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Attorneys for Plaintiff MICHAEL CHAVEZ and all others similarly situated

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO**

MICHAEL CHAVEZ, an individual; on behalf of himself and all others similarly situated and the general public,

Plaintiffs,

v.

REECE SUPPLY, LLC; a Texas limited liability company; MORSCO SUPPLY, LLC; a Texas limited liability company; and DOES 1 to 100, inclusive,

Defendants.

Case No.: 24CU023979C

CLASS ACTION

FIRST AMENDED COMPLAINT FOR:

1. Violation of B&PC §17200, et seq.
2. Violation of Labor Code §§ 204, 510, 1194 and 1198;
3. Violation of Labor Code §§ 200, et seq.;
4. Failure to Pay Meal and Rest Break Premiums at the Proper Regular Rate of Pay (Labor Code §226.7)
5. Failure to Provide & Maintain Accurate Wage Statements Pursuant to Labor Code §226;
6. Failure to Provide Meal Periods (Lab. Code §226.7); and
7. Failure to Provide Rest Breaks (Lab. Code §226.7).
8. Failure to Reimburse Expenses (Lab. Code §2802);
9. Violation of Labor Code §§2698-2699 (PAGA)

DEMAND FOR JURY TRIAL

1 Plaintiff MICHAEL CHAVEZ, on behalf of himself and all other persons similarly
2 situated, and the general public (hereinafter, "Plaintiffs"), hereby complains against
3 Defendants REECE SUPPLY, LLC, a Texas limited liability company ("Reece"); MORSCO
4 SUPPLY, LLC, a Texas limited liability company; and DOES 1 to 100, inclusive (hereinafter
5 Reece, Morsco and Does 1-100 are collectively referred to herein as "Defendants"), and on
6 information and belief allege as follows:

7 **GENERAL ALLEGATIONS**

8 **JURISDICTION**

9 1. This is a civil action seeking recovery of unpaid wages, waiting time penalties,
10 pay stub penalties and meal and rest period premiums under California Labor Code §§ 510,
11 1194 et seq., 201 et seq., 226 and 226.7. Plaintiffs bring an action for monetary damages for
12 failure to pay wages as well as for restitution for Defendants' violations of Business and
13 Professions Code (B&PC) §17200, et seq., including full restitution of all compensation
14 retained by Defendants as a result of their unlawful, fraudulent and unfair business practices.
15 Plaintiffs seek all available relief, including full restitution of all compensation retained by
16 Defendants as a result of their unlawful and unfair business practices. Further, Plaintiffs seek
17 injunctive relief under B&PC §17200, et seq.

18 **VENUE**

19 2. Venue as to each of the Defendants is proper in this judicial district pursuant to
20 California Code of Civil Procedure (CCP) §§ 395(a) and 395.5, as at least some of the acts
21 complained of herein occurred in the County of San Diego. Each defendant either owns,
22 maintains offices, transacts business, has an agent or agents within the County of San Diego,
23 or otherwise is found within the County of San Diego, and each defendant is within the
24 jurisdiction of this Court for purposes of service of process.

25 **PARTIES**

26 3. Michael Chavez ("Chavez") is an individual over the age of eighteen (18). At
27 all relevant times herein, Plaintiff Chavez worked for Defendants within the State of
28 California.

1 4. Plaintiffs are informed and believe and thereon allege that at all times
2 mentioned herein, Defendants Reece and Morsco are and were a Texas limited liability
3 company.

4 5. Plaintiffs are informed and believe and thereon allege that at all times
5 mentioned herein, Defendants Reece and Morsco were authorized to do business in the State
6 of California, County of San Diego, and owning, operating and providing HVAC supply
7 services. Thus, each named defendant and DOES 1 to 100 are subject to B&PC §17200, et
8 seq. (Unfair Competition Law) and the Labor Code, as hereinafter alleged.

9 6. Plaintiffs do not know the true names or capacities, whether individual,
10 partner, or corporate, of defendants sued herein as DOES 1 to 100, inclusive, and for that
11 reason, those defendants are sued under such fictitious names, and Plaintiffs will seek from
12 this Court leave to amend this Complaint when such true names and capacities are discovered.
13 Plaintiffs are informed and believe and thereon allege that each of the Defendants and each
14 fictitious defendant, whether individual, partners, or corporate, was responsible in some
15 manner for the circumstances alleged herein, and proximately caused Plaintiffs and all others
16 similarly situated hereinafter alleged and the general public to be subjected to the unlawful
17 employment practices, wrongs, injuries and damages complained of herein.

18 7. At all times herein mentioned, each of the Defendants participated in the doing
19 of the acts hereinafter alleged to have been done by the named Defendants; and furthermore,
20 Defendants, and each of them, were the agents, servants, and employees of each and every
21 one of the other Defendants, as well as the agents of all Defendants, and at all times herein
22 mentioned were acting within the course and scope of said agency and employment. Plaintiffs
23 herein allege that Defendants and each of them is the joint employer of Plaintiffs and the
24 classes.

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

9. At all times herein mentioned, the acts and omissions of various Defendants, and each of them, concurred and contributed to the various acts and omissions of each and every one of the other Defendants in proximately causing the complaints, injuries and damages alleged herein.

10. At all times herein mentioned, Defendants, and each of them, approved of, condoned, and/or otherwise ratified each and every one of the acts or omissions complained of herein. At all times herein mentioned, Defendants, and each of them, aided and abetted the acts and omissions of each and every one of the other Defendants, thereby proximately causing the damages, as herein alleged.

11. The California Superior Court also has jurisdiction in this matter because both the individual and aggregate monetary damages and restitution sought herein exceed the minimal jurisdictional limits of the Superior Court and will be established at trial, according to proof. The California Superior Court also has jurisdiction in this matter because Plaintiffs and the putative classes herein worked within the State of California, and were subject to California's wage and hour laws.

PLAINTIFF CLASSES

12. The class representative Plaintiff who worked in the position of an hourly non-exempt employees or other similar title while employed by Defendants within the State of California, is as follows:

a. Michael Chavez

Plaintiff Chavez worked within California as a non-exempt hourly employee for Defendants between 2021 and June 2024.

CLASS ACTION ALLEGATIONS

13. Plaintiffs bring this action on behalf of themselves and all others similarly situated as a class action pursuant to CCP §382. The Classes which Plaintiffs seek to represent are composed of and defined as follows:

Class 1:

All non-exempt hourly employees who worked for Defendants in California from 2020 through the date of judgment, who were not paid premium overtime and/or double time at the employee's regular rate of pay.

Subclass 1:

All non-exempt hourly employees who worked for Defendants in California who were paid for a missed meal or rest period at an allegedly "reduced" rate of pay from 2020 through the date of judgment (Meal and Rest Reduced Rate Subclass);

Class 2:

All non-exempt hourly employees who worked for Defendants in California from 2020 through the date of judgment, who were not paid the minimum wage for all hours worked (Minimum Wage Class);

Class 3:

All non-exempt hourly employees who worked for Defendants in California and who worked at some point from 2021 through the present, who are no longer employed with Defendants and to whom Defendants willfully failed to pay all wages due upon separation from Defendants (Waiting Time Penalty Class);

Class 4:

All non-exempt hourly employees who worked for Defendants in California from 2020 to the present who were not provided legally compliant meal periods (Meal Break Class);

Class 5:

All non-exempt hourly employees who worked for Defendants in California from 2020 through the present who were not provided legally-compliant rest breaks (Rest Break Class);

Class 6:

All non-exempt hourly employees who worked for Defendants in California from 2023 through the present who were provided a paystub (a.k.a. wage statement) which failed to

list all hours actually worked and wages owed (Pay Stub Class).

Class 7:

All non-exempt hourly employees who worked for Defendants in California from 2020 through the present who were not reimbursed for their necessary and reasonable business expenses (Reimbursement Class).

The members of the classes are so numerous that joinder of all members would be unfeasible and not practicable. The membership of the classes is unknown to Plaintiffs at this time; however, it is estimated that the classes number greater than 100 individuals. The identity of such membership is readily ascertainable via inspection of Defendants' employment records.

14. There are common questions of law and fact as to Plaintiffs and all others similarly situated which predominate over questions affecting only individual members including, without limitation to:

- i. Whether Defendants paid their employees proper premium overtime and/or double time at the employees' regular rate for hours over eight (8) in a day and/or forty (40) hours in a week, in paying their hourly non-exempt employees;
- ii. Whether Defendants violated the applicable Labor Code provisions including §510, 1194, and 203 by requiring substantial overtime work and not paying for said work according to the overtime laws of the State of California;
- iii. Whether Defendants failed to pay the appropriate premium overtime compensation to the hourly employees;
- iv. Whether Defendants improperly retained, appropriated or deprived Plaintiffs and the class members of the use of monies or sums to which Plaintiffs and the class were legally entitled;
- v. Whether Defendants engaged in unfair business practices;

- vi. Whether Defendants, and each of them, were participants in the alleged unlawful conduct;
- vii. Whether Defendants' conduct was willful or reckless;
- viii. The effect upon and the extent of injuries suffered by Plaintiffs and all others similarly situated and the appropriate amount of compensation;
- ix. The appropriate amount of monetary penalties allowed by Labor Code §201, et. seq.;
- x. Whether Defendants pay and continue to pay for missed meal and rest period premiums at an allegedly "reduced" rate of pay in violation of Section 11 of the applicable Wage Orders;
- xi. Whether Defendants failed and refused to reimburse Plaintiff and the class members for their reasonable and necessary expenses incurred in fulfilling their work duties for Defendant
- xii. Whether Defendants violated Labor Code §226 and relevant IWC Wage Orders by failing to, among other violations, accurately report total hours worked, all applicable hourly rates in effect during each pay period and the corresponding number of hours worked at each hourly work, by Plaintiffs and the members of the Class; and
- xiii. Whether Defendants knowingly and intentionally failed to maintain records for Plaintiffs and members of the Class as required by Labor Code § 1174 and the applicable IWC Wage Orders.

15. Plaintiffs' claims are typical of the claims of all members of the classes and subclasses mentioned herein. Plaintiffs, as representative parties, will fairly and adequately protect the interest of the classes by vigorously pursuing this suit through their attorneys who are skilled and experienced in handling matters of this type. Plaintiffs have no claim or interest that is antagonistic to any class member.

16. The nature of this action and the nature of laws available to the members of the classes and subclasses identified herein make use of the class action format a particularly

1 efficient and appropriate procedure to afford relief to Plaintiffs for the wrongs alleged herein.
2 Further, this claim involves a large corporate employers, Defendants Reece and Morsco, and a
3 large number of individual employees (Plaintiffs and all others similarly situated) with many
4 relatively small claims with common issues of law and fact. If each employee were required
5 to file an individual lawsuit, the corporate defendants would necessarily gain an
6 unconscionable advantage since they would be able to exploit and overwhelm the limited
7 resources of each individual plaintiff with their vastly superior financial and legal resources.
8 Requiring each class member to pursue an individual remedy would also discourage the
9 assertion of lawful claims by employees who would be disinclined to pursue an action against
10 their present and/or former employer for an appreciable and justifiable fear of retaliation and
11 permanent damage to their careers at present and/or subsequent employment. Proof of a
12 common business practice or factual pattern, of which the Plaintiffs experienced, is
13 representative of the class mentioned herein and will establish the right of each of the
14 members of the named class to recovery on the causes of action alleged herein.

15 17. The prosecution of separate actions by the individual class members, even if
16 possible, would create a substantial risk of inconsistent or varying verdicts or adjudications
17 with respect to the individual class members against Defendants herein; and which would
18 establish potentially incompatible standards of conduct for Defendants; and/or (b) legal
19 determinations with respect to individual class members which would, as a practical matter,
20 be dispositive of the interest of the other class members not parties to adjudications or which
21 would substantially impair or impede the ability of the class members to protect their interests.
22 Further, the claims of the individual members of the class are not sufficiently large to warrant
23 vigorous individual prosecution considering all of the concomitant costs and expenses
24 attending thereto.

25 18. Plaintiffs and all others similarly situated are entitled to the wages and other
26 monies unlawfully withheld. This action is brought for the benefit of the public.
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1 **FIRST CAUSE OF ACTION**

2 **(Violation of B&PC §17200, et seq.)**

3 19. Plaintiffs re-allege and incorporate by reference herein the allegations of all
4 preceding paragraphs as though fully set forth herein.

5 20. Beginning on an exact date unknown to Plaintiffs but believed to have
6 occurred from 2020 on, Defendants have engaged in a pattern and practice of acts of unfair
7 competition in violation of B&PC §17200, including the practices alleged herein.

8 21. Defendants, and each of them, own and operate HVAC supply locations in
9 California, and have engaged in the practice of paying their non-exempt employees, in a
10 fashion that circumvents California's wage and hour laws.

11 **FAILURE TO PAY PROPER WAGES AND OVERTIME COMPENSATION**

12 22. Plaintiff is informed, believes, and thereon alleges that as part of Defendants'
13 ongoing unfair business practices, Defendants' hourly employees worked in excess of eight
14 (8) hours per day, and excess of forty (40) hours per week without receiving the proper
15 regular rate of pay and therefore have failed to receive overtime compensation and/or the
16 proper overtime premium. Defendants are therefore in violation of Labor Code §§ 510 and
17 1194, and the relevant California Industrial Welfare Commission Orders.

18 23. Defendants, and each of them, consistently administered a corporate policy
19 regarding off-the-clock work, which required that employees work overtime without proper
20 premium overtime pay, the regular rate of pay, and/or minimum wage. This corporate policy
21 and pattern of conduct is accomplished with the advanced knowledge and designed intent to
22 avoid paying non-exempt employees for all hours worked. Accordingly, Plaintiffs and the
23 class members are entitled to all unpaid wages due under California law. Further, Plaintiffs
24 and the class are entitled to restitution of these wages obtained by Defendants, and each of
25 them.

26 **VIOLATION OF LABOR CODE § 200, ET SEQ.**

27 24. Plaintiffs are informed and believe and thereon allege that as part of
28 Defendants' ongoing unfair business practices, Defendants failed to provide all employees all

1 wages at the time of their separation in violation of Labor Code § 200, et. seq., including but
2 not limited to, §§201, 202, 203 & 204.

3 25. Labor Code § 200, et seq. provides that an employer is required to pay an
4 employee all wages (including accrued vacation) immediately upon the employee's
5 involuntary separation from employment; immediately upon his or her voluntary separation if
6 the employee gave at least seventy-two (72) hours notice, and within seventy-two (72) hours,
7 if the employee voluntarily separated, but did not give at least seventy-two (72) hours notice.

8 26. Plaintiffs are informed and believe and thereon allege that all employees who
9 have been separated from Defendants did not timely receive a final paycheck detailing the
10 proper amount of pay from Defendants in violation of Labor Code § 200, et. seq.

11 27. Pursuant to Labor Code § 200, et seq. employees that no longer work for
12 Defendants, and who were not timely paid, are entitled to one (1) day of pay in penalties for
13 each day that he or she was paid late, until payment was made, up to a maximum of thirty (30)
14 days.

15 **VIOLATION OF MEAL AND REST PERIOD PROVISIONS**

16 28. Defendants' improper meal and rest period policies are in violation of
17 California law including, but not limited to Labor Code § 226.7, 512, and the applicable IWC
18 Wage Orders. Plaintiffs and the class were entitled to 1 hour of pay for each meal and rest
19 break violation at their regular rate of pay. Defendants failed and continue to fail to pay for
20 meal and rest period violations at the employees' regular rate of pay in violation of Section 11
21 of the applicable Wage Orders.

22 29. Plaintiffs seek restitution and injunctive relief for said violations.

23 30. Plaintiffs are informed and believe and thereon allege that at all times herein
24 mentioned, Defendants have engaged in unlawful, deceptive, and unfair business practices
25 prohibited by California B&PC § 17200, thereby depriving their employees and the putative
26 class the minimum working standards and conditions due to them under the California labor
27 laws and Industrial Welfare Commission wage orders as specifically described herein.
28 Plaintiffs seek an injunction preventing Defendants from continuing their unfair business

1 practice of improperly depriving their employees of overtime pay, and payment of their
2 regular rate of pay for meal and rest period premiums. Plaintiffs further seek an order
3 requiring Defendants to identify by full name, telephone number, and last known address
4 employees who worked or still work for Defendants between 2020 through the date of
5 judgment; Plaintiffs further seek an order requiring Defendants to timely pay restitution to all
6 current and former employees, including back wages, premium payments, and interest.

7 **FAILURE TO PROVIDE ITEMIZED WAGE STATEMENTS**

8 31. Plaintiffs are informed and believe and thereon allege that as part of
9 Defendants' ongoing unfair business practices, Defendants, and each of them, fail to provide
10 their employees with proper and understandable itemized wage statement, as required by Labor
11 Code § 226.

12 32. Plaintiffs are informed and believe, and thereon allege, that Defendants, and
13 each of them, fail to provide each employee with an itemized statement which states the actual
14 regular rate paid, the total hours worked by the employee, the gross and net wages earned, and
15 all applicable hourly rates in effect during the pay period and the corresponding number of
16 hours worked at each hourly rate by the employee.

17 **FAILURE TO REIMBURSE EXPENSES**

18 33. Defendants have adopted and implemented an illegal reimbursement policy
19 that fails to compensate Plaintiff for all of his necessary business expenses incurred in
20 discharging their duties for Defendants.

21 34. Defendants' conduct in failing to reimburse Plaintiff and the class for their
22 necessary business expenses is also unfair within the meaning of Business and Professions
23 Code §17200 because it is against established public policy and has been pursued to attain an
24 unjustified monetary advantage for Defendants by unfairly and unlawfully reducing Plaintiff's
25 and the other class members' compensation, as Plaintiff and the class are required to come out
26 of pocket for such expenses. As such, Defendants' business practices, including their illegal
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1 reimbursement policy and practice, is unfair, illegal and fraudulent, in that such policy and
2 practice was intended to reduce Plaintiff's and the class' due and owing compensation.

3 **SECOND CAUSE OF ACTION**

4 **RECOVERY OF UNPAID WAGES & PENALTIES**

5 **(Violation of Labor Code §§ 204, 510, 1194 and 1198)**

6 35. Plaintiffs re-allege and incorporate by reference herein the allegations of all
7 preceding paragraphs as though fully set forth herein.

8 36. Plaintiffs and all others similarly situated identified herein were and are
9 employed and scheduled as a matter of established company policy to work and in fact
10 worked as non-exempt hourly employees in excess of eight (8) hours per day and/or in excess
11 of forty (40) hours per week. Defendants employed and scheduled all employees without
12 providing overtime compensation for such excess hours worked in violation of Labor Code §§
13 510 and 1194 and the relevant California Industrial Welfare Commission (IWC) orders.
14 Labor Code § 204 establishes the fundamental right of all employees in the State of California
15 to be paid the proper amount of wages in a timely fashion for their work, including overtime.
16 Defendants always had a written and verbal agreement to pay overtime and double time based
17 on the Plaintiffs' and classes' regular rate of pay.

18 37. Pursuant to Labor Code §§ 218 and 1194(a), Plaintiffs may bring a civil action
19 for overtime wages directly against the employer without first filing a claim with the Division
20 of Labor Standards Enforcement (hereinafter "DLSE") and may recover such wages, together
21 with interest thereon, penalties, attorneys' fees and costs.

22 38. At all times relevant hereto, Defendants have failed to pay to Plaintiffs and all
23 persons similarly situated wages when due as required by Labor Code § 204.

24 39. Pursuant to Labor Code § 1198, it is unlawful to employ persons for longer
25 than the hours set by the IWC or under conditions prohibited by the applicable IWC Wage
26 Orders.

27 40. At all times relevant hereto, Plaintiffs are informed and believe and thereon
28 allege that Defendants have treated Plaintiffs as hourly non-exempt employees. Despite this

1 classification, Defendants have willfully violated the Labor Code with respect to meeting the
2 requirements of paying one (1) regular rate of pay and calculating overtime and double time
3 based on that regular rate, as herein before alleged. Defendants have failed to properly pay
4 premium overtime for hours worked in a week, and as such, Defendants are able to reduce
5 their overhead and operating expenses and gain an unfair advantage over competing
6 companies complying with state law. Furthermore, Defendants have failed to include all
7 items of remuneration when determining the employees' regular rate of pay, as described
8 above.

9 41. Plaintiffs are informed and believe and thereon allege that Defendants
10 consistently administered a corporate policy regarding both staffing levels and duties and
11 responsibilities of the members of the classes which required the entirety of all classes to work
12 overtime without proper premium pay, and to fail all wages for hours worked. This corporate
13 policy and pattern of conduct was/is accomplished with the advance knowledge and design of
14 all Defendants herein. Thus, Plaintiffs and all others similarly situated routinely, regularly
15 and customarily performed overtime work and/or work that they failed to be compensated at
16 the appropriate hourly wage.

17 42. Plaintiffs are informed and believe and thereon allege that the obligations and
18 responsibilities of the class employees are irrelevant because Plaintiffs and all others similarly
19 situated merely allege wrongdoing with Defendants' pay plans, policies and practices.
20 Further, the duties of Plaintiffs and all others similarly situated are not relevant in certifying
21 any of the classes.

22 43. Defendants, and each of them, had a consistent and uniform policy, practice
23 and procedure of willfully failing to pay the earned and unpaid wages of all such non-exempt
24 employees. Defendants have willfully failed to pay the earned and unpaid wages of such
25 individuals, including, but not limited to regular pay, premium pay, and other wages earned
26 and remaining uncompensated according to amendment, or proof.

27 44. The pattern, practice and uniform administration of corporate policy regarding
28 illegal employee compensation as described herein is unlawful and creates an entitlement to

1 recovery by Plaintiffs and all others similarly situated, in a civil action, for the unpaid balance
2 of the full amount of all wages owing, including the proper calculation of the regular rate and
3 the proper overtime premiums calculated at 1.5 or 2 times the legal regular rate which are
4 owing, including interest thereon, willful penalties, reasonable attorneys' fees, and costs of
5 suit according to the mandate of Labor Code § 1194, et. seq.

6 45. Likewise, Defendants have a pattern, practice and uniform administration of
7 corporate policy regarding failure to comply with the required provisions of Labor Code §
8 226.7, in failing to pay Plaintiffs and the class the meal and rest period premium payments at
9 the regular rate.

10 **THIRD CAUSE OF ACTION**

11 **(Violation of Labor Code §§ 200, et. seq.)**

12 46. Plaintiffs re-allege and incorporate by reference herein the allegations of all
13 preceding paragraphs as though fully set forth herein.

14 47. Labor Code §§ 200, et. seq., provides that an employer is required to pay an
15 employee all wages (including accrued vacation) immediately upon an employee's
16 involuntary separation from employment; immediately upon her voluntary separation if the
17 employee gave at least seventy two (72) hours notice, and within seventy two (72) hours, if
18 the employee voluntarily separated, but did not give at least seventy two (72) hours notice.

19 48. Plaintiff Chavez and other former employees of Defendants employed in the
20 State of California separated from employment with Defendants, and did not timely receive a
21 final pay check with all of their wages due from Defendants in violation of Labor Code §§
22 200, et seq. Plaintiffs are informed and believe and thereon allege that Defendants also
23 violated the mandates of Labor Code §§ 200, et seq., as to other employees whose
24 employment ended during the period of time covered by this action.

25 49. Pursuant to Labor Code §§ 200, et. seq., each member of the class that no
26 longer works for Defendants, and who was not timely paid all of his or her wages due is
27 entitled to one (1) day of pay in penalties for each day that he or she was paid late, until
28 payment was made, up to a maximum of thirty (30) days.

1 **FOURTH CAUSE OF ACTION**

2 **FAILURE TO PAY MEAL AND REST PERIOD PREMIUMS AT THE PROPER**
3 **REGULAR RATE OF PAY**

4 **(Violation of Labor Code §§ 226.7 & 512, et seq.)**

5 50. Plaintiffs re-allege and incorporate by reference herein the allegations of all
6 preceding paragraphs as though fully set forth herein.

7 51. Plaintiffs believe and thereon allege that Labor Code §226.7 requires an
8 employer to pay an additional hour of compensation at the employee's regular rate of pay for
9 each meal period and rest period violation. During the class period, Plaintiffs are informed
10 and believe, and based thereon allege that Defendants have failed to pay Plaintiffs and the
11 class members meal period and rest period premium pay at their regular rate of pay.
12 Defendants' improper meal and rest period practices and policies are in violation of California
13 law including, but not limited to Labor Code § § 226.7, 512, and the IWC Wage Orders.

14 52. Pursuant to Labor Code §226.7, Plaintiffs are entitled to damages in an amount
15 equal to one (1) hour of the employee's regular rate of pay per each meal and rest period
16 violation, in a sum to be proven at trial.

17 **FIFTH CAUSE OF ACTION**

18 **FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS**

19 **(Violation of Labor Code § 226)**

20 53. Plaintiffs re-allege and incorporate by reference herein the allegations of all
21 preceding paragraphs as though fully set forth herein.

22 54. Labor Code §226(a) provides, in pertinent part:

23 An employer, semimonthly or at the time of each payment of wages, shall
24 furnish to his or her employee, either as a detachable part of the check, draft, or
25 voucher paying the employee's wages, or separately if wages are paid by
26 personal check or cash, an accurate itemized statement in writing showing (1)
27 gross wages earned, (2) total hours worked by the employee, except as
28 provided in subdivision (j), (3) the number of piece-rate units earned and any
applicable piece rate if the employee is paid on a piece-rate basis, (4) all
deductions, provided that all deductions made on written orders of the
employee may be aggregated and shown as one item, (5) net wages earned, (6)
the inclusive dates of the period for which the employee is paid, (7) the name

1 of the employee and only the last four digits of his or her social security
2 number or an employee identification number other than a social security
3 number, (8) the name and address of the legal entity that is the employer and, if
4 the employer is a farm labor contractor, as defined in subdivision (b) of Section
5 1682, the name and address of the legal entity that secured the services of the
6 employer, and (9) all applicable hourly rates in effect during the pay period and
7 the corresponding number of hours worked at each hourly rate by the
8 employee. . . .

9 55. During the Class Period, Defendants knowingly and intentionally failed to
10 provide the Class Members, including Plaintiff Chavez, with timely and accurate wage and
11 hour statements showing gross wages earned, total hours worked, all deductions made, net
12 wages earned, the name and address of the legal entity employing that Class Member, and all
13 applicable hourly rates in effect during each pay period and the corresponding number of
14 hours worked at each hourly rate by that Class Member.

15 56. The Class Members, including Plaintiffs, suffered injury as a result of
16 Defendants' knowing and intentional failure to provide the Class Members, with the wage and
17 hour statements required by law.

18 57. Based on Defendants' conduct as alleged herein, Defendants are liable for actual
19 damages, statutory damages and/or statutory penalties pursuant to California Labor Code §
20 226, attorney's fees and costs and other applicable provisions of the Labor Code and
21 applicable Wage Order.

22 **SIXTH CAUSE OF ACTION**

23 **FAILURE TO PROVIDE MEAL PERIODS**

24 **(Violation of Labor Code §§ 226.7 and 512)**

25 58. Plaintiffs re-allege and incorporate by reference herein the allegations of all
26 preceding paragraphs as though fully set forth herein.

27 59. California Labor Code § 512 and IWC Wage Orders state that an employer
28 may not employ an employee for a work period of more than five (5) hours per day without
providing the employee a meal period of not less than 30 minutes, and an employer may not
employ an employee for a work period of more than 10 hours per day without providing the
employee with a second meal period of not less than 30 minutes. Unless the employee is

1 relieved of all duty during a 30-minute meal period, the meal period shall be considered an
2 “on duty” meal period and counted as time worked. California Labor Code § 226.7(a) further
3 states that no employer shall require any employee to work during any meal or rest period
4 mandated by an applicable order of the IWC.

5 60. Employers are prohibited from exerting coercion against the taking of, creating
6 incentives to forego, or otherwise encouraging the skipping of legally protected breaks.

7 61. Plaintiffs and members of the Class were not provided with or given the
8 opportunity to take the requisite meal periods before the end of the first 5 hours of work, nor
9 were they provided with or given the opportunity to take a proper second meal period during
10 the days when they worked more than 10 hours in a day. Defendants coerced Plaintiffs and
11 the members of the Class to forego meal periods by disciplining and/or threatening
12 disciplinary action against them if they attempted to take meal periods, created incentives to
13 forego meal breaks, and encouraged the skipping of meal periods by scheduling work to
14 coincide with the meal periods, among other things. In addition, Defendants placed
15 unnecessarily tight timelines on Plaintiffs’ work, forcing them to miss their meal periods in
16 order to complete their jobs. As a result, Plaintiff and members of the Class were required to
17 work and/or were not relieved of all duties during any meal period taken, and thus were
18 considered “on duty;” however, Defendants failed to count as time worked any “on duty”
19 meal period taken by Plaintiff and the members of the Class..

20 62. Pursuant to California Labor Code § 226.7(c) and IWC Wage Orders, if an
21 employer fails to provide an employee a meal period in accordance with the applicable
22 provisions of the IWC Wage Orders, the employer shall pay the employee one (1) hour of pay
23 at the employee’s regular rate of pay for each workday that the meal period is not provided.
24 As such, Plaintiffs and members of the Class are entitled to an additional one hour’s pay for
25 each day in which Plaintiffs and members of the Class were not provided a proper meal break
26 under the above-described authorities.
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1 63. Plaintiffs and the members of the Class request that the Court award interest on
2 all unpaid wages at the legal rate specified by California Civil Code § 3289(b), accruing from
3 the date the wages were due and payable pursuant to Labor Code § 218.6.

4 **SEVENTH CAUSE OF ACTION**

5 **FAILURE TO AUTHORIZE OR PERMIT REST PERIODS**

6 **(Violation of Labor Code § 226.7)**

7 64. Plaintiffs re-allege and incorporate by reference as if fully set forth herein, the
8 allegations of the preceding paragraphs.

9 65. The applicable IWC Wage Orders state that every employer shall authorize and
10 permit all employees to take rest periods. The authorized rest period time shall be based on
11 the total hours worked daily at the rate of ten (10) minutes net rest time per four hours of
12 work, or major fraction thereof. An employer must provide employees with 10 minutes' rest
13 for shifts from three and one-half to six hours in length, 20 minutes for shifts of more than six
14 hours up to 10 hours, 30 minutes for shifts of more than 10 hours up to 14 hours, and so on.

15 66. Plaintiff and Class Members were not permitted to take rest periods, were
16 required to work during their rest periods, and/or were disciplined and/or were advised that
17 they would be disciplined if they took rest periods during work hours, in contravention of
18 California law. Moreover, based on Defendants' compensation plans, Plaintiff and Class
19 Members were not separately compensated for their rest periods as required under California
20 law.

21 67. Pursuant to California Labor Code § 226.7(c) and the applicable IWC Wage
22 Orders, if an employer fails to provide an employee a rest period in accordance with the
23 applicable IWC Wage Orders, the employer shall pay the employee one (1) hour of pay at the
24 employee's regular rate of compensation for each workday that the rest period is not provided.

25 68. As such, Plaintiffs and the Class members are entitled to an additional one
26 hour's pay for each day in which they were not provided a proper rest period under the above-
27 described authorities.

1 69. Plaintiffs and the members of the Class request that the Court award interest on
2 all unpaid wages at the legal rate specified by California Civil Code § 3289(b), accruing from
3 the date the wages were due and payable pursuant to Labor Code § 218.6.

4 **EIGHTH CAUSE OF ACTION**

5 **FAILURE TO REIMBURSE EXPENSES**

6 **(Violation of (Labor Code § 2802)**

7 70. Plaintiffs re-allege and incorporate by reference as if fully set forth herein, the
8 allegations of the preceding paragraphs.

9 71. California Labor Code § 2802 provides that “[a]n employer shall indemnify his
10 or her employee for all necessary expenditures or losses incurred by the employee in direct
11 consequence of the discharge of his or her duties.”

12 72. Plaintiff are informed and believe and thereon allege that at all relevant times
13 Plaintiffs and the class members incurred certain expenses for their jobs with Defendants,
14 including but not limited to using their personal vehicles for company business. Despite this,
15 Defendants failed and refused to indemnify Plaintiff and the class for all of their expenditures
16 in carrying out their duties for Defendants.

17 73. As a result of Defendants’ failure to indemnify Plaintiffs and the class
18 members, they have suffered losses according to proof, including prejudgment interest, costs,
19 and attorneys’ fees in prosecuting this case.

20 **NINTH CAUSE OF ACTION**

21 **PRIVATE ATTORNEYS GENERAL ACT**

22 **(Violation of Labor Code §§ 2698 and 2699)**

23 74. Plaintiffs re-allege and incorporate by reference as if fully set forth herein, the
24 allegations of the preceding paragraphs.

25 75. On or about October 3, 2024, Plaintiff Chavez provided written notice to the
26 Labor and Workforce Development Agency (“LWDA”) and Defendants of the specific
27 provisions of the Labor Code alleged to have been violated, including the facts and theories to
28 support the alleged violations.

 76. The LWDA failed to respond to Plaintiffs’ counsel’s correspondence and failed

1 to notify Plaintiffs' counsel as to whether it would investigate the allegations contained
2 therein, within the time period requirements of the Private Attorneys General Act (PAGA),
3 under Labor Code §2699.3. Plaintiffs have fully complied with the notice requirements set
4 forth in Labor Code §2699.3 in order to commence a civil action against an employer
5 pursuant to Labor Code §2699.

6 77. Defendants' failure to pay Plaintiffs for all hours worked, minimum wages,
7 overtime compensation, failure to provide meal periods, failure to authorize and permit rest
8 periods, failure to pay all wages upon termination or resignation, and failure to provide
9 accurate itemized wage statements, will subject Defendants to civil penalties pursuant to,
10 without limitation, Labor Code §§ 201, 202, 203, 204, 226, 245, 246, 510, 512, 551, 552,
11 1174, 1194, 1198, 2802 and IWC Wage Orders.

12 78. Plaintiffs are aggrieved employees as defined in Labor Code §§2699(a) and
13 (c), and related Labor Code provisions. Plaintiffs bring this cause of action on behalf of
14 themselves, as private attorneys general, and in a representative capacity on behalf of other
15 aggrieved employees, affected by the labor law violations alleged herein.

16 79. Defendants committed numerous violations of the California Labor Code and
17 IWC Wage Orders against the Plaintiffs, and on information and belief, against members of
18 the Class and other current and former employees while they were employed by Defendants,
19 including but not limited to:

20 a. Defendants violated Labor Code §§ 510, 511, 1194 and/or IWC Wage Orders
21 by failing to pay Plaintiffs and the members of the Class, and on information and belief, other
22 current and former employees of Defendants, all minimum, straight time and overtime wages
23 owed in compliance with California law;

24 b. Defendants violated Labor Code §§ 226.7, 510, 1194, 1197 and/or IWC Wage
25 Orders by failing to pay Plaintiffs and the members of the Class by failing to pay for a missed
26 meal or rest period at the regular rate of pay;

27 c. Defendants violated Labor Code §§ 1194, 1197 and/or IWC Wage Orders by
28 failing to pay Plaintiffs and the members of the Class, and on information and belief, other

1 current and former employees of Defendants, all minimum wages owed in compliance with
2 California law;

3 d. Defendants violated Labor Code §§ 1194, 204, 510, 511 and/or IWC Wage
4 Orders by failing to pay Plaintiffs and the members of the Class, and on information and
5 belief, other current and former employees of Defendants, all wages owed in a timely manner
6 in compliance with California law;

7 e. Defendants violated Labor Code § 226.7, 512, and /or IWC Wage Orders by
8 failing to provide Plaintiffs and the members of the Class, and on information and belief, other
9 current and former employees of Defendants, the opportunity to take the requisite meal
10 periods in compliance with California law;

11 f. Defendants violated Labor Code § 226.7 and/or IWC Wage Orders by
12 failing to authorize and permit Plaintiffs and the members of the Class, and on information
13 and belief, other current and former employees of Defendants, the opportunity to take the
14 requisite rest periods in compliance with California law;

15 g. Defendants violated Labor Code §§ 226, 1174 and/or IWC Wage Orders by
16 failing to properly maintain accurate employment time and records, maintain and/or submit
17 accurate itemized wage statements on behalf of Plaintiffs, members of the Class, and on
18 information and belief, on behalf of other current and former employees of Defendants as
19 described herein; and

20 h. Defendants violated Labor Code §§ 201, 202 and/or IWC Wage Orders by
21 failing to pay Plaintiffs, the Class, and on information and belief, other current and former
22 employees of Defendants as described herein;

23 i. Defendants violated Labor Code § 2802 and/or the IWC Wage Orders by
24 failing to pay Plaintiffs and other members of the Class all of their reasonable and necessary
25 expenses.

26 80. Pursuant to Labor Code § 2699, Plaintiffs, members of the Class, and all other
27 aggrieved current and former employees seek to recover civil penalties, as otherwise
28 provided by statute and wage order, for which Defendants are liable as a result of their
violations of the California Labor Code and applicable wage order(s) in an amount to be
proven at trial. These penalties include, but are not limited to, those provided by Labor Code
§§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 245, 246, 256, 510, 512, 558, 1174, 1194,

1 1197, 2699, and IWC Wage Orders. Plaintiffs and aggrieved current and former employees
2 further seek and award of reasonable attorneys' fees and costs pursuant to Labor Code § 2698
3 and 2699.

4
5 **PRAYER FOR RELIEF**

6 WHEREFORE, Plaintiffs pray:

7 1. That the Court determine this action may be maintained as a class action;

8 **As to the First Cause of Action:**

9 2. For an order preliminarily and permanently enjoining Defendants from
10 engaging in the practices challenged herein;

11 3. An order for full restitution of all monies, as necessary and according to proof,
12 to restore any and all monies withheld by the Defendants by means of the unfair practices
13 complained of herein. Plaintiffs seek, on behalf of the putative class, the appointment of a
14 receiver, as necessary. The restitution includes all monies retained as wages, as defined in
15 Labor Code §§ 201, 202, 510 and 1194, and interest, and attorneys' fees as a result of the
16 unfair business practices;

17 4. For an order finding and declaring that Defendants' acts and practices as
18 challenged herein are unlawful, and unfair and/or fraudulent;

19 5. For an accounting, under administration of Plaintiffs and subject to court
20 supervision, to determine the amount to be returned by Defendants and the amounts to be
21 refunded to members who are or were not paid all their wages due to Defendants' unfair
22 business practices;

23 6. For the creation of an administrative process wherein each injured current and
24 former employee receives his or her back wages in the form of overtime pay or alternatively
25 that each current or former eligible employee may submit a claim in order to receive his/her
26 money;

27 7. For an order requiring Defendants to make full restitution and payment
28 pursuant to B&PC §§ 17200, et seq.;

- 1 8. For all other appropriate declaratory and equitable relief;
- 2 9. For pre-judgment interest to the extent permitted by law;
- 3 10. For an order requiring Defendants to identify, by name, address and telephone
- 4 number of each person who worked in California as an hourly non-exempt employee for
- 5 Defendants between 2020 through the time of judgment;
- 6 11. For an order imposing all civil and statutory penalties provided by law.

7 **As to the Second and Fourth Cause of Action:**

8 12. For damages according to proof, as set forth in Labor Code §§ 510, 226.7 and

9 1194, et seq., (and the applicable California Industrial Welfare Commission wage orders)

10 regarding wages due and owing;

11 13. For pre-judgment interest as allowed by Labor Code § 1194 and California

12 Civil Code § 3287(b), for waiting time penalties as authorized by Labor Code § 203, and for

13 reasonable attorneys' fees;

14 14. For an order imposing all civil and statutory penalties provided by law.

15 **As to the Third Cause of Action:**

16 15. For waiting time penalties for all former employees not timely paid their last

17 pay check, including vacation pay;

18 16. For reasonable attorneys' fees and costs;

19 17. For an order imposing all civil and statutory penalties provided by law.

20 **As to the Fifth Cause of Action:**

21 18. For recovery as authorized by Labor Code §226(e);

22 19. For injunctive relief to ensure Defendants' compliance with Labor Code §226

23 and the IWC Wage Orders §7(A) pursuant to Labor Code §226(h);

24 20. For an award of costs and reasonable attorneys' fees pursuant to Labor Code

25 §226(e) and/or §226(h);

26 21. For an order imposing all civil and statutory penalties provided by law.

27

28

1 **As to the Sixth Cause of Action:**

2 22. One (1) hour of pay at each of the employees' regular rate of compensation for
3 each workday that a meal period was not provided, impeded, discouraged and/or dissuaded;

4 23. For an order imposing all civil and statutory penalties provided by law.

5 **As to the Seventh Cause of Action:**

6 24. One (1) hour of pay at each of the employees' regular rate of compensation for
7 each workday that a rest period was not authorized or permitted, or impeded, interrupted,
8 discouraged and/or dissuaded;

9 25. For an order imposing all civil and statutory penalties provided by law.

10 **As to the Eighth Cause of Action:**

11 26. For recovery of all necessary expenditures or losses incurred by Plaintiffs and
12 the class members, according to proof;

13 27. For pre-judgment interest as allowed by Labor Code §§ 218.6, 1194(a), and
14 Civil Code § 3287;

15 28. For an award of reasonable attorneys' fees and costs pursuant to Labor Code §
16 2802(c);

17 **As to the Ninth Cause of Action:**

18 29. That the Court declare, adjudge and decree that Defendants violated California
19 Private Attorneys General Act, Labor Code § 2698 and 2699;

20 30. For an order imposing all civil and statutory penalties provided by law;

21 31. For reasonable attorneys' fees and for costs of suit incurred herein pursuant to
22 California Labor Code § 2699(g); and

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

As to All Causes of Action:

33. For reasonable costs incurred;

34. For such other and further relief as this Court may deem just and proper.

Dated: January 27, 2025

BARTZ LAW GROUP, APC

By: /s/ Aaron A. Bartz
AARON A. BARTZ
Attorneys for Plaintiff Michael Chavez
and all others similarly situated

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Dated: January 27, 2025

By: /s/ Aaron A. Bartz
AARON A. BARTZ
Attorneys for Plaintiff Michael Chavez
and all others similarly situated

I, the undersigned, am employed in the State of California. I am over the age of eighteen (18) years and not a party to the action. My business address is 5151 California Ave., Suite 100, Irvine, California 92617.

On January 27, 2025, I served true copies of the foregoing documents described as: **FIRST AMENDED COMPLAINT** on the interested parties in this action, addressed as follows:

Matthew B. Golper
mgolper@brgslaw.com
Keith Rossman
krossman@brgslaw.com
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() BY U.S. MAIL: The documents were placed in sealed, addressed envelopes on the above date and placed for collection and mailing at my place of business. I am "readily familiar" with the firm's practice of collecting 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 at Irvine, 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.

(x) BY ELECTRONIC TRANSMISSION: I transmitted a PDF version of this document by electronic mail to the party(s) identified on the above service list using the e-mail address(es) indicated.

(X) (State) I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this declaration was executed on January 27, 2025.

/s/ Leanne Nguyen-Phuoc/s/
Leanne Nguyen-Phuoc