violations of the IWC Wage Orders are unlawful and sets forth the premium pay employer must pay
18 their employees when employers fail to provide rest periods.

19 50. The California Supreme Court has held that, during required rest periods, “employers
20 must relieve their employees of all duties and relinquish any control over how employees spend their
21 break time.” (*Augustus v. ABM Security Services, Inc.* (2016) 2 Cal.5th 257, 260.) Relinquishing
22 control over employees during rest periods requires that employees be “free to leave the employer’s
23 premises” and be “permitted to attend to personal business.” (*Id.* at p. 275.) The *Brinker* Court
24 explained in the context of rest breaks that employer liability attaches from adopting an unlawful
25 policy:

26 “An employer is required to authorize and permit the amount of rest break time
27 called for under the wage order for its industry. If it does not—if, for example,
28 it adopts a uniform policy authorizing and permitting only one rest break for

1 employees working a seven-hour shift when two are required—it has violated
2 the wage order and is liable.” (*Brinker Rest. Corp. v. Superior Court* (2012) 53
3 Cal.4th 1004, 1033.)

4 51. Here, Defendants periodically did not permit the Class Members and the Aggrieved
5 Employees to take compliant duty-free rest breaks, free from Defendants’ control as required by Labor
6 Code section 226.7, the Applicable Wage Order, and applicable precedent. (See *Augustus v. ABM*
7 *Security Services, Inc.* (2016) 2 Cal.5th 257, 269 [concluding that “during rest periods employers must
8 relieve employees of all duties and relinquish control over how employees spend their time.”].) At all
9 relevant times, the Class Members and the Aggrieved Employees were periodically not provided with
10 legally-compliant and timely rest periods of at least ten minutes for each four hour work period, or
11 major fraction thereof due to Defendants’ unlawful rest period policies/practices. The Class Members
12 and the Aggrieved Employees were often expected and required to continue working through rest
13 periods to meet the expectations Defendants and finish the workday. In some cases when the Class
14 Members and the Aggrieved Employees worked more than ten hours in a shift, Defendants failed to
15 authorize and/or permit a third mandated rest period. As a result, the Class Members and the Aggrieved
16 Employees were periodically unable to take compliant rest periods.

17 52. In such cases where Defendants did not offer the Class Members and the Aggrieved
18 Employees the opportunity to receive a compliant off-duty rest period, “the court may not conclude
19 employees voluntarily chose to skip those breaks.” (*Alberts v. Aurora Behavioral Health Care* (2015)
20 241 Cal.App.4th 388, 410 (2015) [“If an employer fails to provide legally compliant meal or rest
21 breaks, the court may not conclude employees voluntarily chose to skip those breaks.”]; *Brinker Rest.*
22 *Corp. v. Superior Court, supra*, 53 Cal.4th at p. 1033 [“No issue of waiver ever arises for a rest break
23 that was required by law but never authorized; if a break is not authorized, an employee has no
24 opportunity to decline to take it.”].)

25 53. In addition to failing to authorize and permit compliant rest periods, the Class Members
26 and the Aggrieved Employees were not compensated with one hour’s worth of pay at their regular rate
27 of compensation when they were not provided with a compliant rest period in accordance with Labor
28

1 Code section 226.7, subdivision (c). Thus, Defendants have violated Labor Code section 226.7 and the
2 Applicable Wage Order.

3 54. Based on the foregoing, Plaintiff seeks to recover, on behalf of himself and other non-
4 exempt employees, rest period premiums and penalties.

5 **F. MEAL BREAK VIOLATIONS**

6 55. Labor Code section 512 and the Applicable Wage Order require employers to provide
7 employees with a thirty-minute uninterrupted and duty-free meal period within the first five hours of
8 work. (Lab. Code, § 512, subd. (a) [“An employer shall not employ an employee for a work period of
9 more than five hours per day without providing the employee with a meal period of not less than 30
10 minutes”]; Cal. Code of Regs., tit. 8, § 11090 [“No employer shall employ any person for a work
11 period of more than five (5) hours without a meal period of not less than 30 minutes”].)
12 Additionally, an employee who works more than ten hours per day is entitled to receive a second thirty-
13 minute uninterrupted and duty-free meal period. (Lab. Code, § 512, subd. (a) [“An employer shall not
14 employ an employee for a work period of more than 10 hours per day without providing the employee
15 with a second meal period of not less than 30 minutes”].)

16 56. “An on-duty meal period is permitted only when the nature of the work prevents an
17 employee from being relieved of all duty and the parties agree in writing to an on-duty paid meal
18 break.” (*Lubin v. The Wackenhut Corp.* (2016) 5 Cal.App.5th 926, 932.) The written agreement must
19 include a provision allowing the employee to revoke it at any time. (*Ibid.*) Generally, the California
20 Department of Industrial Relations, Division of Labor Standards Enforcement (“DLSE”) and courts
21 have “found that the nature of the work exception applies: (1) where the work has some particular
22 external force that requires the employee to be on duty at all times, and (2) where the employee is the
23 sole employee of a particular employer.” (*Id.* at p. 945, internal quotation marks omitted; *Abdullah v.*
24 *U.S. Security Associates, Inc.* (9th Cir. 2013) 731 F.3d 952, 958–959.) “[I]t is the employer’s obligation
25 to determine whether the nature of the work prevents an employee from being relieved before requiring
26 an employee to take an on-duty meal period.” (*Lubin v. The Wackenhut Corp.*, *supra*, 5 Cal.App.5th at
27 p. 946.)
28

1 57. Here, the Class Members and the Aggrieved Employees were never asked to sign any
2 enforceable document agreeing to an on-duty meal period. Moreover, nothing in the nature of their
3 work involved the kind of “external force” that might justify on-duty meal breaks. (*Lubin v. The*
4 *Wackenhut Corp.*, *supra*, 5 Cal.App.5th at p. 945.) Nevertheless, Defendants periodically did not
5 provide compliant off-duty meal periods within the first five hours of work for the Class Members and
6 the Aggrieved Employees.

7 58. As with rest breaks, meal breaks must be duty-free. (*Brinker Restaurant Corp. v.*
8 *Superior Court* (2012) 53 Cal.4th 1004, 1035 [“The IWC’s wage orders have long made a meal period’s
9 duty-free nature its defining characteristic.”].) Relinquishing control over employees during meal
10 periods requires that employees be “free to leave the employer’s premises” and be “permitted to attend
11 to personal business.” (*Augustus v. ABM Security Services, Inc.*, *supra*, 2 Cal.5th at p. 275.) Under
12 Labor Code section 512, if an employer maintains a uniform policy that does not authorize and permit
13 the amount of meal time called for under the law (as specified in the Labor Code and/or applicable
14 IWC Wage Order), “it has violated the wage order and is liable.” (*Brinker Restaurant Corp. v. Superior*
15 *Court*, *supra*, 53 Cal.4th at p. 1033.)

16 59. During the applicable statutory periods here, the Class Members and the Aggrieved
17 Employees were periodically denied legally-compliant and timely off-duty meal periods of at least
18 thirty minutes due to Defendants’ unlawful meal period policy and practices. As a result of Defendants’
19 uniform meal period policies and practices, the Class Members and the Aggrieved Employees were
20 often not permitted to take compliant first meal periods before the end of the fifth hour of work. The
21 Class Members and the Aggrieved Employees were also periodically not permitted to take second meal
22 periods for shifts in excess of ten hours. Defendants thus violated Labor Code section 512 and the
23 Applicable Wage Order by failing to advise, authorize, or permit the Class Members and the Aggrieved
24 Employees to receive thirty-minute, off-duty meal periods within the first five hours of their shifts.

25 60. Labor Code section 226.7 provides that “[a]n employer shall not require an employee
26 to work during a meal or rest or recovery period mandated pursuant to an applicable statute, or
27 applicable regulation, standard, or order of the Industrial Welfare Commission.” (Lab. Code, § 226.7,
28 subd. (b).) Labor Code section 226.7, subdivision (c), and the Applicable Wage Order further obligate

1 employers to pay employees one additional hour of pay at the employee’s regular rate of compensation
2 for each workday that the meal period is not provided. (Lab. Code, § 226.7, subd. (c); Cal. Code of
3 Regs., tit. 8, § 11090 [“If an employer fails to provide an employee a meal period in accordance with
4 the applicable provisions of this order, the employer shall pay the employee one (1) hour of pay at the
5 employee’s regular rate of compensation for each workday that the meal period is not provided.”].)
6 The “regular rate” for these purposes must factor in all nondiscretionary payments for work performed
7 by the employee, including non-discretionary bonuses, commissions, and other forms of wage
8 payments exceeding the employees’ base hourly rate. (*Ferra v. Loews Hollywood Hotel, LLC* (2021)
9 11 Cal.5th 858, 878.)

10 61. Accordingly, for each day that the Class Members and the Aggrieved Employees did
11 not receive compliant meal periods, they were and are entitled to receive meal period premiums
12 pursuant to Labor Code section 226.7 and the Applicable Wage Order. Defendants, however, failed to
13 pay the Class Members and the Aggrieved Employees applicable meal period premiums for many
14 workdays that the employees did not receive a compliant meal period. Thus, Defendants have violated
15 Labor Code section 226.7 and the Applicable Wage Order.

16 62. Based on the foregoing, Plaintiff seeks to recover, on behalf of himself and other non-
17 exempt employees, meal period premiums and penalties.

18 **G. UNTIMELY WAGES DURING EMPLOYMENT**

19 63. Labor Code section 204 expressly requires employers who pay employees on a weekly,
20 biweekly, or semimonthly basis to pay all wages “not more than seven calendar days following the
21 close of the payroll period.” Labor Code section 210, subdivision (a), makes employers who violate
22 Labor Code section 204 subject to a penalty of:

23 “(1) For any initial violation, one hundred dollars (\$100) for each failure to
24 pay each employee.

25 “(2) For each subsequent violation, or any willful or intentional violation, two
26 hundred dollars (\$200) for each failure to pay each employee, plus 25
27 percent of the amount unlawfully withheld.” (Lab. Code, § 210, subd.
28 (a).)

1 64. Notably, the penalty provided by Labor Code section 210 is “[i]n addition to, and
2 entirely independent and apart from, any other penalty provided in this article” (Lab. Code, § 210,
3 subd. (a).)

4 65. Due to Defendants’ failure to pay the Class Members and the Aggrieved Employees the
5 wages described above, along with rest and meal break premiums, Defendants failed to timely pay the
6 Class Members and the Aggrieved Employees within seven calendar days following the close of payroll
7 in accordance with Labor Code section 204 on a regular and consistent basis. (See *Parson v. Golden*
8 *State FC, LLC* (N.D. Cal., May 2, 2016, No. 16-CV-00405-JST) 2016 WL 1734010, at p. *3–5, 2016
9 U.S. Dist. LEXIS 58299 [finding that a failure to pay rest period premiums can support claims under
10 Labor Code sections 203 and 204].)

11 **H. UNTIMELY WAGES AT SEPARATION**

12 66. Labor Code section 203 provides “if an employer willfully fails to pay . . . any wages
13 of an employee who is discharged or who quits, the wages of the employee shall continue as a penalty”
14 for up to thirty days. (Lab. Code § 203; *Mamika v. Barca* (1998) 68 Cal.App.4th 487, 492.) As a result
15 of Defendants’ failure to pay the Class Members and the Aggrieved Employees for the wages described
16 above, along with rest and meal break premiums, Defendants violated and continue to violate Labor
17 Code section 203.

18 67. Due to Defendants’ faulty pay policies, those Class Members and Aggrieved Employees
19 whose employment with Defendants concluded were not compensated for each and every hour worked
20 at the appropriate rate. Defendants have failed to pay formerly-employed Class Members and
21 Aggrieved Employees whose sums were certain at the time of termination within at least seventy-two
22 hours of their resignation and have failed to pay those sums for thirty days thereafter.

23 **I. FAILURE TO REIMBURSE BUSINESS EXPENSES**

24 68. At all relevant times herein, Defendants were subject to Labor Code section 2802, which
25 states that “an employer shall indemnify his or her employees for all necessary expenditures or losses
26 incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her
27 obedience to the directions of the employer.” The purpose of this section is to “prevent employers from
28

1 passing along their operating expenses onto their employees.” (*Gattuso v. Harte-Hanks Shoppers, Inc.*
2 (2007) 42 Cal.4th 554, 562.)

3 69. At all relevant times herein, Defendants were subject to Labor Code section 2804, which
4 states that “any contract or agreement, express or implied, made by any employee to waive the benefits
5 of this article or any part thereof, is null and void, and this article shall not deprive any employee or his
6 personal representative of any right or remedy to which he is entitled under the laws of this State.”

7 70. Thus, the Class Members and the Aggrieved Employees were and are entitled to
8 reimbursement for the expenses they incurred during the course of their duties. The duty to reimburse
9 even extends to the use of equipment the employee may already own and would be required to pay for
10 anyway. (*Cochran v. Schwan’s Home Serv., Inc.* (2014) 228 Cal.App.4th 1137, 1144 [“The threshold
11 question in this case is this: Does an employer always have to reimburse an employee for the reasonable
12 expense of the mandatory use of a personal cell phone, or is the reimbursement obligation limited to
13 the situation in which the employee incurred an extra expense that he or she would not have otherwise
14 incurred absent the job? The answer is that reimbursement is always required. Otherwise, the employer
15 would receive a windfall because it would be passing its operating expenses on to the employee.”].)

16 71. Here, Defendants failed to fully reimburse the Class Members and the Aggrieved
17 Employees for necessary expenditures incurred as a direct consequence and requirement of performing
18 their job duties, including the costs associated with their personal cell phone and mileage they required
19 to perform their work. Consequently, Defendants failed to comply with Labor Code section 2802.

20 **J. WAGE STATEMENT VIOLATIONS**

21 72. Defendants also failed to provide accurate itemized wage statements in accordance with
22 Labor Code sections 226, subdivisions (a)(1), (2), (5), and (9). Labor Code section 226, subdivision
23 (a), obligates employers, semi-monthly or at the time of each payment to furnish an itemized wage
24 statement in writing showing:

- 25 (1) The gross wages earned;
- 26 (2) The total hours worked by the employee;
- 27 (3) The number of piece-rate units earned and any applicable piece rate if
28 the employee is paid on a piece rate basis;

- (4) All deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item;
- (5) The net wages earned;
- (6) The inclusive dates of the period for which the employee is paid;
- (7) The name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number;
- (8) The name and address of the legal entity that is the employer; and
- (9) All applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee.

73. Due to Defendants' failure to pay the Class Members and the Aggrieved Employees properly as described above, the wage statements issued do not indicate the correct amount of gross wages earned, total hours worked, or the net wages earned, or the applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate. Thus, Defendants have violated Labor Code section 226, subdivisions (a)(1), (2), (5), and (9).

74. Defendants also failed to include the accrued sick hours on the wage statements provided to the Class Members and the Aggrieved Employees as required by Labor Code section 246, subdivision (i).

75. In addition to Labor Code section 226, subdivision (a), Defendants also knowingly and intentionally failed to provide the Class Members and the Aggrieved Employees with accurate itemized wage statements in violation of Labor Code section 226, subdivision (e). Defendants knew that they were not providing the Class Members and the Aggrieved Employees with wage statements required by California law but nevertheless failed to correct their unlawful practices and policies. (See *Garnett v. ADT LLC* (E.D. Cal. 2015) 139 F.Supp.3d 1121, 1134 [finding the defendant knowingly and intentionally violated Labor Code section 226 because the "[d]efendant knew that it was not providing total hours worked to plaintiff or other employees paid on commission" even though it believed that

1 employees paid solely on commission or commission and salary “are exempt and therefore we do not
2 record hours on a wage statement.”].)

3 **K. RECORDKEEPING VIOLATIONS**

4 76. Labor Code section 226, subdivision (a), requires employers to keep an accurate record
5 of, among other things, all hours worked by employees. Labor Code section 226.3 provides, in pertinent
6 part, as follows:

7 “Any employer who violates subdivision (a) of Section 226 shall be subject to a
8 civil penalty in the amount of two hundred fifty dollars (\$250) per employee per
9 violation in an initial citation and one thousand dollars (\$1,000) per employee
10 for each violation in a subsequent citation, for which the employer fails to
11 provide the employee a wage deduction statement or fails to keep the records
12 required in subdivision (a) of Section 226. The civil penalties provided for in
13 this section are in addition to any other penalty provided by law.” (Lab. Code, §
14 226.3, emphasis added.)

15 77. Likewise, Labor Code section 1174, subdivision (d), requires every employer, including
16 Defendants, to:

17 “Keep, at a central location in the state or at the plants or establishments at which
18 employees are employed, payroll records showing the hours worked daily by
19 and the wages paid to, and the number of piece-rate units earned by and any
20 applicable piece rate paid to, employees employed at the respective plants or
21 establishments. These records shall be kept in accordance with rules established
22 for this purpose by the commission, but in any case shall be kept on file for not
23 less than three years. An employer shall not prohibit an employee from
24 maintaining a personal record of hours worked, or, if paid on a piece-rate basis,
25 piece-rate units earned.” (Lab. Code, § 1174, subd. (d), emphasis added.)

26 78. As explained in detail above, Defendants failed to provide the Class Members and the
27 Aggrieved Employees with accurate itemized wage statements. Defendants did so, in part, because they
28 failed to accurately track hours worked by the Class Members and the Aggrieved Employees.

1 Defendants have thus failed to keep accurate records of the “total hours worked by the employee[s]”
2 in violation of Labor Code section 226, subdivision (a), and are therefore subject to the penalties
3 provided by Labor Code section 226.3. These penalties are “in addition to any other penalty provided
4 by law.” (Lab. Code, § 226.3.)

5 79. The failure to accurately track hours worked also resulted in a failure of Defendants to
6 keep a record of all “payroll records showing the hours worked daily by” Defendants’ employees,
7 including Plaintiff and the other Class Members, in violation of Labor Code section 1174, subdivision
8 (d).

9 **L. SICK PAY VIOLATIONS**

10 80. Labor Code section 246 provides that every employee who works in California for the
11 same employer for 30 or more days within a year from the commencement of employment is entitled
12 to paid sick days. (Lab. Code, § 246, subd. (a).) These paid sick days generally accrue at a rate of not
13 less than one hour per every 30 hours worked, and must be paid out using the employees’ regular rate
14 of pay. (Lab. Code, § 246, subds. (b), (l).) The “regular rate of pay” for these purposes must factor in
15 all nondiscretionary payments for work performed by the employee, including non-discretionary
16 bonuses, commissions, and other forms of wage payments exceeding the employees’ base hourly rate.
17 (Lab. Code, § 246, subds. (l)(1), (2); see, e.g., *Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.5th
18 858, 878.)

19 81. Here, Defendants employed the Class Members and the Aggrieved Employees for 30
20 or more days within a year from the commencement of employment. Defendants nevertheless failed to
21 fully pay the Class Members and the Aggrieved Employees for all sick pay that was lawfully earned
22 and accrued.

23 82. By failing to fully pay accrued sick time, Defendants have underpaid the Class Members
24 and the Aggrieved Employees and have violated California Labor Code provisions including, but not
25 limited to, section 246.

26 **V. CLASS ACTION ALLEGATIONS**

27 83. As mentioned above, Plaintiff brings this action on behalf of himself and the Class
28 Members pursuant to section 382 of the Code of Civil Procedure.

1 84. **Numerosity/Ascertainability:** The Class Members are so numerous that joinder of all
2 members would be unfeasible and not practicable. The membership of the class is unknown to Plaintiff
3 at this time; however, it is estimated that the number of Class Members is greater than 100 individuals.
4 The identity of such membership is readily ascertainable via inspection of Defendants' employment
5 records.

6 85. **Common Questions of Law and Fact Predominate/Well Defined Community of**
7 **Interest:** There are common questions of law and fact as to Plaintiff and all other similarly situated
8 non-exempt employees, which predominate over questions affecting only individual members
9 including, without limitation to:

10 A. Whether Defendants' pay policies/practices resulted in a failure to pay the Class
11 Members for all hours worked, including all minimum wages;

12 B. Whether Defendants' pay policies/practices resulted in a failure to pay the Class
13 Members all split shift premiums lawfully owed;

14 C. Whether Defendants' pay policies/practices resulted in a failure to pay the Class
15 Members for all required overtime wages at the Class Members' regular rate of pay;

16 D. Whether Defendants' rest period policies and practices afforded legally
17 compliant rest periods or compensation in lieu thereof;

18 E. Whether Defendants' meal period policies and practices afforded legally
19 compliant meal periods or compensation in lieu thereof;

20 F. Whether Defendants maintained accurate employment records;

21 G. Whether Defendants timely paid all wages during employment;

22 H. Whether Defendants timely paid all wages earned and unpaid at separation;

23 I. Whether Defendants indemnified their employees for all necessary business
24 expenditures;

25 J. Whether Defendants furnished legally-compliant wage statements to the Class
26 Members pursuant to Labor Code section 226;

27 K. Whether Defendants fully paid all sick pay wages as required by Labor Code
28 section 246;

1 L. Whether Defendants' violations of the Labor Code and the Applicable Wage
2 Order amounted to a violation of California's UCL.

3 86. **Predominance of Common Questions:** Common questions of law and fact
4 predominate over questions that affect only individual Class Members. The common questions of law
5 set forth above are numerous and substantial and stem from Defendants' uniform policies and practices
6 applicable to each individual class member, such as Defendants' uniform policy and practice of failing
7 to pay for all hours worked, Defendants' uniform policies and practices which failed to provide
8 compliant rest periods, Defendants' uniform policies and practices which failed to provide compliant
9 meal periods, Defendants' failure to provide accurate itemized wage statements, Defendants' uniform
10 policies and practices which failed to provide complete and accurate sick pay, and others. As such, the
11 common questions predominate over individual questions concerning each individual class member's
12 showing as to his or her eligibility for recovery or as to the amount of his or her damages.

13 87. **Typicality:** The claims of Plaintiff are typical of the claims of the Class Members
14 because Plaintiff was employed by Defendants as a non-exempt employee in California during the
15 statute(s) of limitation applicable to each cause of action pleaded in this complaint. As alleged herein,
16 Plaintiff, like the other Class Members, was deprived of minimum, regular, and overtime wages
17 because of Defendants' unlawful timekeeping policies and practices, was deprived of rest periods and
18 premium wages in lieu thereof, was deprived of meal periods and premium wages in lieu thereof, was
19 subject to Defendants' uniform rest period policies and practices, was subject to Defendants' uniform
20 meal period policies and practices, was not provided accurate itemized wage statements, was not paid
21 all wages in full and on time, was not paid all sick pay wages as required by law, and was subject to
22 other similar policies and practices to which the Class Members were subject.

23 88. **Adequacy of Representation:** Plaintiff is fully prepared to take all necessary steps to
24 represent fairly and adequately the interests of the Class Members. Moreover, Plaintiff's attorneys are
25 ready, willing, and able to fully and adequately represent the Class Members and Plaintiff. Plaintiff's
26 attorneys have prosecuted numerous wage-and-hour class actions in state and federal court in the past
27 and are committed to vigorously prosecuting this action on behalf of the Class Members.
28

1 89. **Superiority:** The California Labor Code is broadly remedial in nature and serves an
2 important public interest in establishing minimum working conditions and standards in California.
3 These laws and labor standards protect the average working employee from exploitation by employers
4 who have the responsibility to follow the laws and who may seek to take advantage of superior
5 economic and bargaining power in setting onerous terms and conditions of employment. The nature of
6 this action and the format of laws available to Plaintiff and the Class Members make the class action
7 format a particularly efficient and appropriate procedure to redress the violations alleged herein. If each
8 employee were required to file an individual lawsuit, Defendants would necessarily gain an
9 unconscionable advantage since they would be able to exploit and overwhelm the limited resources of
10 each individual plaintiff with their vastly superior financial and legal resources.

11 90. Moreover, requiring each Class Member to pursue an individual remedy would also
12 discourage the assertion of lawful claims by employees who would be disinclined to file an action
13 against their former or current employer for real and justifiable fear of retaliation and permanent
14 damages to their careers at subsequent employment. Further, the prosecution of separate actions by the
15 individual Class Members, even if possible, would create a substantial risk of inconsistent or varying
16 verdicts or adjudications with respect to the individual Class Members against Defendants herein, and
17 which would establish potentially incompatible standards of conduct for Defendants or legal
18 determinations with respect to individual Class Members which would, as a practical matter, be
19 dispositive of the interest of the other Class Members not parties to adjudications or which would
20 substantially impair or impede the ability of the Class Members to protect their interests.

21 91. Further, the claims of the individual Class Members are not sufficiently large to warrant
22 vigorous individual prosecution considering the concomitant costs and expenses attending thereto. As
23 such, the Class Members identified above are maintainable as a class under section 382 of the Code of
24 Civil Procedure.

25 **VI. EXHAUSTION OF REMEDIES**

26 92. Plaintiff has fully and completely exhausted administrative remedies under PAGA prior
27 to proceeding with the PAGA claims stated in this complaint. Plaintiff filed a PAGA notice online with
28 the Labor Workforce Development Agency (“LWDA”) and sent a letter by certified mail to Defendants

1 setting forth the facts and theories of the violations alleged against Defendants, as prescribed by PAGA.
2 (Lab. Code, §§ 2698–2699.6.)

3 93. As required by PAGA, Plaintiff submitted the \$75.00 filing fee with the LWDA by
4 regular mail. Pursuant to Labor Code section 2699.3, subdivision (a)(2)(A), no notice was received by
5 Plaintiff from the LWDA evidencing its intention to investigate within sixty-five calendar days of the
6 postmark date of the PAGA notice. Plaintiff is therefore entitled to commence and proceed with a civil
7 action pursuant to Labor Code section 2699.

8 **VII. CAUSES OF ACTION**

9 **First Cause of Action**

10 *Penalties Pursuant to PAGA for Willful Misclassification in Violation of* 11 *Labor Code sections 226.8 and 2775* 12 *(Against All Defendants)*

13 94. Plaintiff realleges and incorporates by reference all previous paragraphs.

14 95. As explained in more detail above, at all times during the Class Period and PAGA
15 Period, Defendants treated the Class Members and the Aggrieved Employees as independent
16 contractors despite the fact that Defendants failed to meet the standards required by the ABC Test to
17 classify the Class Members and the Aggrieved Employees as independent contractors. Put simply,
18 Defendants' treatment of the Class Members and the Aggrieved Employees cannot meet any part of
19 the ABC Test and Defendants knew it. Plaintiff and the Aggrieved Employees are thus "aggrieved
20 employees" within the meaning of PAGA, as they were employed by Defendants during the PAGA
21 Period and suffered the Labor Code violations alleged herein.

22 96. At all relevant times, Plaintiff and the other Aggrieved Employees were "employees"
23 for purposes of the California Labor Code, as defined in section 2775, although they were knowingly,
24 willfully, and intentionally misclassified by Defendants' as independent contractors as part of
25 Defendants' unlawful scheme to obtain the economic advantages that flow from avoiding the financial
26 obligations that the Labor Code and Applicable Wage Order imposes on employers. This was part of a
27 pattern as practice of willful misclassification of all, or virtually all, of Defendants' employees who
28

1 meet the definition of “Aggrieved Employees” provided above, thereby triggering heightened penalties
2 under Labor Code section 226.8, subdivisions (b) and (c).

3 97. Plaintiff by this action seeks to recover, on behalf of himself and all other Aggrieved
4 Employees, the civil penalties provided by Labor Code section 226.8 and by PAGA, as specified in
5 Labor Code section 2699, subdivision (f). Plaintiff seeks to recover the civil penalties through a
6 representative action as permitted by PAGA and the California Supreme Court in *Arias v. Superior*
7 *Court* (2009) 46 Cal.4th 969, 986.

8 98. In addition to the penalties sought as described above, Plaintiff was compelled to retain
9 the services of counsel to file this action to protect his interests and those of the Aggrieved Employees,
10 and to assess and collect the penalties owed by Defendants. Plaintiff has thereby incurred attorneys’
11 fees and costs, which Plaintiff is also entitled to recover under Labor Code section 2699, subdivision
12 (g)(1).

13 **Second Cause of Action**

14 *Failure to Pay All Minimum Wages*

15 *(Against All Defendants)*

16 99. Plaintiff realleges and incorporates by reference all previous paragraphs.

17 100. Section 4 of the Applicable Wage Order and Labor Code section 1197 establish the right
18 of employees to be paid minimum wages for all hours worked, in amounts set by state law. (Lab. Code,
19 § 1197; Cal. Code of Regs., tit. 8, § 11090.) Labor Code sections 1194, subdivision (a), and 1194.2,
20 subdivision (a), provide that an employee who has not been paid the legal minimum wage as required
21 by Labor Code section 1197 may recover the unpaid balance, together with attorneys’ fees and costs
22 of suit, as well as liquidated damages in an amount equal to the unpaid wages and interest accrued
23 thereon.

24 101. Here, Defendants failed to fully conform their pay practices to the requirements of the
25 law during the relevant statutory periods. Plaintiff and the other Class Members were not compensated
26 for all hours worked including, but not limited to, all hours they were subject to the control of
27 Defendants and/or suffered or permitted to work under the Labor Code and the Applicable Wage Order.
28

102. Labor Code section 1198 makes unlawful the employment of an employee under conditions that the IWC Wage Orders prohibit. Labor Code sections 1194, subdivision (a), and 1194.2, subdivision (a), provide that an employer who has failed to pay its employees the legal minimum wage is liable to pay those employees the unpaid balance of the unpaid wages as well as liquidated damages in an amount equal to the wages due and interest thereon.

103. As a direct and proximate result of Defendants' unlawful conduct as alleged herein, Plaintiff and the other Class Members have sustained economic damages, including but not limited to unpaid wages and lost interest, in an amount to be established at trial, and they are entitled to recover economic and statutory damages and penalties and other appropriate relief because of Defendants' violations of the Labor Code and Applicable Wage Order.

104. Defendants' practices and policies regarding illegal employee compensation are unlawful and create an entitlement to recovery by Plaintiff and the other Class Members in a civil action for the unpaid amount of minimum wages, liquidated damages, including interest thereon, statutory penalties, attorneys' fees, and costs of suit according to Labor Code sections 204, 218.5, 1194, 1194.2, 1197, and 1198, and Code of Civil Procedure section 1021.5.

Third Cause of Action

Failure to Pay Split Shift Premiums

(Against All Defendants)

105. Plaintiff realleges and incorporates by reference all previous paragraphs.

106. The Applicable Wage Order defines “split shifts” as including any work schedule that is interrupted by unpaid nonworking periods established by the employer, other than bona fide rest or meal periods. Subdivision 4(C) requires that “[w]hen an employee works a split shift, one (1) hour’s pay at the minimum wage shall be paid in addition to the minimum wage for that workday, except when the employee resides at the place of employment.” (Cal. Code of Regs., tit. 8, § 11090, subd. 4(C).) The split shift premium required by the Applicable Wage Order effectively increases the applicable minimum wage on split shifts. (*Aleman v. AirTouch Cellular* (2012) 209 Cal.App.4th 556, 575.) Labor Code sections 1197 and 1198 make the minimum wages set by the IWC enforceable and recoverable in a civil action.

107. As explained above, Defendants routinely required employees, including Plaintiff and the other Class Members, to work multiple shifts in the same day with a gap in the period of work longer than one hour. Defendants, however, failed to pay these employees wages that were at least the minimum wage plus one hour. As a result of the wrongful and unlawful acts of Defendants alleged herein, Plaintiff and the other Class Members have been deprived of split shift premium pay in amounts to be determined, and are entitled to recovery of said amounts according to proof, interest thereon, injunctive relief, attorneys' fees, and costs.

Fourth Cause of Action

Failure to Pay All Overtime Wages

(Against All Defendants)

108. Plaintiff realleges and incorporates by reference all previous paragraphs.

109. This cause of action is brought pursuant to Labor Code sections 204, 510, 1194, and 1198, which provide that non-exempt employees are entitled to overtime wages for all overtime hours worked and provide a private right of action for the failure to pay all overtime compensation for overtime work performed. At all times relevant herein, Defendants were required to properly pay Plaintiff and the other Class Members for all overtime wages earned pursuant to Labor Code section 1194 and the Applicable Wage Order. Defendants caused Plaintiff and the other Class Members to work overtime hours but did not compensate them at one and one-half times their regular rate of pay for such hours in accordance with California law. Likewise, Defendants caused Plaintiff and the other Class Members to work double-time hours but did not compensate them at twice their regular rate of pay for such hours in accordance with California law.

110. Defendants failed to fully conform their pay practices to the requirements of California law. This unlawful conduct includes but is not limited to Defendants' uniform and unlawful pay policies and practices of failing to accurately record all the time that non-exempt employees were under the supervision and control of Defendants. The foregoing policies and practices are unlawful and allow Plaintiff and the other Class Members to recover in a civil action the unpaid amount of overtime premiums owing, including interest thereon, statutory penalties, attorneys' fees, and costs of suit

1 according to Labor Code section 204, 510, 1194, and 1198, the Applicable Wage Order, and Code of
2 Civil Procedure section 1021.5.

3 **Fifth Cause of Action**

4 *Failure to Provide Rest Periods and Pay Missed Rest Period Premiums*

5 *(Against All Defendants)*

6 111. Plaintiff realleges and incorporates by reference all previous paragraphs.

7 112. Section 12 of the Applicable Wage Order, and Labor Code section 226.7 establish the
8 right of employees to be provided with a rest period of at least ten minutes for each four hour period
9 worked, or major fraction thereof. (See Cal. Code of Regs., tit. 8, § 11090.)

10 113. Due to Defendants' unlawful rest period policies and practices described in detail above,
11 Defendants did not authorize and permit Plaintiff and the other Class Members to take all rest periods
12 to which they were legally entitled. Despite Defendants' violations, Defendants have not paid an
13 additional hour of pay to Plaintiff and the other Class Members at their respective regular rates of pay
14 for each violation, in accordance with California Labor Code section 226.7.

15 114. The foregoing violations create an entitlement to recovery by Plaintiff and the other
16 Class Members in a civil action for the unpaid amount of rest period premiums owing, including interest
17 thereon, statutory penalties, and costs of suit pursuant to the Applicable Wage Order, and California
18 Labor Code section 226.7.

19 **Sixth Cause of Action**

20 *Failure to Provide Meal Periods and Pay Missed Meal Period Premiums*

21 *(Against All Defendants)*

22 115. Plaintiff realleges and incorporates by reference all previous paragraphs.

23 116. Plaintiff is informed and believes and thereon alleges, that Defendants failed in their
24 affirmative obligation to provide their hourly non-exempt employees, including Plaintiff and the other
25 Class Members, with all required meal periods in accordance with the mandates of the Labor Code and
26 the Applicable Wage Order, for the reasons set forth herein above. Despite Defendants' violations,
27 Defendants have not paid an additional hour of pay to Plaintiff and the other Class Members at their
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1 respective regular rates of pay for each violation, in accordance with California Labor Code section
2 226.7.

3 117. As a result, Defendants are responsible for paying premium compensation for meal
4 period violations, including interest thereon, statutory penalties, and costs of suit pursuant to the
5 Applicable Wage Order and Labor Code sections 226.7 and 512, and Civil Code sections 3287,
6 subdivision (b), and 3289. (See Cal. Code of Regs., tit. 8, § 11090.)

7 **Seventh Cause of Action**

8 *Failure to Maintain Accurate Employment Records*

9 *(Against All Defendants)*

10 118. Plaintiff realleges and incorporates by reference all previous paragraphs.

11 119. Pursuant to California Labor Code section 1174, subdivision (d), an employer shall keep
12 at a central location in the state or at the plants or establishments at which employees are employed,
13 payroll records showing the hours worked daily by and wages paid to employees employed at the
14 respective plants or establishments. These records must be kept in accordance with rules established
15 for this purpose by the commission, but in any case shall be kept on file for not less than two years.

16 120. Labor Code section 1174.5 imposes a civil penalty of \$500 for an employer's failure to
17 maintain accurate and complete records.

18 121. Defendant has intentionally and willfully failed to keep accurate and complete records
19 showing the hours worked daily and wages paid to Plaintiff and the other Class Members. Thus,
20 Plaintiff and the other Class Members have been denied their legal right and protected interest in having
21 available at a central location at the plant or establishment where they are employed, accurate and
22 complete payroll records showing the hours worked daily by, and the wages paid to, employees at those
23 respective locations pursuant to Labor Code 1174.

24 **Eighth Cause of Action**

25 *Failure to Pay Wages Timely during Employment*

26 *(Against All Defendants)*

27 122. Plaintiff realleges and incorporates by reference all previous paragraphs.
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1 123. Labor Code section 200 provides that “wages” include all amounts for labor performed
2 by employees of every description, whether the amount is fixed or ascertained by the standard of time,
3 task, pieces, commission basis, or other method of calculation. Labor Code section 204 states that all
4 wages earned by any person in any employment are payable twice during the calendar month and must
5 be paid not more than seven days following the close of the period when the wages were earned. Labor
6 Code section 210, subdivision (a), makes employers who violate Labor Code section 204 subject to a
7 penalty of \$100 for any initial failure to timely pay each employee’s full wages and \$200 for each
8 subsequent violation, plus 25% of the amount unlawfully withheld.

9 124. Labor Code section 216 establishes that it is a misdemeanor for any person, with regards
10 to wages due, to “falsely deny the amount or validity thereof, or that the same is due, with intent to
11 secure himself, his employer or other person, any discount upon such indebtedness, or with intent to
12 annoy, harass, oppress, hinder, delay, or defraud, the person to whom such indebtedness is due.”

13 125. Defendants as a matter of established company policy and procedure in the State of
14 California, scheduled, required, suffered, and/or permitted Plaintiff and the other Class Members, to
15 work without full compensation, to work without legally-compliant off-duty meal periods, to work
16 without legally-compliant off-duty rest periods, and thereby failed to fully pay Plaintiff and the other
17 Class Members within seven days of the close of payroll, as required by law.

18 126. Defendants, as a matter of established company policy and procedure in the State of
19 California, falsely deny they owe Plaintiff and the other Class Members these wages, with the intent of
20 securing for itself a discount upon its indebtedness and/or to annoy, harass, oppress, hinder, delay,
21 and/or defraud Plaintiff and the other Class Members.

22 127. Defendants’ pattern, practice, and uniform administration of its corporate policy of
23 illegally denying employees compensation, as described herein, is unlawful and entitles Plaintiff and
24 the other Class Members to recover, pursuant to Labor Code section 218, the unpaid balance of the
25 compensation owed to them in a civil action and any applicable penalties, attorney fees, and interest
26 owed to them pursuant to Labor Code sections 210 and 218.5.

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129. The actionable period for this cause of action is three years prior to the filing of this complaint through the present, and ongoing until the violations are corrected or the class is certified. (*Pineda v. Bank of America, N.A.* (2010) 50 Cal.4th 1389, 1395; *Murphy v. Kenneth Cole Productions, Inc.* (2007) 40 Cal.4th 1094, 1109; Code Civ. Proc., § 338, subd. (a).) Labor Code sections 201 and 202 of the California Labor Code require Defendants to pay all compensation due and owing to its former employees (including the formerly-employed Class Members) during the actionable period for this cause of action at or around the time that their employment is or was terminated, or ended.

130. Section 203 of the Labor Code provides that if an employer willfully fails to pay compensation promptly upon discharge or resignation, as required by Sections 201 and 202, then the employer is liable for penalties in the form of continued compensation up to thirty workdays.

131. Due to Defendants' faulty pay policies, those Class Members whose employment with Defendants has concluded were not compensated for each and every hour worked at the appropriate rate. Defendants have willfully failed to pay those formerly-employed Class Members whose sums were certain at the time of termination within seventy-two hours of their resignation and have failed to pay those sums for thirty days thereafter as required by Labor Code sections 201 through 203.

132. As a result, Defendants are liable to the formerly-employed Class Members for waiting time penalties amounting to thirty days wages for the formerly-employed Class Members pursuant to Labor Code section 203. (See, e.g., DLSE Manual, § 4.3.4 [failure to pay any sort of wages due upon termination entitles an employee to recover waiting time penalties].)

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1 134. California Labor Code Section 2802 states that employers must “indemnify” an
2 employee for “all necessary expenditures or losses incurred by the employee in direct consequence of
3 the discharge of his or her duties, or of his or her obedience to the directions of the employer.” Likewise,
4 Labor Code section 2804 states that “any contract or agreement, express or implied, made by any
5 employee to waive the benefits of this article or any part thereof, is null and void, and this article shall
6 not deprive any employee or his personal representative of any right or remedy to which he is entitled
7 under the laws of this State.”

8 135. Here, Plaintiff and the other Class Members paid out of pocket for necessary business
9 expenditures incurred as a direct consequence and requirement of performing their job duties, including
10 the costs associated with their personal cell phone and mileage they required to perform their work.
11 Despite knowing that Plaintiff and the other Class Members incurred these necessary business
12 expenses, and requiring Plaintiff and the other Class Members to use such items, Defendants did not
13 reimburse them.

14 136. Thus, Plaintiff and the other Class Members are entitled to recover the cost of such
15 necessary business expenses, plus interest from the date each incurred such business expenses, plus
16 fees and costs. (Lab. Code, § 2802, subds. (b), (c).)

17 **Eleventh Cause of Action**

18 *Failure to Furnish Accurate Itemized Wage Statements*

19 *(Against All Defendants)*

20 137. Plaintiff realleges and incorporates by reference all previous paragraphs.

21 138. Labor Code section 226, subdivision (a), obligates employers, semi-monthly or at the
22 time of each payment to furnish an itemized wage statement in writing showing:

- 23 (1) The gross wages earned;
- 24 (2) The total hours worked by the employee;
- 25 (3) The number of piece-rate units earned and any applicable piece rate if
26 the employee is paid on a piece rate basis;
- 27 (4) All deductions, provided that all deductions made on written orders of
28 the employee may be aggregated and shown as one item;

- 1 (5) The net wages earned;
- 2 (6) The inclusive dates of the period for which the employee is paid;
- 3 (7) The name of the employee and only the last four digits of his or her social
- 4 security number or an employee identification number other than a social
- 5 security number;
- 6 (8) The name and address of the legal entity that is the employer; and
- 7 (9) All applicable hourly rates in effect during the pay period and the
- 8 corresponding number of hours worked at each hourly rate by the
- 9 employee.

10 139. As set forth above, Defendants issued and continues to issue wage statements to its non-

11 exempt employees including Plaintiff and the other Class Members that are inadequate under Labor

12 Code section 226, subdivision (a). By failing to pay Plaintiff and the other Class Members properly as

13 described above, Defendants failed to include required information on their wage statements, including,

14 but not limited to, the gross wages earned, the net wages earned in violation of Labor Code section

15 226, subdivision (a).

16 140. Defendants also failed to include the accrued sick hours on the wage statements

17 provided to Plaintiff and the other Class Members as required by Labor Code section 246, subdivision

18 (i).

19 141. Defendants' failure to comply with Labor Code section 226, subdivision (a), of the

20 Labor Code was knowing and intentional. (Lab. Code, § 226, subd. (e)).

21 142. As a result of Defendants' issuance of inaccurate itemized wage statements to Plaintiff

22 and the other Class Members in violation of Labor Code section 226, subdivision (a), Plaintiff and the

23 other Class Members are each entitled to recover an initial penalty of \$50, and subsequent penalties of

24 \$100, up to an amount not exceeding an aggregate penalty of \$4,000 per Plaintiff and per each Class

25 Member from Defendants pursuant to Labor Code section 226, subdivision (e), along with costs and

26 reasonable attorneys' fees.

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Twelfth Cause of Action

Failure to Pay Sick Leave

(Against All Defendants)

143. Plaintiff realleges and incorporates by reference all previous paragraphs.

144. Labor Code section 246 provides that an employee who works for the same employer for 30 or more days within a year from the commencement of employment is entitled to paid sick days. (Lab. Code, § 246, subd. (a).) These paid sick days generally accrue at a rate of not less than one hour per every 30 hours worked. (Lab. Code, § 246, subd. (b).)

145. The employer must calculate paid sick leave by using one of two calculations: **(1)** “Paid sick time for nonexempt employees shall be calculated in the same manner as the regular rate of pay for the workweek in which the employee uses paid sick time, whether or not the employee actually works overtime in that workweek,” or **(2)** “Paid sick time for nonexempt employees shall be calculated by dividing the employee's total wages, not including overtime premium pay, by the employee's total hours worked in the full pay periods of the prior 90 days of employment.” (Lab. Code, § 246, subds. (1)(1), (2).)

146. Here, Defendants employed Plaintiff and the other Class Members for 30 or more days within a year from the commencement of employment. Defendants nevertheless failed to fully pay Plaintiff and the other Class Members for all sick pay that was lawfully earned and accrued. This resulted in Plaintiff and the other Class Members being underpaid for their lawfully-accrued sick leave, and resulted in derivative violations including, among others, of Labor Code section 201, 202, and 203, because Defendants did not pay, or timely pay, Plaintiff and the other Class Members all owing and unpaid wages for work performed by them during their employment and at the end of their employment.

147. As a consequence for violating Labor Code section 246, Plaintiff and the other Class Members have sustained damages in an amount to be established at trial, are entitled to attorneys’ fees and costs of suit, and Defendants are subject to all applicable penalties.

1 **Thirteenth Cause of Action**

2 *Violations of California's Unfair Competition Law*

3 *(Against All Defendants)*

4 148. Plaintiff realleges and incorporates by reference all previous paragraphs.

5 149. Defendants have engaged and continue to engage in unfair and/or unlawful business
6 practices in California in violation of California Business and Professions Code section 17200 through
7 17210, by committing the unlawful acts described above. Defendants' utilization of these unfair and
8 unlawful business practices deprived and continue to deprive Plaintiff and the other Class Members of
9 compensation to which they are legally entitled. These practices constitute unfair and unlawful
10 competition and provide an unfair advantage over Defendants' competitors who have been and/or are
11 currently employing workers and attempting to do so in honest compliance with applicable wage and
12 hour laws.

13 150. Because Plaintiff is a victim of Defendants' unfair and unlawful conduct alleged herein,
14 Plaintiff for himself and on behalf of the Class Members, seeks full restitution of monies, as necessary
15 and according to proof, to restore any and all monies withheld, acquired and/or converted by
16 Defendants pursuant to Business and Professions Code sections 17203 and 17208.

17 151. The acts complained of herein occurred within the four years prior to the initiation of
18 this action and are continuing into the present and ongoing.

19 152. Plaintiff was compelled to retain the services of counsel to file this Court action to
20 protect his interests and those of the Class Members, to obtain restitution and injunctive relief on behalf
21 of Defendants' current non-exempt employees and to enforce important rights affecting the public
22 interest. Plaintiff has thereby incurred the financial burden of attorneys' fees and costs, which Plaintiff
23 is entitled to recover under Code of Civil Procedure section 1021.5.

Fourteenth Cause of Action

Penalties Pursuant to PAGA for Violations of California Labor Code Sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 246, 510, 512, 1174, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2802, 2804, and Other Provisions of the Labor Code
(Against All Defendants)

153. Plaintiff realleges and incorporates by reference all previous paragraphs.

154. Based on the above allegations incorporated by reference, Defendants violated Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 226.8, 246, 510, 512, 1174, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2775, 2802, 2804, and others that may be applicable; and the Applicable Wage Order (Cal. Code of Regs., tit. 8, § 11090), and others that may be applicable.

155. As a result of the acts alleged above, Plaintiff seeks penalties under Labor Code sections 2698 through 2699.6 because of Defendants' violation of Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 226.8, 246, 510, 512, 1174, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2775, 2802, 2804, and others that may be applicable; and the Applicable Wage Order (Cal. Code of Regs., tit. 8, § 11090), and others that may be applicable.

156. Under Labor Code section 2699, subdivision (f)(2), and 2699.5, for each such violation, Plaintiff and the Aggrieved Employees are entitled to penalties in an amount to be shown at the time of trial subject to the following formula:

A. \$100 for the initial violation per employee per pay period; and

B. \$200 for each subsequent violation per employee per pay period.

157. These penalties must be allocated seventy-five percent to the Labor and Workforce Development Agency ("LWDA") and twenty-five percent to the affected employees. These penalties may be stacked separately for each of Defendants violations of the California Labor Code. (*Lopez v. Friant & Associates, LLC* (2017) 15 Cal.App.5th 773, 780–781 [citing with approval *Stoddart v. Express Services, Inc.* (E.D. Cal., Sept. 16, 2015, No. 2:12-CV-01054-KJM) 2015 WL 5522142, at *9, for the proposition that plaintiff could pursue separate claims for penalties under Labor Code section 226, subdivision (e), and penalties for Labor Code section 226, subdivision (a), violations]; see also *Hernandez v. Towne Park, Ltd.* (C.D. Cal., June 22, 2012, No. CV 12-02972 MMM JCGX) 2012 WL

1 2373372, at *17 fn. 70 [noting that federal courts applying California law have found that “PAGA
2 penalties can be stacked, i.e., multiple PAGA penalties can be assessed for the same pay period for
3 different Labor Code violations.”], internal quotation marks omitted).

4 158. In addition, to the extent permitted by law, Defendants failed to provide Plaintiff and all
5 Aggrieved Employees with accurate itemized wage statements in compliance with Labor Code section
6 226, subdivision (a). Plaintiff seeks separate PAGA penalties for Defendants’ violations of Labor Code
7 section 226, subdivisions (a) and (e). (*Lopez v. Friant & Associates, LLC, supra*, 15 Cal.App.5th at pp.
8 780, 788.)

9 159. For violations of Labor Code section 226, subdivision (a), Plaintiff seeks the default
10 penalty provided by Labor Code section 226.3. Labor Code section 226.3 provides that “[a]ny
11 employer who violates subdivision (a) of Section 226 shall be subject to a civil penalty in the amount
12 of two hundred fifty dollars (\$250) per employee per violation in an initial violation and one thousand
13 dollars (\$1,000) per employee for each violation in a subsequent citation, for which the employer fails
14 to provide the employee a wage deduction statement or fails to keep the required in subdivision (a) of
15 Section 226.” Accordingly, through PAGA and to the extent permitted by law Plaintiff and the
16 Aggrieved Employees are entitled to recover penalties for violations of Labor Code section 226.3 and
17 seeks default PAGA penalties for each of Defendants’ numerous violations of Labor Code section 226,
18 subdivision (e).

19 160. Labor Code section 210 provides that “in addition to, an entirely independent and apart
20 from, any other penalty provided in this article, every person who fails to pay the wages of each
21 employee as provided in Sections . . . 204 . . . shall be subject to a civil penalty as follows: (1) For any
22 initial violation, one hundred dollars (\$100) for each failure to pay each employee; (2) For each
23 subsequent violation, or any willful or intentional violation, two hundred dollars (\$200) for each failure
24 to pay each employee, plus 25% of the amount unlawfully withheld.” As a result of the faulty
25 compensation policies and practices, Plaintiff and the Aggrieved Employees are also entitled to recover
26 penalties under Labor Code section 210 through PAGA.

27 161. Labor Code section 1197.1 authorizes a civil penalty, restitution of wages, and
28 liquidated damages, in the amount of: (1) one hundred dollars (\$100) for any initial violation that is

1 intentionally committed for each underpaid employee for each pay period for which the employee is
2 underpaid, and (2) two hundred fifty dollars (\$250) for each subsequent violation for the same specific
3 offense for each underpaid employee for each pay period for which the employee is underpaid
4 regardless of whether the initial violation is intentionally committed. Accordingly, through PAGA and
5 to the extent permitted by law, Plaintiff and the Aggrieved Employees are entitled to recover pursuant
6 to Labor Code section 1197.1.

7 162. Plaintiff was compelled to retain the services of counsel to file this action to protect his
8 interests and those of the Aggrieved Employees, and to assess and collect the wages and penalties owed
9 by Defendants. Plaintiff has thereby incurred attorneys' fees and costs, which Plaintiff is also entitled
10 to recover under Labor Code section 2699, subdivision (g)(1).

11 **VIII. DEMAND FOR JURY TRIAL**

12 163. Plaintiff hereby demands trial by jury of Plaintiff's and the Class Members' claims
13 against Defendants.

14 **IX. PRAYER FOR RELIEF**

15 Plaintiff prays for judgment for himself and for all others on whose behalf this suit is brought
16 against Defendants, as follows:

- 17 1. For an order certifying the proposed class;
- 18 2. For an order appointing Plaintiff as representative of the class;
- 19 3. For an order appointing Plaintiff's counsel as counsel for the class;
- 20 4. For willful misclassification, penalties as provided by Labor Code section 226.8,
21 subdivisions (b) and (c), any other penalties applicable under Labor Code section 2699,
22 and attorneys' fees and costs pursuant to Labor Code section 2699, subdivision (g)(1);
- 23 5. For the failure to pay all minimum wages, compensatory, consequential, general, and
24 special damages according to proof pursuant to Labor Code sections 1194, 1194.2,
25 1197, and others as may be applicable;
- 26 6. For the failure to pay split shift premiums, compensatory damages in the amount of the
27 split shift premiums owed, as may be proven;
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- 1 **7.** For the failure to pay all overtime wages, compensatory, consequential, general, and
2 special damages according to proof pursuant to Labor Code sections 204, 510, 1194,
3 1198, and others as may be applicable;
- 4 **8.** For the failure to provide rest periods and pay missed rest period premiums,
5 compensatory, consequential, general, and special damages according to proof pursuant
6 to Labor Code section 226.7;
- 7 **9.** For the failure to provide meal periods and pay missed meal period premiums,
8 compensatory, consequential, general, and special damages according to proof pursuant
9 to Labor Code sections 226.7 and 512;
- 10 **10.** For the failure to maintain accurate employment records, penalties pursuant to Labor
11 Code sections 226.3, 1174.5, and others that may be applicable;
- 12 **11.** For the failure to pay wages timely during employment, the unpaid balance of the
13 compensation owed to Plaintiff and the other Class Members and any applicable
14 penalties owed to them pursuant to Labor Code section 210;
- 15 **12.** For the failure to pay all wages earned and unpaid at separation, statutory waiting time
16 penalties pursuant to Labor Code sections 201 through 203, for the Class Members who
17 quit or were fired in an amount equal to their daily wage multiplied by thirty days, as
18 may be proven;
- 19 **13.** For the failure to indemnify all necessary business expenditures, all unreimbursed
20 business expenses, and interest thereon, that are owed, pursuant to Labor Code section
21 2802, and attorney fees, pursuant to Labor Code section 2802, subdivision (c);
- 22 **14.** For the failure to pay all sick time wages due and owed, compensatory, consequential,
23 general, and special damages according to proof pursuant to Labor Code section 246,
24 and others as may be applicable;
- 25 **15.** For the violations of California's Unfair Competition Law, restitution to Plaintiff and
26 the other Class Members of all money and/or property unlawfully acquired by
27 Defendants by means of any acts or practices declared by this Court to be in violation
28 of Business and Professions Code sections 17200 through 17210;

PROOF OF SERVICE
STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am over the age of 18 years and am employed in the county of Los Angeles, State of California. I am not a party to this action. My business address is 1801 Century Park East, Suite 850, Los Angeles, California 90067.

I declare that on the date hereof, December 27, 2024, I served the foregoing document(s) described as:

- **Plaintiff's First Amended Class and Representative Action Complaint**

By causing a true copy to be sent to the following individuals and/or parties:

Golden Gate Logistics, LLC
c/o Registered Agent Solutions, Inc.
720 14th Street
Sacramento, CA 95814

Agents for Service of Process for Defendant Golden Gate Logistics, LLC

[X] [BY MAIL] I caused an envelope containing all above-listed documents, with postage thereon fully prepaid, to be placed in the United States mail at Los Angeles, California to the above mailing addresses. I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing. Under that practice, it would be deposited with the U.S. postal service on that same day with postage thereon fully prepaid in Los Angeles, California in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit. I declare under penalty of perjury under the laws of California that the above is true and correct. I further declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

I declare under penalty of perjury under the laws of California that the above is true and correct. I further declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

Executed on December 27, 2024, in Los Angeles, California.



Jennifer Gonzalez