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IN THE SUPERIOR COURT OF CALIFORNIA
COUNTY OF SAN DIEGO, CENTRAL

JOE MARTINEZ, an individual, on behalf
of himself and all other aggrieved
employees,

Plaintiff,

vs.

NORTH SPRUCE LP, a California Limited
Partnership; REGINALD V. FINCH, an
individual, TERESE FINCH, an individual
and DOES 1 through 20 inclusive,

Defendants.

Case No. 25CU009079C

Assigned to Hon. Wendy M. Behan in Dept.C-66

**PLAINTIFF'S NOTICE OF MOTION AND
MOTION FOR APPROVAL OF PAGA
SETTLEMENT; MEMORANDUM OF POINTS
AND AUTHORITIES; DECLARATION OF
GABRIEL J. PIMENTEL**

Date: April 3, 2026

Time: 10:15 a.m.

Dept.: C-66

Action Filed: February 19, 2025

Trial Date: October 16, 2026

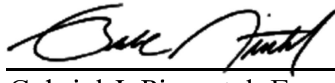
PLEASE TAKE NOTICE that on April 3, 2026 at 10:15 a.m., or as soon thereafter as the
matter may be heard in Department C-66 of the above-entitled Court, located at 330 W Broadway,
San Diego, CA 92101, Plaintiff Joe Martinez will and hereby does move an Order approving the
Parties' PAGA settlement.

This Motion is made pursuant to California Labor Code § 2699 (l) (2), and will be based upon
the attached Memorandum of Points & Authorities, the declarations filed in support of this Motion,
exhibits, all pleadings and records on file herein, all facts and other matters of which this Court may

1 take judicial notice, and such other oral and documentary evidence as may be presented at hearing on
2 this Motion.

3 **PIMENTEL LAW, P.C.**

4
5 Dated: August 6, 2025

6 By: 
Gabriel J. Pimentel, Esq.
Attorney for Plaintiff

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1 **MEMORANDUM OF POINTS & AUTHORITIES**

2 **I. INTRODUCTION**

3 Plaintiff Joe Martinez respectfully requests this Court grant approval of the Parties' Proposed
4 PAGA Settlement, which would resolve Plaintiff's representative claims against Defendants brought
5 under the Private Attorneys General Act ("PAGA"). If approved, the Proposed Settlement will provide
6 monetary payments to the Labor & Workforce Development Agency (LWDA), as well as aggrieved
7 employees, defined as individuals employed by Defendants in California and classified as hourly-paid,
8 non-exempt employees during the PAGA Period, December 16, 2023, through May 20, 2024.

9 The Proposed Settlement will resolve the representative PAGA claims of Plaintiff against
10 Defendants for (1) failure to indemnify for necessary expenditures in violation of Labor Code § 2802;
11 (2) failure to pay minimum wages in violation of Labor Code §§ 1182.12, 1194, 1197, 1197.1, and
12 1198; (3) failure to pay overtime in violation of Labor Code §§ 510 and 1198; (4) failure to furnish
13 compliant wage statements and maintain accurate pay records in violation of Labor Code §§ 226,
14 1174(d), and 1198; (5) failure to timely pay wages in violation of Labor Code § 204; and (6) willful
15 failure to pay wages in violation of Labor Code §§ 201–203.

16 In consideration, Defendants have agreed to pay a total of \$8,000 for resolution of the PAGA
17 claim, in addition to Plaintiff's attorney's fees, to be decided by way of separate Motion.

18 **II. FACTS & PROCEDURAL HISTORY**

19 On November 22, 2024, Plaintiff sent notice to Defendant North Spruce LP as well as the
20 LWDA alleging the six above violations of the California Labor Code. (Exhibit 1: PAGA Notice).

21 On February 19, 2025, Plaintiff filed the instant action, alleging six individual Labor Code
22 causes of action, as well as a representative PAGA claim predicated on the same allegations. (Exhibit
23 2: Complaint).

24 On May 2, 2025, Plaintiff filed a First Amended Complaint, adding the managing agents of
25 North Spruce LP, as individual defendants under Labor Code § 558.1. (Exhibit 3: FAC).

26 On May 20, 2025, Plaintiff served three sets of written discovery on Defendant North Spruce
27 LP.

28 On June 23, 2025, Defendant North Spruce LP served verified responses to Plaintiff's written

discovery.

On June 24, 2025, Plaintiff's counsel sent Defendants' counsel a comprehensive meet and confer letter re: Defendant's discovery responses. That same date, Defendants' counsel served Plaintiff's counsel with a statutory offer to compromise pursuant to California Civil Procedure Code § 998. (Exhibit 4: 998 Offer).

On June 24, 2025, Plaintiff's counsel met and conferred with Defense counsel regarding production of aggrieved employee data. (Exhibit 5: Email re: PAGA data).

On June 26, 2025, Defense counsel informally produced the requested aggrieved employee data, including the number of alleged aggrieved employees who worked for Defendant during the PAGA release period and number of pay periods worked by those employees. (Exhibit 6: Letter providing PAGA data). This data allowed Plaintiff to calculate the maximum PAGA penalty exposure, as well as determine the reasonableness of the 998 offer to compromise the PAGA action.

On June 30, 2025, Plaintiff's counsel served an acceptance to Defendants' 998 offer. (Exhibit 7: Acceptance of 998 offer).

On August 5, 2025, Plaintiff served an unfiled copy of this Motion and its supporting documents on the LWDA via electronic submission. (Exhibit 8: LWDA Submission Confirmation).

III. PAGA SETTLEMENT TERMS

A. Aggrieved Employees Defined

The aggrieved employees encompassed by the Proposed PAGA Settlement are all persons who worked as nonexempt employees for Defendants in California at any time between December 16, 2023 and May 20, 2024. This consists of a total of four employees, including Plaintiff:

Aggrieved Employee Name	Dates of Employment	Pay Periods During Release Period
1. E. Luna (Maintenance Supervisor)	12/16/23 to 12/22/23	1
2. A. Amaya (Asst. Apartment Manager)	12/16/23 to present	11
3. D. Wright (Apartment Manager)	12/16/23 to 1/27/25	11
4. Joe Martinez (Asst. Maintenance Manager)	09/15/22 to 05/20/24	11
TOTAL:		34

1 **B. Allocation of Gross Settlement Amount**

2 Under the terms of the 998 offer, \$8,000 will be allocated to the payment of PAGA civil
3 penalties. By operation of law, 65% (\$5,200) will be paid to the LWDA and the remaining 35%
4 (\$2,800) will be paid to the four aggrieved employees. LAB CODE § 2699 (m). This amounts to a civil
5 penalty payment of \$700 to each employee.

6 **C. Administration of Payments**

7 Within 14 calendar days of Court approval, Defendants will mail to Plaintiff's counsel a \$5,200
8 check made payable to the LWDA, and will also mail to each of the four aggrieved employees, a \$700
9 PAGA penalty payment to their last known address.

10 **D. Notice to Aggrieved Employees**

11 Within 14 calendar days of Court approval, Defendants will mail an explanatory Notice of
12 PAGA Settlement to all Aggrieved Employees by first-class United States mail, postage prepaid, with
13 directions to the Postmaster to forward the Notice and return all undeliverable Notices to Defendant's
14 counsel. (Exhibit 9: Notice of PAGA Payment).

15 For each Notice of PAGA Settlement and settlement payment that is returned as undeliverable,
16 Defense counsel shall promptly attempt to locate the Aggrieved Employee by performing an additional
17 search on a public records database and shall re-mail the Notice and settlement check.

18 **E. Uncashed Checks**

19 Settlement checks will specify that they are void if not negotiated or cashed within 180 days
20 of their issuance. Defense counsel will remit the entire amount of each PAGA aggrieved employees'
21 uncashed PAGA penalty payment to the California State Controller for deposit in the Unclaimed
22 Property Fund in the name of the PAGA Aggrieved Employees to whom the uncashed Individual
23 Settlement Payment was issued.

24 **F. Scope of Release**

25 Plaintiff, on behalf of the LWDA, agrees to release Defendants of all claims asserted in the
26 PAGA Notice, and alleged in the Operative Complaint for PAGA civil penalties for the release period
27 of December 16, 2023, through May 20, 2024.

1 **IV. PLAINTIFF’S INDIVIDUAL SETTLEMENT TERMS**

2 To the extent that the Court finds it relevant to the determination of the reasonableness of the
3 PAGA settlement, Plaintiff has provided below the terms of his individual settlement—which is not
4 subject to Court approval.

5 In exchange for his execution of a release against Defendants, which releases them from
6 liability for any and all individual claims, known or unknown, which Plaintiff could have asserted in
7 the action, including for unpaid wages, and dismissal with prejudice of his individual claims, Plaintiff
8 will receive a sum of \$15,001.

9 **V. VALUE OF PLAINTIFF’S INDIVIDUAL CLAIMS**

10 Plaintiff has individual causes of action for (1) unpaid overtime, (2) minimum wage, (3)
11 business expense reimbursement, (4) wage statement violations, and (5) willful failure to pay wages.
12 The total value of the individual wage claims released by Plaintiff is \$72,470.

13 Plaintiff claims that from January 1, 2024 to May 20, 2024, after the conclusion of his regular
14 8-hour work shift, he was required to work on-call 7 days per week. If proven, this would have
15 amounted to 564 overtime hours at \$31.50 per hour (\$17,766) and 1,128 double time hours at \$42 per
16 hour (\$47,376), for a total of \$65,142 in unpaid on-call hours. Because all the unpaid on-call hours
17 qualified for overtime and double time pay, the value of Plaintiff’s minimum wage claim is zero.

18 Plaintiff also claims that he was never reimbursed for the purchase of necessary tool
19 expenditures, totaling \$2,500.

20 Plaintiff also claims that because his unpaid on-call hours were not reflected on his wage
21 statements, this violated Labor Code § 226 (a). This would have resulted in a \$50 statutory penalty for
22 each of the 26 pay periods within the one-year statute of limitations period for wage statement
23 violations, for a total of \$1,300.

24 Plaintiff also brought a derivative claim for willful failure to pay wages, which entitles him to
25 30 days’ wages for Defendants’ failure to pay him all owed wages due upon his discharge, for a total
26 of \$3,528.

27 Lastly, Plaintiff brought an Unfair Competition claim under Business & Professions Code §
28 17200, *et seq.*, which is derivative of the underlying Labor Code claims brought herein. This claim

1 does not add any more value to Plaintiff's individual claims, as it is merely an alternative remedy by
2 which to recover the same damages to which Plaintiff is entitled under his Labor Code-based claims.

3 VI. LEGAL STANDARD FOR APPROVING PAGA SETTLEMENTS

4 "The superior court shall review and approve any settlement of any civil action filed pursuant
5 to this part." LAB. CODE § 2699(l)(2). Class action "requirements need not be met when an employee's
6 representative action against an employer is seeking civil penalties under the Labor Code Private
7 Attorneys General Act of 2004" *Arias v. Superior Court (Angelo Dairy)*, 46 Cal. 4th 969, 975
8 (2009). "[W]hile PAGA does not require the trial court to act as a fiduciary for aggrieved employees,
9 adoption of a standard of review for settlements that prevents 'fraud, collusion or unfairness' and
10 protects the interests of the public and the LWDA in the enforcement of state labor laws is warranted.
11 We therefore hold that a trial court should evaluate a PAGA settlement to determine whether it is fair,
12 reasonable, and adequate in view of PAGA's purposes to remediate present labor law violations, deter
13 future ones, and to maximize enforcement of state labor laws." *Moniz v. Adecco USA, Inc.*, 72
14 Cal.App.5th 56, 76–77 (2021) (internal quotations and citations omitted).

15 The court's task in approving a PAGA settlement is to "ensur[e] that any negotiated resolution
16 is fair to those affected." *Williams v. Superior Court of L.A. Cnty.*, 3 Cal.5th 531, 549 (2017). "The
17 Court must evaluate . . . the adequacy of the settlement in view of the purposes and policies of PAGA,"
18 which is to create "a deterrent effect upon the defendant employer and other employers." *O'Connor v.*
19 *Uber Techs., Inc.*, 201 F. Supp. 3d 1110, 1134 (N.D. Cal. 2016). Thus, the focus is not on the amount
20 of compensation received by aggrieved employees, but rather, whether the total settlement achieves
21 PAGA's policy of deterrence and to maximize enforcement of labor laws.

22 "Because many of the factors used to evaluate class action settlements bear on a settlement's
23 fairness—including the strength of the plaintiff's case, the risk, the stage of the proceeding, the
24 complexity and likely duration of further litigation, and the settlement amount—these factors can be
25 useful in evaluating the fairness of a PAGA settlement." *Moniz*, 72 Cal.App.5th at 77. In the class
26 action context, the reasonableness of a settlement is determined with an "understanding of the amount
27 that is in controversy and the realistic range of outcomes of the litigation." *Kullar v. Foot Locker*
28 *Retail*, 168 Cal. App. 4th 116, 120 (2008). A settlement is fair if the "consideration being paid for the

1 release of those claims represents a reasonable compromise.” *Munoz v. BCI Coca-Cola Bottling Co.*,
2 186 Cal.App.4th 399, 408 (2010). “Ultimately, the trial court’s determination is nothing more than an
3 amalgam of delicate balancing, gross approximations and rough justice.” *Dunk v. Ford Motor Co.*, 48
4 Cal.App.4th 1794, 1801 (1996). “Neither the trial court nor this court is to reach any ultimate
5 conclusions on the contested issues of fact and law which underlie the merits of the dispute, for it is
6 the very uncertainty of outcome in litigation and avoidance of wasteful and expensive litigation that
7 induce consensual settlements. In other words, the settlement or fairness hearing is not to be turned
8 into a trial or rehearsal for trial on the merits.” *7-Eleven Owners for Fair Franchising v. Southland*
9 *Corp.*, 85 Cal.App.4th 1135, 1145 (2000) (internal citations omitted).

10 “The proposed settlement is not to be judged against a hypothetical or speculative measure of
11 what might have been achieved had plaintiffs prevailed at trial.” *Wershba v. Apple Computer, Inc.*, 91
12 Cal.App.4th 224, 246 (2001); *7-Eleven*, 85 Cal.App.4th at 1150 (“the merits of the underlying class
13 claims are not a basis for upsetting the settlement of a class action”). The court “must stop short of the
14 detailed and thorough investigation that it would undertake if it were actually trying the case.” *Clark*
15 *v. American Residential Services LLC*, 175 Cal.App.4th 785, 799 (2009) (internal citations omitted).

16 “A settlement need not obtain 100 percent of the damages sought in order to be fair and
17 reasonable.” *See Wershba*, 91 Cal.App.4th at 250 (settlements found to be fair and reasonable even
18 though monetary relief provided was ‘relatively paltry’). “Compromise is inherent and necessary in
19 the settlement process.” *Wershba*, 91 Cal.App.4th at 250. “The very essence of a settlement is
20 compromise, ‘a yielding of absolutes and an abandoning of highest hopes.’” *Officers for Justice v.*
21 *Civil Service Comm’n*, 688 F.2d 615, 624 (9th Cir. 1982) (internal citations omitted). There is a “strong
22 judicial policy that favors settlements, particularly where complex class action litigation is
23 concerned.” *Class Plaintiffs v. City of Seattle*, 955 F.2d 1268, 1276 (9th Cir. 1992).

24 **VII. \$100 Default Civil Penalty Applies**

25 California Labor Code section 2699.3(c) authorizes an aggrieved employee to bring a
26 representative action for the collection of civil penalties on behalf of themselves and other employees
27 against an employer who has committed Labor Code violations against them. “The civil penalty is one
28 hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation” LAB.

1 CODE § 2699(f)(2). The statute of limitations for collecting civil penalties is 12 months. CIV. PROC.
2 CODE § 340(a). “In any action by an aggrieved employee seeking recovery of a civil penalty available
3 under subdivision (a) or (f), a court may award a lesser amount than the maximum civil penalty amount
4 specified by this part if, based on the facts and circumstances of the particular case, to do otherwise
5 would result in an award that is unjust, arbitrary and oppressive, or confiscatory.” LAB. CODE §
6 2699(e)(2).

7 As held in *Amaral v. Cintas Corp*, 163 Cal. App. 4th 1157, 1209 (2008):

8 [A] “subsequent” violation (which carries a double penalty) must refer to something
9 other than an underpayment that occurs after the first pay period. Although common
10 sense might suggest a “subsequent” violation is nothing more than a violation that
11 occurs at a later point in time after an “initial” violation, this definition is inadequate
12 because the statutes provide for multiple penalties for “each failure to pay each
13 employee” incurred in an initial violation. . . . Until the employer has been notified
14 that it is violating a Labor Code provision (whether or not the commissioner or court
15 chooses to impose penalties), the employer cannot be presumed to be aware that its
continuing underpayment of employees is a “violation” subject to penalties. However,
after the employer has learned its conduct violates the Labor Code, the employer is on
notice that any future violations will be punished just the same as violations that are
willful or intentional — i.e., they will be punished at twice the rate of penalties that
could have been imposed or that were imposed for the initial violation.

16 Here, there is no evidence that a court or Labor Commissioner has ever found Defendants to
17 have violated any of the Labor Code provisions that were alleged in Plaintiff’s PAGA action prior to
18 the filing of this suit. As such, per *Amaral*, Defendants’ alleged violations of the Labor Code would
19 be subject to civil penalties at a maximum \$100 rate, subject to a discretionary reduction.

20 **VIII. Proposed Settlement is Fair, Adequate and Reasonable, and Achieves Objectives of**
21 **the PAGA**

22 Where settlements negotiate a good faith amount for PAGA penalties and “there is no
23 indication that this amount was the result of self-interest at the expense of other” aggrieved employees,
24 such amounts are generally considered reasonable. *Hopson v. Hanesbrands Inc.*, No. CV-08-0844
25 EDL, 2009 WL 928133 at *1, 9 (N.D. Cal. Apr. 3, 2009) (approving a PAGA payment of 0.3%, or
26 \$1,500). Courts have approved amounts for PAGA penalties in the range of zero to two percent of the
27 total maximum amount of the Settlement. *Id.*; see also *Jack v. Hartford Fire Ins. Co.*, 2011 WL
28 4899942 at *6 (S.D. Cal. Oct. 13, 2011) (approving a PAGA payment of 0.25%); *McKenzie v. Fed.*

1 *Express Corp.*, 2012 WL 12882124 at *5 (C.D. Cal. Jan. 23, 2012) (acknowledging that courts
2 approve PAGA claim settlements in the range of zero to two percent of the total settlement); *Zubia v.*
3 *Shamrock Foods Co.*, No. CV1603128ABAGRX, 2017 WL 10541431, at *14 (C.D. Cal. Dec. 21,
4 2017) (approving a PAGA settlement of 0.1%); *Hopson*, 2008 WL 3385452, at *1 (N.D. Cal. Aug. 8,
5 2008) (approving a PAGA settlement of 0.3% or \$1,500); *Garcia v. Gordon Trucking, Inc.*, No. 1:10-
6 CV-0324 AWI SKO, 2012 WL 5364575, at *3 (E.D. Cal. Oct. 31, 2012) (approving a PAGA
7 settlement of 0.27%).

8 The total maximum value of PAGA civil penalties is calculated by multiplying the aggregate
9 number of pay periods in which an eligible Labor Code violation occurred, by \$100. LAB CODE § 2699
10 (f) (2) (A). Here, the aggregate number of pay periods that the four aggrieved employees worked
11 during the release period of December 16, 2023 to May 20, 2024, is 34. Prior to July 1, 2024, Plaintiff
12 could have, in theory, “stacked” the six Labor Code violations alleged in this PAGA suit such that he
13 could recover PAGA penalties for 204 (34 aggregate pay periods x 6 different Labor Code statute
14 violations) Labor Code violations. However, under the July 1, 2024 amended PAGA statute, PAGA
15 representatives are prohibited from “stacking” Labor Code violations that arise from the same
16 unlawful conduct, including derivative claims for failure to timely pay wages, willful failure to pay
17 wages and wage statement violations¹. LAB CODE § 2699 (i). Thus, the only PAGA penalties that
18 Plaintiff would be entitled to “stack” in this case would be the unpaid overtime and failure to reimburse
19 violations. This is because neither claim is derivative of the other, and each one arises from separate
20 and distinct unlawful conduct. One penalizes the employer for failing to compensate for on-call time
21 worked, while the other penalizes for unreimbursed tool expenditures. Thus, the total maximum
22 PAGA liability that Defendants could have faced in this suit is \$6,800 (34 overtime violations x \$100
23 + 34 tool reimbursement violations x \$100).

24 As discussed above, Defendants have agreed to pay a sum of \$8,000 in PAGA penalties to the
25
26

27 ¹ The minimum wage and overtime claims both stem from Defendants’ failure to pay employees for on-call hours worked.
28 Thus, the minimum wage PAGA claim arises from the same conduct as the overtime PAGA claim. And even if employees
were entitled to “stack” their overtime and minimum wage PAGA claims, no minimum wage violations would have been
proven because all of the on-call hours qualified for overtime, not minimum wage.

1 affected employees and LWDA to resolve the PAGA action. This is \$1,200 greater than the maximum
2 potential value of the PAGA claims. As such, the proposed PAGA settlement is fair, adequate and
3 reasonable, and achieves the objectives of the PAGA. Consequently, the Court should approve the
4 proposed settlement.

5 **IX. AGGRIEVED EMPLOYEES WILL NOT BE PREJUDICED BY DISMISSAL OF THE**
6 **PAGA CLAIM**

7 With respect to PAGA judgments, nonparty employees are “not be bound by the judgment as
8 to remedies other than civil penalties.” *Arias v. Superior Court*, 46 Cal.4th 969, 987 (2009). As such,
9 aggrieved employees will not be prejudiced by a dismissal of this action because that dismissal will
10 not bar them from seeking their own individual remedies against Defendants for any of the Labor Code
11 violations that have been released as part of the parties’ PAGA settlement. Further, there are no other
12 known pending actions against Defendants that would be affected by Plaintiff’s release of PAGA
13 claims in this suit.

14 The fact that none of the other three alleged aggrieved employees have ever brought their own
15 individual suit since this action has been filed demonstrates an indifference by them to the amount of
16 the settlement or penalty allocation. Also, to the extent that the LWDA does not object to this Proposed
17 Settlement, this further militates in favor of settlement approval.

18 **X. CONCLUSION**

19 Based on the above, Plaintiff respectfully requests this Court grant his Motion for Approval of
20 the Parties’ Proposed PAGA Settlement.

21 **PIMENTEL LAW, P.C.**

22
23 Dated: August 6, 2025

24 By: 
25 Gabriel J. Pimentel, Esq.
26 Attorney for Plaintiff
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1. I am an attorney at law duly licensed to practice before the State Courts of California, and the attorney of record for Plaintiff in the above-entitled action.
2. I have personal knowledge of all facts contained within this declaration, except those that are stated upon information and belief.
3. If called to testify to any fact contained within this declaration, I would and could be competent to do so.
4. On November 22, 2024, Plaintiff, through this law office, sent notice to Defendant North Spruce LP as well as the LWDA alleging the six above violations of the California Labor Code. A true and correct copy of Plaintiff's PAGA Notice is attached hereto as Exhibit 1.
5. On February 19, 2025, Plaintiff filed the instant action, alleging six individual Labor Code causes of action, as well as a representative PAGA claim predicated on the same allegations. A true and correct copy of the Complaint is attached hereto as Exhibit 2.
6. On May 2, 2025, Plaintiff filed a First Amended Complaint, adding the managing agents of North Spruce LP, as individual defendants under Labor Code § 558.1. A true and correct copy of the FAC is attached hereto as Exhibit 3.
7. On May 20, 2025, Plaintiff served three sets of written discovery on Defendant North Spruce LP.
8. On June 23, 2025, Defendant North Spruce LP served verified responses to Plaintiff's written discovery.
9. On June 24, 2025, I sent Defendants' counsel a comprehensive meet and confer letter re: Defendant's discovery responses. That same date, Defendants' counsel served my office with a statutory offer to compromise pursuant to California Civil Procedure Code § 998. A true and correct copy of the 998 Offer is attached hereto as Exhibit 4.
10. On June 24, 2025, I met and conferred with Defense counsel regarding production of aggrieved employee data. A true and correct copy of a June 25, 2025 email re: PAGA data is attached hereto as Exhibit 5.

1 11. On June 26, 2025, Defense counsel informally produced the requested aggrieved
2 employee data, including the number of alleged aggrieved employees who worked for Defendant
3 during the PAGA release period and number of pay periods worked by those employees. A true and
4 correct copy of a June 26, 2025 letter providing PAGA data is attached hereto as Exhibit 6.

5 12. This data allowed me to calculate the maximum PAGA penalty exposure, as well as
6 determine the reasonableness of the 998 offer to compromise the PAGA action.

7 13. On June 30, 2025, I served an acceptance to Defendants' 998 offer. A true and correct
8 copy of Plaintiff's acceptance of 998 offer is attached hereto as Exhibit 7.

9 14. On August 5, 2025, my office served an unfiled copy of this Motion and its supporting
10 documents on the LWDA via electronic submission. A true and correct copy of an LWDA Submission
11 Confirmation relating to the service of this motion on the LWDA is attached hereto as Exhibit 8.

12 15. The aggrieved employees encompassed by the Proposed PAGA Settlement are all
13 persons who worked as nonexempt employees for Defendants in California at any time between
14 December 16, 2023 and May 20, 2024. This consists of a total of four employees, including Plaintiff:

Aggrieved Employee Name	Dates of Employment	Pay Periods During Release Period
1. E. Luna (Maintenance Supervisor)	12/16/23 to 12/22/23	2
2. A. Amaya (Asst. Apartment Manager)	12/16/23 to present	11
3. D. Wright (Apartment Manager)	12/16/23 to 1/27/25	11
4. Joe Martinez (Asst. Maintenance Manager)	09/15/22 to 05/20/24	11
TOTAL:		34

22 16. A true and correct copy of a proposed Notice of PAGA Payment is attached hereto as
23 Exhibit 9.

24 17. Plaintiff claims that from January 1, 2024 to May 20, 2024, after the conclusion of his
25 regular 8-hour work shift, he was required to work on-call 7 days per week. If proven, this would have
26 amounted to 564 overtime hours at \$31.50 per hour (\$17,766) and 1,128 double time hours at \$42 per
27 hour (\$47,376), for a total of \$65,142 in unpaid on-call hours. Because all the unpaid on-call hours
28 qualified for overtime and double time pay, the value of Plaintiff's minimum wage claim is zero.

1 18. Plaintiff also claims that he was never reimbursed for the purchase of necessary tool
2 expenditures, totaling \$2,500.

3 19. Plaintiff also claims that because his unpaid on-call hours were not reflected on his wage
4 statements, this violated Labor Code § 226 (a). This would have resulted in a \$50 statutory penalty
5 for each of the 26 pay periods within the one-year statute of limitations period for wage statement
6 violations, for a total of \$1,300.

7 20. Plaintiff also brought a derivative claim for willful failure to pay wages, which entitles
8 him to 30 days' wages for Defendants' failure to pay him all owed wages due upon his discharge, for
9 a total of \$3,528.

10 21. Lastly, Plaintiff brought an Unfair Competition claim under Business & Professions
11 Code § 17200, *et seq.*, which is derivative of the underlying Labor Code claims brought herein. This
12 claim does not add any more value to Plaintiff's individual claims, as it is merely an alternative remedy
13 by which to recover the same damages to which Plaintiff is entitled under his Labor Code-based
14 claims.

15 22. I am not aware of any evidence that a court or Labor Commissioner has ever found
16 Defendants to have violated any of the Labor Code provisions that were alleged in Plaintiff's PAGA
17 action prior to the filing of this suit.

18 23. I am not aware of any lawsuits brought by any of the other aggrieved employees in this
19 action for violations of any of the causes of action plead in this action.

20 I declare under the penalty of perjury under the laws of the State of California that the
21 foregoing is true and correct.

22 Dated: August 6, 2025

By: 
Gabriel J. Pimentel

EXHIBIT 1



30 N Raymond Ave Ste 210 Pasadena, CA 91103 | T (626) 765-6505 F (626) 628-3041 | JMK@PimentelLaw.com

November 21, 2024

Via Electronic Filing

PAGA Administrator
Labor & Workforce Development Agency (“LWDA”)
1515 Clay Street, Ste. 801
Oakland, CA 94612

Re: PAGA Notice

PAGA Administrator:

Please allow this letter to serve as Notice pursuant to California Labor Code §§ 2699, *et seq.* of Labor Code violations committed by North Spruce LP (“Respondents”) against Joe Martinez and its other current and former employees. The facts and theories that support these claims are as follows:

North Spruce LP is a townhouse village with its main office in Escondido, California. North Spruce LP has two (2) locations and employs approximately six (6) individuals. Mr. Martinez worked as an Assistant Maintenance Manager beginning September 15, 2022, until May 20, 2024. Mr. Martinez was required to live on-site, so an apartment was provided by North Spruce LP for his use and enjoyment as a condition of employment. However, this apartment was not part of Mr. Martinez’s employee compensation.

Mr. Martinez’s regularly scheduled workweek was 8:00 AM to 5:00 PM, but he was required to be on call twenty-four hours per day, seven days per week. Further, Mr. Martinez was only paid overtime for on-call emergency repairs, not for any time he spent standing by on-call. As an assistant maintenance person, Mr. Martinez was responsible for the upkeep of grounds, amenities, building exteriors, leasing office, parking lots, and other community buildings of multi-family residential apartments and for assisting with light maintenance on an as needed basis. Specific tasks that Mr. Martinez was additionally required to complete weekly as the assistant manager included cleaning the laundry room; power washing the trash enclosures, landings, and staircases; and maintaining the water fountain.

In order to complete his duties, Mr. Martinez required certain hand and power tools, including drills, power washer, wrenches, hammers (approximately 45 miscellaneous hand tools). North Spruce LP supplied a drain snake and shop vacuum, but these tools were rarely required. Further, a pressure washer, drain auger, leaf blower, and paint sprayer were located on site, but none of these tools were in working condition. During the hiring process, North Spruce LP told Mr. Martinez that he would need to bring his own tools. As a result,

Mr. Martinez purchased approximately \$2,500 worth of tools to complete his job duties while employed for North Spruce LP. Additionally, Mr. Martinez used his personal vehicle and cell phone for work-related tasks but did not receive any associated allowances or reimbursements. Despite being required to supply and maintain the tools of his trade, Mr. Martinez was paid just \$19 per hour in 2022, \$20 per hour in 2023, and \$21 per hour in 2024 in contravention of Indus. Welfare Comm’n Wage Order No. 16-2001.

As detailed below, Mr. Martinez seeks all remedies available under the Private Attorney General Act of 2004 (“PAGA”), Labor Code §§ 2698, *et seq.*, including civil penalties on behalf of all aggrieved employees subjected to the following Labor Code violations while employed by North Spruce LP: (a) **failure to pay minimum wages**; (b) **failure to pay overtime wages**; (c) **failure to reimburse for business expenditures**; (d) **failure to furnish itemized wage statements and maintain accurate pay records**; and (e) **willful failure to pay wages**.

Failure to Pay Minimum Wage

“The minimum wage for employees fixed by the commission or by any applicable state or local law, is the minimum wage to be paid to employees, and the payment of a lower wage than the minimum so fixed is unlawful.” LAB. CODE § 1197; *see also* Indus. Welfare Comm’n Wage Order Nos. 16–2001, ¶ 4; CAL. CODE REGS. tit. 8, § 11160, ¶ 4.

When tools or equipment are “required by the employer or are necessary to the performance of a job” and such tools and equipment are not provided and maintained by the employer, “employees are entitled to wages at least two (2) times the minimum wage set by the corresponding wage order.” Indus. Welfare Comm’n Wage Order No. 4-2001, ¶ 9(B). Thus, if employees are not reimbursed for all necessary expenses incurred while in service of their employer per Labor Code section 2802(a), they must be paid wages sufficient to “provide and maintain hand tools and equipment customarily required by the trade or craft.” *Id.*

The below table illustrates the applicable minimum wage rates set by the California legislature for employers with less than twenty-five (25) employees:

Indus. Welfare Comm’n Wage Order No. 16-2001, ¶ 4 <i>Regulating Wages, Hours, & Working Conditions for</i> Certain On-Site Occupations		
Year	Minimum Wage Rates (<i>per hour</i>)	§ 9(B): Rates for Employees “required to provide and maintain hand tools and equipment”
2022	\$14.00	\$30.00
2023	\$15.50	\$31.00
2024	\$16.00	\$32.00

During the years when he worked for North Spruce LP, Mr. Martinez was paid just \$19 per hour in 2022, \$20 per hour in 2023, and \$21 per hour in 2024. As discussed above, Mr. Martinez was required to provide and maintain the tools of his trade. However, Mr. Martinez was paid less than double minimum wage per hour in contravention of the wage rates set by Indus. Welfare Comm’n Wage Order No. 4-2001. Further, Mr. Martinez’s wage statements reflect he was not reimbursed for any expenses during his employment with

North Spruce LP even though he spent \$2,500 on tools and incurred an additional \$2,520 in expenses related to his personal cell phone and vehicle use.

Failure to Pay Overtime

The California legislature has long since declared “Eight hours of labor constitutes a day’s work.” LAB. CODE § 510. Accordingly, the Labor Code requires employees “be compensated at the rate of no less than one and one-half times the regular rate of pay” for any work in excess of eight hours in one workday, any work in excess of 40 hours in any one workweek, and the first eight hours worked on the seventh day of work in any one workweek. *Id.*; *see also* Indus. Welfare Comm’n Wage Order Nos. 1:16–2001, ¶ 3 & 17-2001, ¶ 4; CAL. CODE REGS. tit. 8, §§ 11010-11160, ¶ 3 & § 11170, ¶ 4.

Although Mr. Martinez’s regularly scheduled workweek was Monday through Friday, 8:00 AM to 5:00 PM, he was required to be on call twenty-four hours per day, seven days per week. While on-call, Mr. Martinez was only paid overtime for on-call emergency repairs, not for any time he spent standing by on-call. Because his typical shifts were in excess of 8 hours a day and/or 40 hours a week, much of this off-the-clock work qualifies for overtime premium pay. To add insult to injury, Mr. Martinez and the other employees working overtime and in excess of 10 hours were often not provided with a second 30-minute meal period.

Consequently, Mr. Martinez and the other aggrieved employees were not paid overtime premiums for all hours worked in excess of 8 hours in a day, in excess of 12 hours in a day, and/or in excess of 40 hours in a week. To the extent employees worked shifts in excess of 12 hours a day, or in excess of 8 hours on the seventh consecutive day of work in a workweek, they were not paid double time wages for all overtime hours they actually worked. North Spruce LP’s failure to pay employees the balance of overtime compensation, as required by California law, violates the provisions of Labor Code sections 510 and 1198.

Failure to Reimburse for Business Expenditures

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

Mr. Martinez was required to supply his own tools because North Spruce LP does not provide a sufficient quantity of tools and equipment necessary for every employee to perform their job. Former Maintenance Supervisor, Evaristo Luna, inspected Mr. Martinez’s tools upon his hire and confirmed that if any tools broke during the job, Mr. Martinez and the other employees would be responsible for any replacements. As such, employees were required to incur tool expenditures in direct consequence of their duties to North Spruce LP, which North Spruce LP have not reimbursed.

By requiring Mr. Martinez and its other employees to supply and maintain their own tools, North Spruce LP has a corresponding responsibility to pay these employees at least double minimum wages per Indus. Welfare Comm’n Wage Order No. 4-2001 or reimburse them for all necessary expenditures incurred while discharging their duties per Labor Code section 2802(a). In failing to do either, North Spruce LP is in

violation of the Labor Code.

Failure to Furnish Itemized Wage Statements & Maintain Accurate Pay Records

The California Legislature created several record keeping responsibilities to ensure that employers maintain accurate employee data and employees can readily determine they were correctly compensated for their time.

At all relevant times, North Spruce LP failed to furnish accurate itemized statements to each employee in violation of the Labor Code:

An employer . . . shall furnish to their employee . . . an accurate itemized statement in writing showing (1) gross wages earned, (2) total hours worked by the employee, except as 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 of the employee and only the last four digits of their 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

LAB. CODE 226(a). "A copy of the statement and the record of the deductions shall be kept on file by the employer for at least three years at the place of employment or at a central location within the State of California." *Id.*

As detailed above, North Spruce LP failed to pay employees for all hours worked by virtue of uncompensated time worked during missed and incomplete meal periods. As a result, any wage statements issued by North Spruce LP did not accurately reflect the total hours the employee worked or the corresponding number of hours worked at each hourly rate in violation of Labor Code section 226(a).

North Spruce LP has also failed in its duty to maintain accurate records for each employee. "Every employer shall keep accurate information with respect to each employee including the following: (1) Full name, home address, occupation and social security number . . . (3) Meal periods, split shift intervals and total daily hours worked shall also be recorded." Indus. Welfare Comm'n Wage Order No. 16-2001, ¶ 7(A). The Labor Code further requires that:

Every person employing labor in this state shall: (c) Keep a record showing the names and addresses of all employees employed and the ages of all minors. (d) Keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments.

LAB. CODE § 1174. Mr. Martinez is informed and believes that North Spruce LP fails to keep accurate

information with respect to each employee including the full name, home address, occupation, and social security number; meal periods, split shift intervals, and total daily hours worked; the names and addresses of all employees employed; payroll records showing the hours worked daily by and the wages paid to; and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. North Spruce LP's failure to comply with Labor Code section 1174 subjects it to civil penalties:

Any person employing labor who willfully fails to maintain the records required by subdivision (c) of Section 1174 or accurate and complete records required by subdivision (d) of Section 1174, or to allow any member of the commission or employees of the division to inspect records pursuant to subdivision (b) of Section 1174, shall be subject to a civil penalty of five hundred dollars (\$500).

LAB. CODE § 1174.5.

Willful Failure to Pay Wages

Mr. Martinez's employment ended on May 20, 2024. "If an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately." LAB. CODE § 201. "If an employee not having a written contract for a definite period quits his or her employment, his or her wages shall become due and payable not later than 72 hours thereafter, unless the employee has given 72 hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting." LAB. CODE § 202.

As discussed above, North Spruce LP owes Mr. Martinez and the other aggrieved employees unpaid minimum and overtime wages. At no time since Mr. Martinez's separation of employment were these outstanding sums ever paid to him, and presumably, the same goes for all of North Spruce LP's employees. "If an employer willfully fails to pay any wages of an employee who is discharged or who quits, the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until an action therefor is commenced." LAB. CODE § 203. "A willful failure to pay wages within the meaning of Labor Code Section 203 occurs when an employer intentionally fails to pay wages to an employee when those wages are due." CAL. CODE REGS. tit. 8, § 13520.

North Spruce LP knew or should have known it owed these outstanding sums to employees and intentionally failed and refused to pay these sums immediately upon their termination or within 72 hours of their resignation of employment and continue to refuse to do so in violation of Labor Code sections 201-203.

Failure to Timely Pay Wages

All wages "earned by any person in any employment" are due and payable twice during each calendar month, on regular paydays designated in advance by the employer. LAB. CODE § 204(a). "The requirements of this section shall be deemed satisfied by the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more than seven calendar days following the close of the payroll period." LAB. CODE § 204(d).

As discussed above, North Spruce LP owes Mr. Martinez and the other aggrieved employees unpaid minimum and overtime wages. At no time since Mr. Martinez's separation of employment were these outstanding sums ever paid to him, and presumably, the same goes for all of North Spruce LP's employees. Instead, these outstanding sums continued to accumulate every pay period. Therefore, North Spruce LP's employees were not paid all wages earned by the seventh calendar day following the close of their pay periods in violation of Labor Code section 204. As a result, North Spruce LP is subjected to further civil penalties:

In addition to, and entirely independent and apart from, any other penalty provided in this article, every person who fails to pay the wages of each employee as provided in Sections ... 204 ... shall be subject to a penalty as follows: (1) For any initial violation, one hundred dollars (\$100) for each failure to pay each employee. (2) For each subsequent violation, or any willful or intentional violation, two hundred dollars (\$200) for each failure to pay each employee, plus 25 percent of the amount unlawfully withheld.

LAB. CODE § 210.

North Spruce LP's continued refusal to pay all outstanding wages that are due and payable to employees is in violation of Labor Code section 204.

Actions under the Private Attorneys General Act

The PAGA provides that "any provision of this code that provides for a civil penalty to be assessed and collected by the [LWDA] . . . may, as an alternative, be recovered through a civil action brought by an aggrieved employee on behalf of the employee and other current or former employees against whom a violation of the same provision was committed[.]" LAB. CODE § 2699(a).

Per Labor Code section 2966(2), if the employer employs more than one employee at the time of the alleged violation, the civil penalty is as follows:

(A) One hundred dollars (\$100) for each aggrieved employee per pay period, except that:

(i) If, at the time of the alleged violation, the person employs one or more employees, and the alleged violation is a violation of paragraphs (1) to (7), inclusive, or paragraph (9) of subdivision (a) of Section 226, the only civil penalty applicable under this part is twenty-five dollars (\$25) for each aggrieved employee per pay period if the employee could promptly and easily determine from the wage statement alone the accurate information specified by subdivision (a) of Section 226. If the alleged violation is a violation of paragraph (8) of subdivision (a) of Section 226, the civil penalty applicable under this part for the violation is twenty-five dollars (\$25) for each aggrieved employee per pay period if the employee would not be confused or misled about the correct identity of their employer or, if their employer is a farm labor contractor, the legal entity that secured the services of that employer. This subdivision does not apply if the employer has failed to provide an itemized payroll statement during any of the pay periods at issue.

(ii) The civil penalty is fifty (\$50) for each aggrieved employee per pay period if the alleged violation resulted from an isolated, nonrecurring event that did not extend beyond the lesser of 30 consecutive days or four consecutive pay periods.

(B) The civil penalty is two hundred dollars (\$200) for each aggrieved employee per pay period if either of the following are met:

(i) Within the five years preceding the alleged violation, the agency or any court issued a finding or determination to the employer that its policy or practice giving rise to the violation was unlawful.

(ii) The court determines that the employer's conduct giving rise to the violation was malicious, fraudulent, or oppressive.

LAB. CODE § 2699(2).

At all relevant times, North Spruce LP employed more than one employee. Accordingly, Mr. Martinez is entitled to civil penalties of \$100 for each aggrieved employee per pay period for the initial violation, and \$200 for each aggrieved employee per pay period for each malicious, fraudulent, or oppressive violation, pursuant to Labor Code section 2699(f), for those Labor Code sections not expressly providing for a penalty, and civil penalties provided by the specific Labor Code sections that do expressly provide for a penalty.

Based upon the foregoing, Mr. Martinez seeks not only individual remedies under the Labor Code, but also remedies available under the PAGA, Labor Code §§ 2698, *et seq.*, including civil penalties on behalf of all aggrieved employees subjected to the following Labor Code violations committed by North Spruce LP:

(a) **failure to pay minimum wages**; (b) **failure to pay overtime wages**; (c) **failure to reimburse for business expenditures**; (d) **failure to furnish itemized wage statements and maintain accurate pay records**; and (e) **willful failure to pay wages**.

Regards,

A handwritten signature in blue ink, appearing to read "Jenna M. Koleson".

Jenna M. Koleson, Esq.



30 N Raymond Ave Ste 210 Pasadena, CA 91103 | T (626) 765-6505 F (626) 628-3041 | JMK@PimentelLaw.com

November 25, 2024

Via Certified Mail: 7022 2410 0002 4478 8489

North Spruce LP
Attn: Reginald V. Finch, Agent for Service of Process
251 Padua Hills Place,
San Ysidro, CA 92173

Re: PAGA Notice

Reginald V. Finch and North Spruce LP:

Please allow this letter to serve as Notice pursuant to California Labor Code §§ 2699, *et seq.* of Labor Code violations committed by North Spruce LP (“Respondents”) against Joe Martinez and its other current and former employees. The facts and theories that support these claims are as follows:

North Spruce LP is a townhouse village with its main office in Escondido, California. North Spruce LP has two (2) locations and employs approximately six (6) individuals. Mr. Martinez worked as an Assistant Maintenance Manager beginning September 15, 2022, until January 2, 2024, when he was promoted to Senior Maintenance Technician. Mr. Martinez was required to live on-site, so an apartment was provided by North Spruce LP for his use and enjoyment as a condition of employment. However, this apartment was not part of Mr. Martinez’s employee compensation.

Mr. Martinez’s regularly scheduled workweek was 8:00 AM to 5:00 PM, but he was required to be on call twenty-four hours per day, seven days per week. Further, Mr. Martinez was only paid overtime for on-call emergency repairs, not for any time he spent standing by on-call. As an assistant maintenance person, Mr. Martinez was responsible for the upkeep of grounds, amenities, building exteriors, leasing office, parking lots, and other community buildings of multi-family residential apartments and for assisting with light maintenance on an as needed basis. Specific tasks that Mr. Martinez was additionally required to complete weekly as the assistant manager included cleaning the laundry room; power washing the trash enclosures, landings, and staircases; and maintaining the water fountain.

In order to complete his duties, Mr. Martinez required certain hand and power tools, including drills, power washer, wrenches, hammers (approximately 45 miscellaneous hand tools). North Spruce LP supplied a drain snake and shop vacuum, but these tools were rarely required. Further, a pressure washer, drain auger, leaf blower, and paint sprayer were located on site, but none of these tools were in working condition. During

the hiring process, North Spruce LP told Mr. Martinez that he would need to bring his own tools. As a result, Mr. Martinez purchased approximately \$2,500 worth of tools to complete his job duties while employed for North Spruce LP. Additionally, Mr. Martinez used his personal vehicle and cell phone for work-related tasks but did not receive any associated allowances or reimbursements. Despite being required to supply and maintain the tools of his trade, Mr. Martinez was paid just \$19 per hour in 2022, \$20 per hour in 2023, and \$21 per hour in 2024 in contravention of Indus. Welfare Comm’n Wage Order No. 16-2001.

As detailed below, Mr. Martinez seeks all remedies available under the Private Attorney General Act of 2004 (“PAGA”), Labor Code §§ 2698, *et seq.*, including civil penalties on behalf of all aggrieved employees subjected to the following Labor Code violations while employed by North Spruce LP: (a) **failure to pay minimum wages**; (b) **failure to pay overtime wages**; (c) **failure to reimburse for business expenditures**; (d) **failure to furnish itemized wage statements and maintain accurate pay records**; and (e) **willful failure to pay wages**.

Failure to Pay Minimum Wage

“The minimum wage for employees fixed by the commission or by any applicable state or local law, is the minimum wage to be paid to employees, and the payment of a lower wage than the minimum so fixed is unlawful.” LAB. CODE § 1197; *see also* Indus. Welfare Comm’n Wage Order Nos. 16–2001, ¶ 4; CAL. CODE REGS. tit. 8, § 11160, ¶ 4.

When tools or equipment are “required by the employer or are necessary to the performance of a job” and such tools and equipment are not provided and maintained by the employer, “employees are entitled to wages at least two (2) times the minimum wage set by the corresponding wage order.” Indus. Welfare Comm’n Wage Order No. 4-2001, ¶ 9(B). Thus, if employees are not reimbursed for all necessary expenses incurred while in service of their employer per Labor Code section 2802(a), they must be paid wages sufficient to “provide and maintain hand tools and equipment customarily required by the trade or craft.” *Id.*

The below table illustrates the applicable minimum wage rates set by the California legislature for employers with less than twenty-five (25) employees:

Indus. Welfare Comm’n Wage Order No. 16-2001, ¶ 4 <i>Regulating Wages, Hours, & Working Conditions for Certain On-Site Occupations</i>		
Year	Minimum Wage Rates (<i>per hour</i>)	§ 9(B): Rates for Employees “required to provide and maintain hand tools and equipment”
2022	\$14.00	\$30.00
2023	\$15.50	\$31.00
2024	\$16.00	\$32.00

During the years when he worked for North Spruce LP, Mr. Martinez was paid just \$19 per hour in 2022, \$20 per hour in 2023, and \$21 per hour in 2024. As discussed above, Mr. Martinez was required to provide and maintain the tools of his trade. However, Mr. Martinez was paid less than double minimum wage per hour in contravention of the wage rates set by Indus. Welfare Comm’n Wage Order No. 4-2001. Further,

Mr. Martinez's wage statements reflect he was not reimbursed for any expenses during his employment with North Spruce LP even though he spent \$2,500 on tools and incurred an additional \$2,520 in expenses related to his personal cell phone and vehicle use.

Failure to Pay Overtime

The California legislature has long since declared "Eight hours of labor constitutes a day's work." LAB. CODE § 510. Accordingly, the Labor Code requires employees "be compensated at the rate of no less than one and one-half times the regular rate of pay" for any work in excess of eight hours in one workday, any work in excess of 40 hours in any one workweek, and the first eight hours worked on the seventh day of work in any one workweek. *Id.*; *see also* Indus. Welfare Comm'n Wage Order Nos. 1:16-2001, ¶ 3 & 17-2001, ¶ 4; CAL. CODE REGS. tit. 8, §§ 11010-11160, ¶ 3 & § 11170, ¶ 4.

Although Mr. Martinez's regularly scheduled workweek was Monday through Friday, 8:00 AM to 5:00 PM, he was required to be on call twenty-four hours per day, seven days per week. While on-call, Mr. Martinez was only paid overtime for on-call emergency repairs, not for any time he spent standing by on-call. Because his typical shifts were in excess of 8 hours a day and/or 40 hours a week, much of this off-the-clock work qualifies for overtime premium pay. To add insult to injury, Mr. Martinez and the other employees working overtime and in excess of 10 hours were often not provided with a second 30-minute meal period.

Consequently, Mr. Martinez and the other aggrieved employees were not paid overtime premiums for all hours worked in excess of 8 hours in a day, in excess of 12 hours in a day, and/or in excess of 40 hours in a week. To the extent employees worked shifts in excess of 12 hours a day, or in excess of 8 hours on the seventh consecutive day of work in a workweek, they were not paid double time wages for all overtime hours they actually worked. North Spruce LP's failure to pay employees the balance of overtime compensation, as required by California law, violates the provisions of Labor Code sections 510 and 1198.

Failure to Reimburse for Business Expenditures

"An employer shall indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer, even though unlawful, unless the employee, at the time of obeying the directions, believed them to be unlawful." LAB. CODE § 2802.

Mr. Martinez was required to supply his own tools because North Spruce LP does not provide a sufficient quantity of tools and equipment necessary for every employee to perform their job. Former Maintenance Supervisor, Evaristo Luna, inspected Mr. Martinez's tools upon his hire and confirmed that if any tools broke during the job, Mr. Martinez and the other employees would be responsible for any replacements. As such, employees were required to incur tool expenditures in direct consequence of their duties to North Spruce LP, which North Spruce LP have not reimbursed.

By requiring Mr. Martinez and its other employees to supply and maintain their own tools, North Spruce LP has a corresponding responsibility to pay these employees at least double minimum wages per Indus. Welfare Comm'n Wage Order No. 4-2001 or reimburse them for all necessary expenditures incurred

while discharging their duties per Labor Code section 2802(a). In failing to do either, North Spruce LP is in violation of the Labor Code.

Failure to Furnish Itemized Wage Statements & Maintain Accurate Pay Records

The California Legislature created several record keeping responsibilities to ensure that employers maintain accurate employee data and employees can readily determine they were correctly compensated for their time.

At all relevant times, North Spruce LP failed to furnish accurate itemized statements to each employee in violation of the Labor Code:

An employer . . . shall furnish to their employee . . . an accurate itemized statement in writing showing (1) gross wages earned, (2) total hours worked by the employee, except as 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 of the employee and only the last four digits of their 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

LAB. CODE 226(a). "A copy of the statement and the record of the deductions shall be kept on file by the employer for at least three years at the place of employment or at a central location within the State of California." *Id.*

As detailed above, North Spruce LP failed to pay employees for all hours worked by virtue of uncompensated time worked during missed and incomplete meal periods. As a result, any wage statements issued by North Spruce LP did not accurately reflect the total hours the employee worked or the corresponding number of hours worked at each hourly rate in violation of Labor Code section 226(a).

North Spruce LP has also failed in its duty to maintain accurate records for each employee. "Every employer shall keep accurate information with respect to each employee including the following: (1) Full name, home address, occupation and social security number . . . (3) Meal periods, split shift intervals and total daily hours worked shall also be recorded." Indus. Welfare Comm'n Wage Order No. 16-2001, ¶ 7(A). The Labor Code further requires that:

Every person employing labor in this state shall: (c) Keep a record showing the names and addresses of all employees employed and the ages of all minors. (d) Keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments.

LAB. CODE § 1174. Mr. Martinez is informed and believes that North Spruce LP fails to keep accurate information with respect to each employee including the full name, home address, occupation, and social security number; meal periods, split shift intervals, and total daily hours worked; the names and addresses of all employees employed; payroll records showing the hours worked daily by and the wages paid to; and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. North Spruce LP's failure to comply with Labor Code section 1174 subjects it to civil penalties:

Any person employing labor who willfully fails to maintain the records required by subdivision (c) of Section 1174 or accurate and complete records required by subdivision (d) of Section 1174, or to allow any member of the commission or employees of the division to inspect records pursuant to subdivision (b) of Section 1174, shall be subject to a civil penalty of five hundred dollars (\$500).

LAB. CODE § 1174.5.

Willful Failure to Pay Wages

Mr. Martinez's employment ended on May 20, 2024. "If an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately." LAB. CODE § 201. "If an employee not having a written contract for a definite period quits his or her employment, his or her wages shall become due and payable not later than 72 hours thereafter, unless the employee has given 72 hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting." LAB. CODE § 202.

As discussed above, North Spruce LP owes Mr. Martinez and the other aggrieved employees unpaid minimum and overtime wages. At no time since Mr. Martinez's separation of employment were these outstanding sums ever paid to him, and presumably, the same goes for all of North Spruce LP's employees. "If an employer willfully fails to pay any wages of an employee who is discharged or who quits, the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until an action therefor is commenced." LAB. CODE § 203. "A willful failure to pay wages within the meaning of Labor Code Section 203 occurs when an employer intentionally fails to pay wages to an employee when those wages are due." CAL. CODE REGS. tit. 8, § 13520.

North Spruce LP knew or should have known it owed these outstanding sums to employees and intentionally failed and refused to pay these sums immediately upon their termination or within 72 hours of their resignation of employment and continue to refuse to do so in violation of Labor Code sections 201-203.

Failure to Timely Pay Wages

All wages "earned by any person in any employment" are due and payable twice during each calendar month, on regular paydays designated in advance by the employer. LAB. CODE § 204(a). "The requirements of this section shall be deemed satisfied by the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more than seven calendar days following the close of the payroll period." LAB. CODE § 204(d).

As discussed above, North Spruce LP owes Mr. Martinez and the other aggrieved employees unpaid minimum and overtime wages. At no time since Mr. Martinez's separation of employment were these outstanding sums ever paid to him, and presumably, the same goes for all of North Spruce LP's employees. Instead, these outstanding sums continued to accumulate every pay period. Therefore, North Spruce LP's employees were not paid all wages earned by the seventh calendar day following the close of their pay periods in violation of Labor Code section 204. As a result, North Spruce LP is subjected to further civil penalties:

In addition to, and entirely independent and apart from, any other penalty provided in this article, every person who fails to pay the wages of each employee as provided in Sections ... 204 ... shall be subject to a penalty as follows: (1) For any initial violation, one hundred dollars (\$100) for each failure to pay each employee. (2) For each subsequent violation, or any willful or intentional violation, two hundred dollars (\$200) for each failure to pay each employee, plus 25 percent of the amount unlawfully withheld.

LAB. CODE § 210.

North Spruce LP's continued refusal to pay all outstanding wages that are due and payable to employees is in violation of Labor Code section 204.

Actions under the Private Attorneys General Act

The PAGA provides that "any provision of this code that provides for a civil penalty to be assessed and collected by the [LWDA] . . . may, as an alternative, be recovered through a civil action brought by an aggrieved employee on behalf of the employee and other current or former employees against whom a violation of the same provision was committed[.]" LAB. CODE § 2699(a).

Per Labor Code section 2966(2), if the employer employs more than one employee at the time of the alleged violation, the civil penalty is as follows:

(A) One hundred dollars (\$100) for each aggrieved employee per pay period, except that:

(i) If, at the time of the alleged violation, the person employs one or more employees, and the alleged violation is a violation of paragraphs (1) to (7), inclusive, or paragraph (9) of subdivision (a) of Section 226, the only civil penalty applicable under this part is twenty-five dollars (\$25) for each aggrieved employee per pay period if the employee could promptly and easily determine from the wage statement alone the accurate information specified by subdivision (a) of Section 226. If the alleged violation is a violation of paragraph (8) of subdivision (a) of Section 226, the civil penalty applicable under this part for the violation is twenty-five dollars (\$25) for each aggrieved employee per pay period if the employee would not be confused or misled about the correct identity of their employer or, if their employer is a farm labor contractor, the legal entity that secured the services of that employer. This subdivision does not apply if the employer has failed to provide an itemized

payroll statement during any of the pay periods at issue.

(ii) The civil penalty is fifty (\$50) for each aggrieved employee per pay period if the alleged violation resulted from an isolated, nonrecurring event that did not extend beyond the lesser of 30 consecutive days or four consecutive pay periods.

(B) The civil penalty is two hundred dollars (\$200) for each aggrieved employee per pay period if either of the following are met:

(i) Within the five years preceding the alleged violation, the agency or any court issued a finding or determination to the employer that its policy or practice giving rise to the violation was unlawful.

(ii) The court determines that the employer's conduct giving rise to the violation was malicious, fraudulent, or oppressive.

LAB. CODE § 2699(2).

At all relevant times, North Spruce LP employed more than one employee. Accordingly, Mr. Martinez is entitled to civil penalties of \$100 for each aggrieved employee per pay period for the initial violation, and \$200 for each aggrieved employee per pay period for each malicious, fraudulent, or oppressive violation, pursuant to Labor Code section 2699(f), for those Labor Code sections not expressly providing for a penalty, and civil penalties provided by the specific Labor Code sections that do expressly provide for a penalty.

Based upon the foregoing, Mr. Martinez seeks not only individual remedies under the Labor Code, but also remedies available under the PAGA, Labor Code §§ 2698, *et seq.*, including civil penalties on behalf of all aggrieved employees subjected to the following Labor Code violations committed by North Spruce LP: (a) **failure to pay minimum wages**; (b) **failure to pay overtime wages**; (c) **failure to reimburse for business expenditures**; (d) **failure to furnish itemized wage statements and maintain accurate pay records**; and (e) **willful failure to pay wages**.

Regards,



Jenna M. Koleson, Esq.

EXHIBIT 2

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County of San Diego

2/19/2025 5:01:52 PM

Clerk of the Superior Court
By M. Acevedo ,Deputy Clerk

IN THE SUPERIOR COURT OF CALIFORNIA
COUNTY OF SAN DIEGO

JOE MARTINEZ, an individual, on behalf of
himself and all other aggrieved employees,

Plaintiff,

vs.

NORTH SPRUCE LP, a California Limited
Partnership; and DOES 1 through 20 inclusive,

Defendants.

Case No. 25CU009079C

COMPLAINT FOR DAMAGES:

- 1. FAILURE TO INDEMNIFY FOR NECESSARY EXPENDITURES IN VIOLATION OF LABOR CODE § 2802;**
- 2. FAILURE TO PAY MINIMUM WAGES IN VIOLATION OF LABOR CODE §§ 1182.12, 1194, 1197, 1197.1, & 1198;**
- 3. FAILURE TO PAY OVERTIME WAGES IN VIOLATION OF LABOR CODE §§ 510 & 1198;**
- 4. FAILURE TO FURNISH COMPLIANT WAGE STATEMENTS & MAINTAIN ACCURATE PAY RECORDS IN VIOLATION OF LABOR CODE §§ 226, 1174(d), & 1198;**
- 5. FAILURE TO TIMELY PAY WAGES IN VIOLATION OF LABOR CODE § 204;**
- 6. WILLFULL FAILURE TO PAY WAGES IN VIOLATION OF LABOR CODE §§ 201 – 203;**
- 7. CIVIL PENALTIES IN VIOLATION OF LABOR CODE §§ 2698, ET SEQ.;**

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**8. UNFAIR COMPETITION IN
VIOLATION OF BUSINESS &
PROFESSIONS CODE §§ 17200, *ET
SEQ.***

Jury Trial Demanded

Plaintiff JOE MARTINEZ is informed and believes, and thereon alleges, as follows:

PARTIES, VENUE, & JURISDICTION

1. Plaintiff JOE MARTINEZ was at all times relevant hereto a resident of Fontana, California.

2. Defendant NORTH SPRUCE LP was at all times relevant to this Action a limited partnership with its principal place of business in Rialto, California.

3. The true names and capacities, whether individual, corporate, associate, or otherwise, of the Defendants named herein as DOES 1 through 20, inclusive, are unknown to Plaintiff at this time, and therefore said Defendants are sued by such fictitious names. Plaintiff will seek leave to amend this Complaint to insert the true names and capacities of said Defendants when the same become known to Plaintiff. Plaintiff is informed and believes, and based thereupon alleges, that each of the fictitiously named Defendants are responsible for the wrongful acts alleged herein and are therefore liable to Plaintiff as alleged herein.

4. Plaintiff is informed and believes, and based thereupon alleges, that at all times relevant hereto, Defendants, each of them, were the agents, employees, managing agents, supervisors, coconspirators, parent corporation, joint employers, alter egos, successors, and/or joint ventures of the other Defendants, and each of them, and in doing the things alleged herein, were acting at least in part within the course and scope of said agency, employment, conspiracy, joint employer, alter ego status, successor status, and/or joint venture and with the permission and consent of each of the other Defendants.

5. Plaintiff is informed and believes, and based thereupon alleges, that Defendants, each of them, including those named as DOES 1 through 20, acted in concert with one another to commit the wrongful acts alleged herein, and aided, abetted, incited, compelled, and/or coerced one another in

1 the wrongful acts alleged herein, and/or attempted to do so. Plaintiff is further informed and believes
2 and based thereupon alleges, that Defendants, each of them, including those named as DOES 1 through
3 20, formed and executed a conspiracy or common plan pursuant to which they would commit the
4 unlawful acts alleged herein, with all such acts alleged herein done as part of and pursuant to said
5 conspiracy, intended to cause, and actually causing, Plaintiff's harm.

6 6. Whenever and wherever reference is made in this Complaint to any act or failure to act
7 by a defendant or co-defendant, such allegations and references shall also be deemed to mean the acts
8 and/or failures to act by each defendant acting individually, jointly and severally.

9 **FACTUAL ALLEGATIONS**

10 7. Plaintiff incorporates by reference all allegations in the foregoing paragraphs as though
11 fully set forth herein.

12 8. Mr. Joe Martinez worked as an Assistant Maintenance Manager for North Spruce LP
13 from September 15, 2022, until May 20, 2024.

14 9. North Spruce LP is a townhouse village with its main office in Escondido, California.
15 North Spruce LP has two (2) locations and employs approximately six (6) individuals.

16 10. As an Assistant Maintenance Manager, Mr. Martinez was responsible for the upkeep
17 of grounds, amenities, building exteriors, the leasing office, parking lots, and other community
18 buildings of multi-family residential apartments, as well as assisting with light maintenance on an as
19 needed basis. Specific tasks that Mr. Martinez was required to complete weekly included cleaning the
20 laundry room; power washing the trash enclosures, landings, and staircases; and maintaining the water
21 fountain.

22 11. In order to complete his job duties, Mr. Martinez required certain hand and power tools,
23 including drills, power washer, wrenches, hammers. North Spruce LP supplied a drain snake and shop
24 vacuum, but these tools were rarely required. During the hiring process, North Spruce LP told Mr.
25 Martinez that he would need to bring his own tools. As a result, Mr. Martinez purchased \$2,500 of
26 tools to complete his job duties while employed for North Spruce LP. Additionally, Mr. Martinez used
27 his personal vehicle for work related tasks but did not receive any allowances or reimbursements for
28 gas and upkeep. Despite being required to supply and maintain the tools of his trade, Mr. Martinez

1 was paid just \$19 per hour in 2022, \$20 per hour in 2023, and \$21 per hour in 2024 in contravention
2 of Indus. Welfare Comm'n Wage Order No. 16-2001.

3 12. Mr. Martinez's regularly scheduled workweek was 8:00 AM to 5:00 PM, but he was
4 required to be on call twenty-four hours per day, seven days per week. Further, Mr. Martinez was only
5 paid overtime for on-call emergency repairs, not for any time he spent standing by on-call.

6 13. Mr. Martinez was required to live on-site, so an apartment was provided by North
7 Spruce LP for his use and enjoyment as a condition of employment. However, this apartment was not
8 part of Mr. Martinez's employee compensation.

9 14. By requiring Mr. Martinez to supply his own tools and use his personal vehicle to
10 complete his job duties, North Spruce LP had a corresponding responsibility to pay him at least double
11 minimum wages per Indus. Welfare Comm'n Wage Order No. 16-2001 or reimburse him for all
12 necessary expenditures incurred while discharging his duties per Labor Code section 2802(a).
13 However, Mr. Martinez received neither double minimum wages nor reimbursement for his necessary
14 expenditures, making North Spruce LP in violation of the California Labor Code.

15 15. Defendants' conduct described herein was undertaken, authorized, and/or ratified by
16 Defendants' officers, directors, and/or managing agents, including, but not limited to, those identified
17 herein as DOES 1 through 20, who were authorized and empowered to make decisions that reflect
18 and/or create policy for Defendants. The aforementioned conduct of said managing agents and
19 individuals was therefore undertaken on behalf of Defendants who further had advanced knowledge
20 of the actions and conduct of said individuals whose actions and conduct were ratified, authorized,
21 and approved by managing agents, whose precise identities are unknown to Plaintiff at this time and
22 are therefore identified and designated herein as DOES 1 through 20, inclusive.

23 16. As a result of Defendants' actions, Plaintiff has suffered and will continue to suffer
24 general and special damages, including emotional distress, anxiety, depression, and other physical
25 ailments, as well as medical expenses, and past and future lost wages and benefits.

26 17. As a result of the above, Plaintiff is entitled to past and future lost wages, bonuses,
27 commissions, benefits, and loss or diminution of earning capacity.

28 18. Pursuant to Labor Code section 1102.5(j), Plaintiff requests a reasonable award of

1 attorney's fees and costs, including expert fees.

2 19. The foregoing conduct of Defendants individually, or by and through their officers,
3 directors and/or managing agents, was intended by Defendants to cause injury to Plaintiff, was
4 despicable conduct carried on by Defendants with a willful and conscious disregard of the rights of
5 Plaintiff, and subjected them to cruel and unjust hardship in conscious disregard of their rights such as
6 to constitute malice, oppression, or fraud under Civil Code section 3294, thereby entitling Plaintiff to
7 punitive damages in an amount appropriate to punish and deter Defendants.

8 **FIRST CAUSE OF ACTION**

9 **FAILURE TO INDEMNIFY FOR NECESSARY EXPENDITURES**

10 **IN VIOLATION OF LABOR CODE § 2802**

11 **(AGAINST ALL DEFENDANTS)**

12 20. Plaintiff incorporates, by reference, all allegations in the foregoing paragraphs as
13 though fully set forth herein.

14 21. An employer shall indemnify his or her employee for all necessary expenditures or
15 losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his
16 or her obedience to the directions of the employer.

17 22. From September 15, 2022, to May 20, 2024, Plaintiff was required by Defendants to
18 purchase tools, and in fact did purchase tools in order to perform his duties.

19 23. From September 15, 2022, to May 20, 2024, Defendants failed to pay Plaintiff twice
20 the minimum wage in contravention of IWC Wage Order 4-2001, § 9(B), 8 CAL. CODE REGS. § 11040,
21 § 9(B), and California Labor Code §§ 1182, 1194, 1194.2, and 1197.

22 24. Plaintiff is informed and believes, and thereon alleges that, at all relevant times,
23 Defendants have maintained a policy, practice, or a lack of policy, which resulted in their failure to
24 indemnify Plaintiff for the reasonable expenses he incurred in the course of performing his duties.

25 25. As a result of the foregoing, Plaintiff is entitled to recover all sums incurred by him for
26 the purchase of the tools that were necessary for the performance of his job and which he was required
27 to purchase in an amount according to proof at trial.

28 26. As a result of the foregoing, Plaintiff is further entitled to an award of interest at the

1 same rate as judgments in civil actions, accruing from the date on which Plaintiff incurred the
2 necessary expenditures or losses and all reasonable costs, including attorney's fees incurred by them
3 enforcing the rights granted by Labor Code section 2802.

4 **SECOND CAUSE OF ACTION**

5 **FAILURE TO PAY MINIMUM WAGES**

6 **IN VIOLATION OF LABOR CODE § 1197**

7 **(AGAINST ALL DEFENDANTS)**

8 27. Plaintiff incorporates, by reference, all allegations in the foregoing paragraphs as
9 though fully set forth herein.

10 28. At all relevant times, California Labor Code sections 1182.12, 1194, 1197, 1197.1, and
11 1198 provide that the minimum wage for employees fixed by the Industrial Welfare Commission is
12 the minimum wage to be paid to employees, and the payment of a wage less than the minimum so
13 fixed is unlawful. Compensable work time is defined by the applicable wage order as "the time during
14 which an employee is subject to the control of an employer, and includes all the time the employee is
15 suffered or permitted to work, whether or not required to do so." CAL. CODE. REGS. tit. 8, §
16 11010(2)(G).

17 29. At all times relevant to this suit, the minimum wage applicable to Plaintiff was \$30.00
18 per hour in 2022, \$31.00 per hour in 2023, and \$32.00 per hour in 2024, which represents twice the
19 state minimum.

20 30. At all relevant times, Defendant failed and refused to pay Plaintiff the legal minimum
21 wage in the State of California, as set forth in Indus. Welfare Comm'n Order No. 4-2001 and Labor
22 Code sections 1182.12, 1194, 1194.2 and 1197.

23 31. Due to Defendants' company-wide scheduling practices and policies, Plaintiff was
24 forced to forego meal periods, and/or have his meal periods interrupted by work, and was not relieved
25 of all duties for unpaid meal periods, in order to meet his deadlines and handle his workload.
26 Defendants did not pay minimum wages for meal periods Plaintiff worked through that qualified for
27 premium payment. Defendants did not pay Plaintiff for the time he continued to perform his duties
28 during meal periods.

1 32. Defendants had no policy and/or practice for scheduling second meal periods for
2 employees, or for authorizing and permitting employees to take second 30-minute meal periods, on
3 days they worked in excess of ten (10) hours in one day. As a result, Defendants did not provide
4 Plaintiff with all second 30-minute meal periods to which they was entitled.

5 33. Defendants did not pay at least minimum wages for all hours worked by Plaintiff. To
6 the extent that these off-the-clock hours did not qualify for overtime premium payment, Defendants
7 did not pay at least minimum wages for those hours Plaintiff worked off-the-clock in violation of
8 California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198. Accordingly, Defendants
9 regularly failed to pay at least minimum wages to Plaintiff for all of the hours he worked. Defendants'
10 failure to pay Plaintiff violates California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198.

11 34. Defendants' failure to pay the legal minimum wage to Plaintiff as alleged herein is
12 unlawful and creates entitlement, pursuant to Labor Code section 1194, to recovery by Plaintiff in a
13 civil action for the unpaid balance of the full amount of the unpaid wages owed, calculated as the
14 difference between the straight time compensation paid and applicable minimum wage, including
15 interest thereon.

16 35. Pursuant to Labor Code section 1194, Plaintiff is entitled to an award of reasonable
17 attorneys' fees and costs incurred in this action.

18 36. In addition, pursuant to Labor Code section 1194.2, Plaintiff is entitled to recover
19 liquidated damages in an amount equal to the minimum wages unlawfully unpaid in the amount
20 according to proof at trial.

21 **THIRD CAUSE OF ACTION**
22 **FAILURE TO PAY OVERTIME WAGES**
23 **IN VIOLATION OF LABOR CODE § 510**
24 **(AGAINST ALL DEFENDANTS)**

25 37. Plaintiff incorporates, by reference, all allegations in the foregoing paragraphs as
26 though fully set forth herein.

27 38. Labor Code section 1198 makes it unlawful to employ an employee under conditions
28 of labor that are prohibited by the applicable wage order. Indeed, section 1198 requires that "the

1 standard conditions of labor fixed by the commission shall be the . . . standard conditions of labor for
2 employees. The employment of any employee . . . under conditions of labor prohibited by the order
3 is unlawful.”

4 39. Labor Code section 510 and the applicable Industrial Welfare Commission Wage
5 Order required Defendants to pay employees a rate of time and one-half for all hours worked in
6 excess of eight (8) hours in a day or forty (40) hours in a workweek. Labor Code section 510 and the
7 applicable Industrial Welfare Commission Wage Order further required Defendants to pay employees
8 working more than twelve (12) hours in a day, overtime compensation at a rate of two (2) times their
9 regular rate of pay, and two (2) times their regular rate of pay for all hours worked in excess of eight
10 (8) hours on the seventh consecutive day of a work in a workweek.

11 40. As alleged herein, Plaintiff is not exempt from the overtime pay requirements of Labor
12 Code section 510, Code of Regulations sections 11010-11160, and the applicable Industrial Welfare
13 Commission Wage Order.

14 41. At all relevant times, Defendants willfully failed to pay all overtime wages owed to
15 Plaintiff. At all relevant times, Plaintiff was not paid overtime premiums for all of the hours he
16 worked in excess of eight (8) hours in a day, in excess of twelve (12) hours in a day, and/or in excess
17 of forty (40) hours in a week.

18 42. At all relevant times herein, Defendants had, and continue to have, a company-wide
19 policy of failing to implement any policies to authorize and permit employees to take compliant meal
20 periods and, instead, engaged in a practice of discouraging and impeding employees from taking meal
21 periods by assigning them a heavy workload and understaffing their facilities.

22 43. Additionally, Defendants, on a company-wide basis, failed to schedule meal periods
23 even though they are aware that employees are entitled to such meal periods. As a result of this
24 company-wide understaffing of its facilities and failure to schedule meal periods, Plaintiff was not
25 always authorized and permitted to take uninterrupted 30-minute meal periods during shifts to which
26 he was entitled to receive a meal period. For example, Plaintiff regularly worked through meal periods
27 and had meal periods interrupted by supervisors and by work to meet expected targets.

28 44. At all relevant times, Defendants had no policy for scheduling second meal periods and

1 no practice of permitting Plaintiff to take second 30-minute meal periods. As a result, on days that
2 Plaintiff worked in excess of ten (10) hours, he was not provided with second 30-minute meal periods.

3 45. Defendants knew or should have known that, as a result of their policies and practices,
4 Plaintiff was performing some of his assigned duties off-the-clock, and/or during unpaid meal
5 periods, and was suffered, or permitted to, perform work for which he was not paid. Because Plaintiff
6 worked shifts in excess of eight (8) hours a day or more and forty (40) hours a week or more, much
7 of this off-the-clock work qualified for overtime premium pay. Therefore, Plaintiff was not paid
8 overtime wages for all of the overtime hours he actually worked. To the extent Plaintiff worked shifts
9 in excess of twelve (12) hours a day, or in excess of eight (8) hours on the seventh consecutive day
10 of a work in a workweek, Plaintiff was not paid double time wages for all overtime hours he actually
11 worked.

12 46. Defendants' failure to pay Plaintiff the balance of overtime compensation, as required
13 by California law, violates the provisions of Labor Code section 510 and 1198. Pursuant to California
14 Labor Code section 1194, Plaintiff is entitled to recover their unpaid overtime compensation, as well
15 as interest, costs, and attorneys' fees.

16 47. Labor Code section 558(a) requires that any person acting on behalf of an employer
17 who violates, or causes to be violated, overtime rules to pay a civil penalty in the amount of fifty
18 dollars (\$50) for each underpaid employee, for each pay period in which the employee was underpaid,
19 in addition to an amount sufficient to recover underpaid wages. Also, Labor Code section 558(a) for
20 each subsequent violation, the person acting on behalf of an employer is liable in the amount of one
21 hundred dollars (\$100) for each underpaid employee, for each pay period for which the employee was
22 underpaid, in addition to an amount sufficient to recover the underpaid wages

23 48. In addition to the above withheld overtime wages, Plaintiff is entitled to civil penalties
24 in this amount stated above based upon Defendants' underpayment of overtime wages. Defendant
25 violated Labor Code section 558 on each of the past pay periods within the one-year preceding the
26 filing of this complaint, the first of which Defendant are penalized fifty dollars (\$50), and the
27 remainder of which Defendant are penalized one hundred dollars (\$100) each, for a total due in Labor
28 Code section 558 penalties in an amount to be proven at trial.

FOURTH CAUSE OF ACTION
FAILURE TO FURNISH ACCURATE WAGE STATEMENTS
IN VIOLATION OF LABOR CODE §§ 226, 1174, & 1198
(AGAINST ALL DEFENDANTS)

49. Plaintiff incorporates, by reference, all allegations in the foregoing paragraphs as though fully set forth herein.

50. Pursuant to Labor Code sections 226 and 1174, employers have a duty to provide their non-exempt employees with accurate itemized statements showing total hours worked, hourly wages, gross wages, total deductions net wages earned and name of the employer. An employer who violates these code sections is liable to its employees for the greater of actual damages suffered by the employee, or fifty dollars (\$50) in civil penalties for the initial pay period in which a violation occurred, and one hundred dollars (\$100) per employee for each subsequent pay period, up to a statutory maximum of four thousand dollars (\$4,000).

51. At all relevant times, Defendants have knowingly and intentionally furnished their employees with uniform, incomplete, and inaccurate wage statements.

52. Because Defendants failed to document and deducted time worked from Plaintiff's wage statements and employment records for meal periods he did not actually receive, Defendants unlawfully deducted wages earned and meal period premiums that should have been paid. Thus, Defendants did not furnish wage statements to Plaintiff containing the correct amount of gross wages earned in violation of Labor Code section 226(a)(1), accurate total hours worked in violation of Labor Code section 226(a)(2), correct amount of net wages earned in violation of Labor Code section 226(a)(5), or accurate number of hours worked at each corresponding hourly rate in violation of Labor Code section 226(a)(9).

53. To the extent that Defendants paid any meal break premium and/or rest break premium payments, Defendants failed to identify such payments on Plaintiff's wage statements and employment records, and Defendants otherwise failed to provide information on the wage statements sufficient to identify how many premium payments were paid during each pay period or the specific dates worked giving rise to the premium payments owed, or to determine whether such premium

1 payments adequately and/or accurately compensated Plaintiff for any and all premiums owed.

2 54. Pursuant to the applicable Industrial Welfare Commission Wage Order, employers are
3 required to keep accurate time records showing when the employee begins and ends each work period
4 and meal period, as well as the total daily hours worked, total wages paid each payroll period, total
5 hours worked in the payroll period and applicable rates of pay.

6 55. California Labor Code section 1174(d) provides that “every person employing labor in
7 this state shall . . . keep a record showing the names and addresses of all employees employed and the
8 ages of all minors” and “keep, at a central location in the state or at the plants or establishments at
9 which employees are employed, payroll records showing the hours worked daily by and the wages
10 paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees
11 employed at the respective plants or establishments. . . .”

12 56. At all relevant times, Defendants willfully failed to keep records of meal period start
13 and stop times, shift start and stop times, total hours worked in the payroll period and applicable hourly
14 rates of pay for Plaintiff as a result of failing to record the off-the-clock hours they worked during their
15 unpaid meal and rest periods in violation of Labor Code sections 1198 and 1174(d).

16 57. Pursuant to Labor Code section 558.1, any employer, or other person acting on behalf
17 of an employer, who violates, or causes to be violated, Labor Code section 226 may be held liable as
18 the employer for such violation. The term ‘other person acting on behalf of an employer’ is limited to
19 a natural person who is an owner, director, officer, or managing agent of the employer.

20 58. Plaintiff is entitled to recover from Defendants the greater of his actual damages caused
21 by Defendants’ failure to comply with California Labor Code section 226(a), or an aggregate penalty
22 not exceeding four thousand dollars (\$4,000), as well as attorneys’ fees and costs.

23 **FIFTH CAUSE OF ACTION**

24 **FAILURE TO TIMELY PAY WAGES**

25 **IN VIOLATION OF LABOR CODE § 204**

26 59. Plaintiff incorporates, by reference, all allegations in the foregoing paragraphs as
27 though fully set forth herein.

28 60. “All wages . . . earned by any person in any employment are due and payable twice

1 during each calendar month, on days designated in advance by the employer as the regular paydays .
2 . . (d) The requirements of this section shall be deemed satisfied by the payment of wages for weekly,
3 biweekly, or semimonthly payroll if the wages are paid not more than seven calendar days following
4 the close of the payroll period.” LAB. CODE § 204.

5 61. “In addition to, and entirely independent and apart from, any other penalty provided in
6 this article, every person who fails to pay the wages of each employee as provided in Sections . . . 204
7 . . . shall be subject to a penalty as follows: (1) For any initial violation, one hundred dollars (\$100)
8 for each failure to pay each employee. (2) For each subsequent violation, or any willful or intentional
9 violation, two hundred dollars (\$200) for each failure to pay each employee, plus 25 percent of the
10 amount unlawfully withheld.” LAB. CODE § 210.

11 62. At all times relevant herein, Defendants engaged in a practice of failing to pay Plaintiff
12 by the seventh calendar day following the close of the payroll period. Indeed, as discussed above,
13 Plaintiff is owed wages for unpaid minimum wage, meal periods, and unreimbursed business
14 expenses. At no time during his employment were these outstanding sums ever paid to him. Instead,
15 these outstanding sums continued to accumulate every pay period. Therefore, Plaintiff was not paid
16 all wages earned by the seventh calendar day following the close of each pay period.

17 63. As a direct and proximate result of Defendants’ failure to timely pay wages, Plaintiff
18 is entitled to penalties under Labor Code section 210 in an amount subject to proof at trial.

19 **SIXTH CAUSE OF ACTION**

20 **WILLFUL FAILURE TO PAY WAGES**

21 **IN VIOLATION OF LABOR CODE §§ 201-203**

22 64. Plaintiff incorporates, by reference, all allegations in the foregoing paragraphs as
23 though fully set forth herein.

24 65. “If an employer discharges an employee, the wages earned and unpaid at the time of
25 discharge are due and payable immediately.” LAB. CODE § 201.

26 66. “If an employee not having a written contract for a definite period quits his or her
27 employment, his or her wages shall become due and payable not later than 72 hours thereafter, unless
28 the employee has given 72 hours previous notice of his or her intention to quit, in which case the

1 employee is entitled to his or her wages at the time of quitting.” LAB. CODE § 202.

2 67. “If an employer willfully fails to pay any wages of an employee who is discharged or
3 who quits, the wages of the employee shall continue as a penalty from the due date thereof at the same
4 rate until paid or until an action therefor is commenced.” LAB. CODE § 203.

5 68. Plaintiff was not exempt from the requirements of Labor Code sections 201-203.

6 69. At no time since Plaintiff's separation of employment did Defendants pay them wait-
7 time penalties as required by Labor Code section 203.

8 70. As a direct and proximate result of Defendants' willful failure to pay Plaintiff's wages
9 upon his separation of employment, Plaintiff incurred wait-time penalties in an amount equal to his
10 daily rate of pay over the period that the wages were not paid, in an amount subject to proof at trial.

11 **SEVENTH CAUSE OF ACTION**

12 **CIVIL PENALTIES IN VIOLATION OF**

13 **LABOR CODE §§ 2698, *ET SEQ.***

14 **(AGAINST ALL DEFENDANTS)**

15 71. Plaintiff incorporates, by reference, all allegations in the foregoing paragraphs as
16 though fully set forth herein.

17 72. Under Labor Code §§ 2698, *et seq.*, Plaintiff, as an aggrieved employee, may bring an
18 action against Defendants, on behalf of himself and other current and former employees, seeking civil
19 penalties for Defendants' violations of the California Labor Code.

20 73. Plaintiff is an aggrieved employee within the meaning of Labor Code §§ 2698, *et seq.*
21 by virtue of the numerous Labor Code violations he was subjected to as plead herein, including Labor
22 Code sections 201 – 203, 204, 210, 226, 1174, 1182.12, 1182, 1194, 1194.2, 1197, 1197.1, 1198, and
23 2802.

24 74. Defendants also subjected the aggrieved employees, on whose behalf Plaintiff brings
25 this enforcement action, to all of the Labor Code violations plead herein, including Labor Code
26 sections 201 – 203, 204, 210, 226, 1174, 1182.12, 1182, 1194, 1194.2, 1197, 1197.1, 1198, and 2802.

27 75. On November 21, 2024, Plaintiff provided written notice by online filing with the
28 Labor & Workforce Development Agency, and thereafter, on November 25, 2024, provided the same

1 written notice by certified mail to Defendants of the specific provisions of the Labor Code alleged to
2 have been violation, including the facts and theories to support the alleged violation, as required by
3 Labor Code section 2699.3(a)(1)(A).

4 76. As of the filing of this Complaint, Plaintiff has received no notice from the LWDA of
5 its intent to pursue an action against Defendants.

6 77. As a direct and proximate result of Defendants' violations of the California Labor Code
7 as set forth herein, Plaintiff is entitled to civil penalties of one hundred dollars (\$100) for each
8 aggrieved employee per pay period for the initial violation, and two hundred dollars (\$200) for each
9 aggrieved employee per pay period for each subsequent violation, pursuant to Labor Code section
10 2699(f), for those Labor Code sections not expressly providing for a penalty, and civil penalties
11 provided by the specific Labor Code sections that do expressly provide for a penalty.

12 78. Plaintiff is also entitled to reasonable attorney's fees and costs, and twenty-five percent
13 (25%) of the recovered civil penalties.

14 **EIGHTH CAUSE OF ACTION**

15 **UNFAIR COMPETITION IN VIOLATION OF**

16 **BUSINESS & PROFESSIONS CODE §§ 17200, *ET SEQ.***

17 **(AGAINST ALL DEFENDANTS)**

18 79. Plaintiff incorporates, by reference, all allegations in the foregoing paragraphs as
19 though fully set forth herein.

20 80. Defendants are a "person" as defined by the California Business & Professions Code
21 section 17201.

22 81. Defendants' conduct, as alleged herein, has been, and continues to be, unfair, unlawful,
23 and harmful to Plaintiff and the general public. Plaintiff has suffered an injury in fact and has lost
24 money as a result of Defendants' unlawful business practices. Plaintiff seeks to enforce important
25 rights affecting the public interest within the meaning of the California Code of Civil Procedure section
26 1021.5.

27 82. A violation of the Business & Professions Code sections 17200, *et seq.* may be
28 predicated on the violation of any state or federal law.

83. Defendants' failure to obey the wage and hour laws plead herein, including violations of the Labor Code, Code of Regulations, and Industrial Welfare Commission Wage Orders, constitute unfair business practices in violation of the California Business & Professions Code §§ 17200, *et seq.*

84. As a result of their unfair business practices, Defendants have reaped unfair benefits and illegal profits at the expense of Plaintiff, the other aggrieved employees, and members of the public.

85. Pursuant to the California Business & Professions Code sections 17200, *et seq.*, Plaintiff is entitled to restitution of the wages withheld and retained by Defendants during a period that commences four (4) years prior to the filing of this Complaint, a permanent injunction requiring Defendants to pay all outstanding wages due to Plaintiff and the other aggrieved employees, an award of attorneys' fees pursuant to California Code of Civil Procedure section 1021.5 and/or other applicable laws, and an award of costs.

PRAYER FOR RELIEF

Plaintiff prays for relief and judgment against Defendant as follows:

1. For damages, unpaid wages, penalties, injunctive relief, and attorneys' fees in excess of \$35,000, exclusive of interest and costs.

2. That the Court adjudge, declare, and decree that the employment practices engaged in by Defendants as plead herein, including violations of the Labor Code, Code of Regulations, and Industrial Welfare Commission Wage Orders, constitute unfair business practices in violation of the California Business & Professions Code §§ 17200, *et seq.*;

3. That the Court adjudge, declare, and decree that Defendants violated

a. Labor Code section 2802 by willfully failing to reimburse business expenses incurred by Plaintiff;

b. Labor Code sections 510, 1182.12, 1194, 1197, 1197.1, and 1198, applicable Industrial Welfare Commission Wage Orders, and Codes of Regulation by willfully failing to pay minimum and overtime wages to Plaintiff;

c. Labor Code sections 226 and 1198, applicable Industrial Welfare Commission Wage Orders, and Codes of Regulation by willfully failing to furnish

compliant, accurate, and itemized wage statements to Plaintiff and for failure to keep accurate payroll records;

d. Labor Code section 204, applicable Industrial Welfare Commission Wage Orders, and Codes of Regulation by willfully failing to timely pay wages to Plaintiff;

e. Labor Code sections 201-203, applicable Industrial Welfare Commission Wage Orders, and Codes of Regulation by willfully failing to pay minimum and overtime wages and meal and rest premiums owed to Plaintiff either upon discharge or within 72 hours of his resignation;

4. For civil penalties pursuant to Labor Code sections 210; 226.3; 256; 558; 1174.5; 1197.1; and 2699(a), (f), and (g), for violations of all California Labor Code sections plead herein, including Labor Code sections 201 – 203, 204, 210, 226, 1174, 1182.12, 1182, 1194, 1194.2, 1197, 1197.1, 1198, and 2802;

5. For unreimbursed business expenses and for all actual, consequential, and incidental losses and damages, according to proof, and interest at the same rate as judgments in civil actions, accruing from the date on which Plaintiff incurred the necessary expenditures or losses pursuant to Labor Code section 2802;

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

7. For liquidated damages pursuant to Labor Code section 1194.2 in an amount subject to proof, plus interest;

8. For all reasonable costs and attorney's fees incurred by Plaintiff's enforcement of his rights pursuant to Labor Code sections 226(e)(1), 1194(a), 2802(c), and 2699(g)(1);

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

10. For consequential and incidental losses and damages according to proof;

11. For injunctive relief pursuant to Labor Code section 226(h);

12. For statutory penalties pursuant to Labor Code section 226(e);

- 1 13. For wait time penalties pursuant to Labor Code section 203;
2 14. For pre- and post-judgment interest as provided by law; and
3 15. For such other and further relief as the Court deems just and appropriate.

4 **DEMAND FOR JURY TRIAL**

5 Plaintiff hereby demands a trial by jury on all issues.

7 **PIMENTEL LAW, P.C.**

9 Dated: February 19, 2025

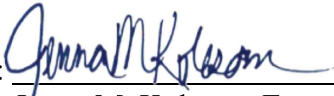
8 By: 
10 Jenna M. Koleson, Esq.
11 Attorney for Plaintiff

EXHIBIT 3

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Attorneys for Plaintiff,
JOE MARTINEZ

IN THE SUPERIOR COURT OF CALIFORNIA

COUNTY OF SAN DIEGO, CENTRAL

JOE MARTINEZ, an individual, on behalf of
himself and all other aggrieved employees,

Plaintiff,

vs.

NORTH SPRUCE LP, a California Limited
Partnership; REGINALD V. FINCH, an
individual, TERESE FINCH, an individual and
DOES 1 through 20 inclusive,

Defendants.

ELECTRONICALLY FILED
Superior Court of California,
County of San Diego
5/2/2025 4:15:05 PM
Clerk of the Superior Court
By Y. Modica ,Deputy Clerk

Case No. 25CU009079C

**FIRST AMENDED COMPLAINT FOR
DAMAGES:**

- 1. FAILURE TO INDEMNIFY FOR
NECESSARY EXPENDITURES IN
VIOLATION OF LABOR CODE § 2802;**
- 2. FAILURE TO PAY MINIMUM WAGE
IN VIOLATION OF LABOR CODE §§
1182.12, 1194, 1197, 1197.1 & 1198**
- 3. FAILURE TO PAY OVERTIME
WAGES IN VIOLATION OF LABOR
CODE §§ 510 & 1198;**
- 4. FAILURE TO FURNISH COMPLIANT
WAGE STATEMENTS & MAINTAIN
ACCURATE PAY RECORDS IN
VIOLATION OF LABOR CODE §§ 226,
1174(d), & 1198;**
- 5. FAILURE TO TIMELY PAY WAGES
IN VIOLATION OF LABOR CODE §
204;**
- 6. WILLFULL FAILURE TO PAY
WAGES IN VIOLATION OF LABOR
CODE §§ 201 – 203;**
- 7. CIVIL PENALTIES IN VIOLATION
OF LABOR CODE §§ 2698, *ET SEQ.*;**
- 8. UNFAIR COMPETITION IN
VIOLATION OF BUSINESS &**

Jury Trial Demanded

Plaintiff JOE MARTINEZ is informed and believes, and thereon alleges, as follows:

PARTIES, VENUE, & JURISDICTION

1. Plaintiff JOE MARTINEZ was at all times relevant hereto a resident of Fontana, California.

2. Defendant NORTH SPRUCE LP was at all times relevant to this Action a limited partnership with its principal place of business in Rialto, California.

3. Defendants REGINALD V. FINCH and TERESE FINCH were owners, managing agents, managing members, directors and officers of Defendant NORTH SPRUCE LP at all times relevant herein.

4. Plaintiff is informed and believes that Defendants REGINALD V. FINCH and TERESE FINCH maintained business and residential addresses in the County of San Diego at all relevant times herein.

5. The true names and capacities, whether individual, corporate, associate, or otherwise, of the Defendants named herein as DOES 1 through 20, inclusive, are unknown to Plaintiff at this time, and therefore said Defendants are sued by such fictitious names. Plaintiff will seek leave to amend this Complaint to insert the true names and capacities of said Defendants when the same become known to Plaintiff. Plaintiff is informed and believes, and based thereupon alleges, that each of the fictitiously named Defendants are responsible for the wrongful acts alleged herein and are therefore liable to Plaintiff as alleged herein.

6. Plaintiff is informed and believes, and based thereupon alleges, that at all times relevant hereto, Defendants, each of them, were the agents, employees, managing agents, supervisors, coconspirators, parent corporation, joint employers, alter egos, successors, and/or joint ventures of the other Defendants, and each of them, and in doing the things alleged herein, were acting at least in part within the course and scope of said agency, employment, conspiracy, joint employer, alter ego status, successor status, and/or joint venture and with the permission and consent of each of the other Defendants.

7. Plaintiff is informed and believes, and based thereupon alleges, that Defendants, each of them, including those named as DOES 1 through 20, acted in concert with one another to commit the wrongful acts alleged herein, and aided, abetted, incited, compelled, and/or coerced one another in the wrongful acts alleged herein, and/or attempted to do so. Plaintiff is further informed and believes and based thereupon alleges, that Defendants, each of them, including those named as DOES 1 through 20, formed and executed a conspiracy or common plan pursuant to which they would commit the unlawful acts alleged herein, with all such acts alleged herein done as part of and pursuant to said conspiracy, intended to cause, and actually causing, Plaintiff's harm.

8. Whenever and wherever reference is made in this Complaint to any act or failure to act by a defendant or co-defendant, such allegations and references shall also be deemed to mean the acts and/or failures to act by each defendant acting individually, jointly and severally.

FACTUAL ALLEGATIONS

9. Plaintiff incorporates by reference all allegations in the foregoing paragraphs as though fully set forth herein.

10. Mr. Joe Martinez worked as an Assistant Maintenance Manager for North Spruce LP from September 15, 2022, until May 20, 2024.

11. North Spruce LP is a townhouse village with its main office in Escondido, California.

12. As an Assistant Maintenance Manager, Mr. Martinez was responsible for the upkeep of grounds, amenities, building exteriors, the leasing office, parking lots, and other community buildings of multi-family residential apartments, as well as assisting with light maintenance on an as needed basis. Specific tasks that Mr. Martinez was required to complete weekly included cleaning the laundry room; power washing the trash enclosures, landings, and staircases; and maintaining the water fountain.

13. In order to complete his job duties, Mr. Martinez required certain hand and power tools, including drills, power washer, wrenches, hammers. North Spruce LP supplied a drain snake and shop vacuum, but these tools were rarely required. During the hiring process, North Spruce LP told Mr. Martinez that he would need to bring his own tools. As a result, Mr. Martinez purchased \$2,500 of tools to complete his job duties while employed for North Spruce LP. Additionally, Mr. Martinez used

1 his personal vehicle for work-related tasks but did not receive any allowances or reimbursements for
2 gas and mileage. Despite being required to supply and maintain the tools of his trade, Mr. Martinez
3 was paid just \$19 per hour in 2022, \$20 per hour in 2023, and \$21 per hour in 2024 in contravention
4 of IWC Wage Order No. 4-2001.

5 14. Mr. Martinez's regularly scheduled workweek was 8:00 AM to 5:00 PM, but he was
6 required to be on call twenty-four hours per day, seven days per week. Further, Mr. Martinez was only
7 paid overtime for on-call emergency repairs, not for any time he spent standing by on-call.

8 15. Mr. Martinez was required to live on-site, so an apartment was provided by North
9 Spruce LP for his use and enjoyment as a condition of employment. However, this apartment was not
10 part of Mr. Martinez's employee compensation.

11 16. Defendants' conduct described herein was undertaken, authorized, and/or ratified by
12 Defendants' officers, directors, and/or managing agents, including, but not limited to, those identified
13 herein as DOES 1 through 20, who were authorized and empowered to make decisions that reflect
14 and/or create policy for Defendants. The aforementioned conduct of said managing agents and
15 individuals was therefore undertaken on behalf of Defendants who further had advanced knowledge
16 of the actions and conduct of said individuals whose actions and conduct were ratified, authorized,
17 and approved by managing agents, whose precise identities are unknown to Plaintiff at this time and
18 are therefore identified and designated herein as DOES 1 through 20, inclusive.

19 **FIRST CAUSE OF ACTION**

20 **FAILURE TO INDEMNIFY FOR NECESSARY EXPENDITURES**

21 **IN VIOLATION OF LABOR CODE § 2802**

22 **(AGAINST ALL DEFENDANTS)**

23 17. Plaintiff incorporates, by reference, all allegations in the foregoing paragraphs as
24 though fully set forth herein.

25 18. An employer shall indemnify his or her employee for all necessary expenditures or
26 losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his
27 or her obedience to the directions of the employer.

28 19. From September 15, 2022, to May 20, 2024, Plaintiff was required by Defendants to

1 purchase tools, and in fact did purchase tools in order to perform his duties. These tools were necessary
2 to perform his job.

3 20. From September 15, 2022, to May 20, 2024, Defendants failed to reimburse Plaintiff
4 for the cost of his tools in violation of Labor Code § 2802.

5 21. Plaintiff is informed and believes, and thereon alleges that, at all relevant times,
6 Defendants have maintained a policy, practice, or a lack of policy, which resulted in their failure to
7 indemnify Plaintiff for the reasonable expenses he incurred in the course of performing his duties.

8 22. As a result of the foregoing, Plaintiff is entitled to recover all sums incurred by him for
9 the purchase of the tools that were necessary for the performance of his job and which he was required
10 to purchase in an amount according to proof at trial.

11 23. As a result of the foregoing, Plaintiff is further entitled to an award of interest at the
12 same rate as judgments in civil actions, accruing from the date on which Plaintiff incurred the
13 necessary expenditures or loses and all reasonable costs, including attorney's fees incurred by them
14 enforcing the rights granted by Labor Code section 2802.

15 24. Pursuant to Labor Code § 558.1, any employer or other person acting on behalf of an
16 employer, who violates, or causes to be violated, Labor Code section 2802, may be held liable as the
17 employer for such violation.

18 25. At all relevant times herein, Defendants REGINALD V. FINCH and TERESE FINCH
19 violated and/or caused to be violated, Labor Code section 2802, as alleged herein.

20 **SECOND CAUSE OF ACTION**

21 **FAILURE TO PAY MINIMUM WAGES**

22 **IN VIOLATION OF LABOR CODE § 1197**

23 **(AGAINST ALL DEFENDANTS)**

24 26. Plaintiff incorporates, by reference, all allegations in the foregoing paragraphs as
25 though fully set forth herein.

26 27. At all relevant times, California Labor Code sections 1182.12, 1194, 1197, 1197.1, and
27 1198 provide that the minimum wage for employees fixed by the Industrial Welfare Commission is
28 the minimum wage to be paid to employees, and the payment of a wage less than the minimum so

1 fixed is unlawful. Compensable work time is defined by the applicable wage order as “the time during
2 which an employee is subject to the control of an employer, and includes all the time the employee is
3 suffered or permitted to work, whether or not required to do so.” CAL. CODE. REGS. tit. 8, §
4 11010(2)(G); (Wage Order 4, subd. 2(K)); *Mendiola v. CPS Security Solutions, Inc.*, 60 Cal.4th 833,
5 839 (2015).

6 28. “An employee who is subject to an employer’s control does not have to be working
7 during that time to be compensated.” *Mendiola*, 60 Cal.4th at 839. “It is well established that an
8 employee’s on-call or standby time may require compensation.

9 29. “California courts considering whether on-call time constitutes hours worked have
10 primarily focused on the extent of the employer’s control. Indeed, we have stated that the level of the
11 employer’s control over its employees is determinative in resolving the issue. When an employer
12 directs, commands or restrains an employee from leaving the work place and thus prevents the
13 employee from using the time effectively for his or her own purposes, that employee remains subject
14 to the employer’s control. According to [the definition of hours worked], that employee must be paid.
15 (*Id.* at p. 583, 94 Cal.Rptr.2d 3, 995 P.2d 139.) Courts have identified various factors bearing on an
16 employer’s control during on-call time: (1) whether there was an on-premises living requirement; (2)
17 whether there were excessive geographical restrictions on employee’s movements; (3) whether the
18 frequency of calls was unduly restrictive; (4) whether a fixed time limit for response was unduly
19 restrictive; (5) whether the on-call employee could easily trade on-call responsibilities; (6) whether
20 use of a pager could ease restrictions; and (7) whether the employee had actually engaged in personal
21 activities during call-in time.’ Courts have also taken into account whether the “[o]n-call waiting time
22 ... is spent primarily for the benefit of the employer and its business.” *Mendiola*, 60 Cal.4th at 840-41.

23 30. “When an employer ... prevents the employee from using the time effectively for his
24 or her own purposes, that employee remains subject to the employer’s control.” *Bono Enterprises, Inc.*
25 *v. Bradshaw*, 32 Cal.App.4th 968, 975 (1995). Thus, “an employee who is *subject to the control* of an
26 employer does not have to be working during that time to be compensated under the applicable wage
27 order. Likewise, an employee who is *suffered or permitted to work* does not have to be under the
28 employer’s control to be compensated, provided the employer has or should have knowledge of the

1 employee's work." *Frlekin v. Apple, Inc.*, 8 Cal.5th 1038, 1046 (2020).

2 31. Although Plaintiff's regularly scheduled workweek was Monday through Friday, 8:00
3 AM to 5:00 PM, he was required to be on call twenty-four hours per day, seven days per week. While
4 on-call, Plaintiff was only paid for on-call emergency repairs, not for any time he spent standing by
5 on-call. Because his typical shifts were in excess of 8 hours a day and/or 40 hours a week, much of
6 this off-the-clock work qualifies for overtime premium pay. To the extent that any of this on-call time
7 did not qualify for premium pay, he is entitled to at least minimum wage for this time worked.

8 32. Due to Defendants' company-wide scheduling practices and policies, Plaintiff was
9 forced to forego meal periods, and/or have his meal periods interrupted by work, and was not relieved
10 of all duties for unpaid meal periods, in order to meet his deadlines and handle his workload.
11 Defendants did not pay minimum wages for meal periods Plaintiff worked through that qualified for
12 premium payment. Defendants did not pay Plaintiff for the time he continued to perform his duties
13 during meal periods.

14 33. Defendants had no policy and/or practice for scheduling second meal periods for
15 employees, or for authorizing and permitting employees to take second 30-minute meal periods, on
16 days they worked in excess of ten (10) hours in one day. As a result, Defendants did not provide
17 Plaintiff with all second 30-minute meal periods to which they was entitled.

18 34. Defendants did not pay at least minimum wages for time worked during missed meal
19 periods. To the extent that these off-the-clock hours did not qualify for overtime premium payment,
20 Defendants did not pay at least minimum wages for those hours Plaintiff worked off-the-clock in
21 violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198. Accordingly,
22 Defendants regularly failed to pay at least minimum wages to Plaintiff for all of the hours he worked.
23 Defendants' failure to pay Plaintiff violates California Labor Code sections 1182.12, 1194, 1197,
24 1197.1, and 1198.

25 35. Defendants' failure to pay the legal minimum wage to Plaintiff as alleged herein is
26 unlawful and creates entitlement, pursuant to Labor Code section 1194, to recovery by Plaintiff in a
27 civil action for the unpaid balance of the full amount of the unpaid wages owed, calculated as the
28 difference between the straight time compensation paid and applicable minimum wage, including

1 interest thereon.

2 36. Pursuant to Labor Code section 1194, Plaintiff is entitled to an award of reasonable
3 attorneys' fees and costs incurred in this action.

4 37. In addition, pursuant to Labor Code section 1194.2, Plaintiff is entitled to recover
5 liquidated damages in an amount equal to the minimum wages unlawfully unpaid in the amount
6 according to proof at trial.

7 38. Pursuant to Labor Code § 558.1, any employer or other person acting on behalf of an
8 employer, who violates, or causes to be violated, Labor Code section 1194, may be held liable as the
9 employer for such violation.

10 39. At all relevant times herein, Defendants REGINALD V. FINCH and TERESE FINCH
11 violated and/or caused to be violated, Labor Code section 1194, as alleged herein.

12 **THIRD CAUSE OF ACTION**

13 **FAILURE TO PAY OVERTIME WAGES**

14 **IN VIOLATION OF LABOR CODE § 510**

15 **(AGAINST ALL DEFENDANTS)**

16 40. Plaintiff incorporates, by reference, all allegations in the foregoing paragraphs as
17 though fully set forth herein.

18 41. Labor Code section 1198 makes it unlawful to employ an employee under conditions
19 of labor that are prohibited by the applicable wage order. Indeed, section 1198 requires that "the
20 standard conditions of labor fixed by the commission shall be the . . . standard conditions of labor for
21 employees. The employment of any employee . . . under conditions of labor prohibited by the order
22 is unlawful."

23 42. Labor Code section 510 and the applicable Industrial Welfare Commission Wage
24 Order required Defendants to pay employees a rate of time and one-half for all hours worked in
25 excess of eight (8) hours in a day or forty (40) hours in a workweek. Labor Code section 510 and the
26 applicable Industrial Welfare Commission Wage Order further required Defendants to pay employees
27 working more than twelve (12) hours in a day, overtime compensation at a rate of two (2) times their
28 regular rate of pay, and two (2) times their regular rate of pay for all hours worked in excess of eight

1 (8) hours on the seventh consecutive day of a work in a workweek.

2 43. As alleged herein, Plaintiff is not exempt from the overtime pay requirements of Labor
3 Code section 510, Code of Regulations sections 11010-11160, and the applicable Industrial Welfare
4 Commission Wage Order.

5 44. At all relevant times, Defendants willfully failed to pay all overtime wages owed to
6 Plaintiff. At all relevant times, Plaintiff was not paid overtime premiums for all of the hours he
7 worked in excess of eight (8) hours in a day, in excess of twelve (12) hours in a day, and/or in excess
8 of forty (40) hours in a week.

9 45. Although Plaintiff's regularly scheduled workweek was Monday through Friday, 8:00
10 AM to 5:00 PM, he was required to be on call twenty-four hours per day, seven days per week. While
11 on-call, Plaintiff was only paid for on-call emergency repairs, not for any time he spent standing by
12 on-call. Because his typical shifts were in excess of 8 hours a day and/or 40 hours a week, much of
13 this off-the-clock work qualifies for overtime premium pay. As such, Plaintiff is owed unpaid overtime
14 pay for on-call hours worked.

15 46. At all relevant times herein, Defendants had, and continue to have, a company-wide
16 policy of failing to implement any policies to authorize and permit employees to take compliant meal
17 periods and, instead, engaged in a practice of discouraging and impeding employees from taking meal
18 periods by assigning them a heavy workload and understaffing their facilities.

19 47. Additionally, Defendants, on a company-wide basis, failed to schedule meal periods
20 even though they are aware that employees are entitled to such meal periods. As a result of this
21 company-wide understaffing of its facilities and failure to schedule meal periods, Plaintiff was not
22 always authorized and permitted to take uninterrupted 30-minute meal periods during shifts to which
23 he was entitled to receive a meal period. For example, Plaintiff regularly worked through meal periods
24 and had meal periods interrupted by supervisors and by work to meet expected targets.

25 48. At all relevant times, Defendants had no policy for scheduling second meal periods and
26 no practice of permitting Plaintiff to take second 30-minute meal periods. As a result, on days that
27 Plaintiff worked in excess of ten (10) hours, he was not provided with second 30-minute meal periods.

28 49. Defendants knew or should have known that, as a result of their policies and practices,

1 Plaintiff was performing some of his assigned duties off-the-clock, and/or during unpaid meal
2 periods, and was suffered, or permitted to, perform work for which he was not paid. Because Plaintiff
3 worked shifts in excess of eight (8) hours a day or more and forty (40) hours a week or more, much
4 of this off-the-clock work qualified for overtime premium pay. Therefore, Plaintiff was not paid
5 overtime wages for all of the overtime hours he actually worked. To the extent Plaintiff worked shifts
6 in excess of twelve (12) hours a day, or in excess of eight (8) hours on the seventh consecutive day
7 of a work in a workweek, Plaintiff was not paid double time wages for all overtime hours he actually
8 worked.

9 50. Defendants' failure to pay Plaintiff the balance of overtime compensation, as required
10 by California law, violates the provisions of Labor Code section 510 and 1198. Pursuant to California
11 Labor Code section 1194, Plaintiff is entitled to recover their unpaid overtime compensation, as well
12 as interest, costs, and attorneys' fees.

13 51. Labor Code section 558(a) requires that any person acting on behalf of an employer
14 who violates, or causes to be violated, overtime rules to pay a civil penalty in the amount of fifty
15 dollars (\$50) for each underpaid employee, for each pay period in which the employee was underpaid,
16 in addition to an amount sufficient to recover underpaid wages. Also, Labor Code section 558(a) for
17 each subsequent violation, the person acting on behalf of an employer is liable in the amount of one
18 hundred dollars (\$100) for each underpaid employee, for each pay period for which the employee was
19 underpaid, in addition to an amount sufficient to recover the underpaid wages

20 52. In addition to the above withheld overtime wages, Plaintiff is entitled to civil penalties
21 in this amount stated above based upon Defendants' underpayment of overtime wages. Defendant
22 violated Labor Code section 558 on each of the past pay periods within the one-year preceding the
23 filing of this complaint, the first of which Defendant are penalized fifty dollars (\$50), and the
24 remainder of which Defendant are penalized one hundred dollars (\$100) each, for a total due in Labor
25 Code section 558 penalties in an amount to be proven at trial.

26 53. Pursuant to Labor Code § 558.1, any employer or other person acting on behalf of an
27 employer, who violates, or causes to be violated any provision regulating hours and days of work in
28 any order of the Industrial Welfare Commission, may be held liable as the employer for such violation.

1 54. At all relevant times herein, Defendants REGINALD V. FINCH and TERESE FINCH
2 violated and/or caused to be violated, IWC Wage Order 4-2001, section 3 (A), as alleged herein.

3 **FOURTH CAUSE OF ACTION**

4 **FAILURE TO FURNISH ACCURATE WAGE STATEMENTS**

5 **IN VIOLATION OF LABOR CODE §§ 226, 1174, & 1198**

6 **(AGAINST ALL DEFENDANTS)**

7 55. Plaintiff incorporates, by reference, all allegations in the foregoing paragraphs as
8 though fully set forth herein.

9 56. Pursuant to Labor Code sections 226 and 1174, employers have a duty to provide their
10 non-exempt employees with accurate itemized statements showing total hours worked, hourly wages,
11 gross wages, total deductions net wages earned and name of the employer. An employer who violates
12 these code sections is liable to its employees for the greater of actual damages suffered by the
13 employee, or fifty dollars (\$50) in civil penalties for the initial pay period in which a violation
14 occurred, and one hundred dollars (\$100) per employee for each subsequent pay period, up to a
15 statutory maximum of four thousand dollars (\$4,000).

16 57. At all relevant times, Defendants have knowingly and intentionally furnished their
17 employees with uniform, incomplete, and inaccurate wage statements.

18 58. Because Defendants failed to document and deducted time worked from Plaintiff's
19 wage statements and employment records for meal periods he did not actually receive, Defendants
20 unlawfully deducted wages earned and meal period premiums that should have been paid. Thus,
21 Defendants did not furnish wage statements to Plaintiff containing the correct amount of gross wages
22 earned in violation of Labor Code section 226(a)(1), accurate total hours worked in violation of
23 Labor Code section 226(a)(2), correct amount of net wages earned in violation of Labor Code section
24 226(a)(5), or accurate number of hours worked at each corresponding hourly rate in violation of Labor
25 Code section 226(a)(9).

26 59. To the extent that Defendants paid any meal break premium and/or rest break premium
27 payments, Defendants failed to identify such payments on Plaintiff's wage statements and
28 employment records, and Defendants otherwise failed to provide information on the wage statements

1 sufficient to identify how many premium payments were paid during each pay period or the specific
2 dates worked giving rise to the premium payments owed, or to determine whether such premium
3 payments adequately and/or accurately compensated Plaintiff for any and all premiums owed.

4 60. Pursuant to the applicable Industrial Welfare Commission Wage Order, employers are
5 required to keep accurate time records showing when the employee begins and ends each work period
6 and meal period, as well as the total daily hours worked, total wages paid each payroll period, total
7 hours worked in the payroll period and applicable rates of pay.

8 61. California Labor Code section 1174(d) provides that “every person employing labor in
9 this state shall . . . keep a record showing the names and addresses of all employees employed and the
10 ages of all minors” and “keep, at a central location in the state or at the plants or establishments at
11 which employees are employed, payroll records showing the hours worked daily by and the wages
12 paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees
13 employed at the respective plants or establishments. . . .”

14 62. At all relevant times, Defendants willfully failed to keep records of meal period start
15 and stop times, shift start and stop times, total hours worked in the payroll period and applicable hourly
16 rates of pay for Plaintiff as a result of failing to record the off-the-clock hours they worked during their
17 unpaid meal and rest periods in violation of Labor Code sections 1198 and 1174(d).

18 63. Pursuant to Labor Code section 558.1, any employer, or other person acting on behalf
19 of an employer, who violates, or causes to be violated, Labor Code section 226 may be held liable as
20 the employer for such violation.

21 64. At all relevant times herein, Defendants REGINALD V. FINCH and TERESE FINCH
22 violated and/or caused to be violated, Labor Code section 226, as alleged herein.

23 65. Plaintiff is entitled to recover from Defendants the greater of his actual damages caused
24 by Defendants’ failure to comply with California Labor Code section 226(a), or an aggregate penalty
25 not exceeding four thousand dollars (\$4,000), as well as attorneys’ fees and costs.

FIFTH CAUSE OF ACTION
FAILURE TO TIMELY PAY WAGES
IN VIOLATION OF LABOR CODE § 204
(AGAINST DEFENDANT NORTH SPRUCE LP)

66. Plaintiff incorporates, by reference, all allegations in the foregoing paragraphs as though fully set forth herein.

67. “All wages . . . earned by any person in any employment are due and payable twice during each calendar month, on days designated in advance by the employer as the regular paydays . . . (d) The requirements of this section shall be deemed satisfied by the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more than seven calendar days following the close of the payroll period.” LAB. CODE § 204.

68. “In addition to, and entirely independent and apart from, any other penalty provided in this article, every person who fails to pay the wages of each employee as provided in Sections . . . 204 . . . shall be subject to a penalty as follows: (1) For any initial violation, one hundred dollars (\$100) for each failure to pay each employee. (2) For each subsequent violation, or any willful or intentional violation, two hundred dollars (\$200) for each failure to pay each employee, plus 25 percent of the amount unlawfully withheld.” LAB. CODE § 210.

69. At all times relevant herein, Defendant NORTH SPRUCE LP engaged in a practice of failing to pay Plaintiff by the seventh calendar day following the close of the payroll period. Indeed, as discussed above, Plaintiff is owed wages for unpaid minimum wage, meal periods, and unreimbursed business expenses. At no time during his employment were these outstanding sums ever paid to him. Instead, these outstanding sums continued to accumulate every pay period. Therefore, Plaintiff was not paid all wages earned by the seventh calendar day following the close of each pay period.

70. As a direct and proximate result of Defendant NORTH SPRUCE LP’s failure to timely pay wages, Plaintiff is entitled to penalties under Labor Code section 210 in an amount subject to proof at trial.

SIXTH CAUSE OF ACTION
WILLFUL FAILURE TO PAY WAGES
IN VIOLATION OF LABOR CODE § 203
(AGAINST ALL DEFENDANTS)

71. Plaintiff incorporates, by reference, all allegations in the foregoing paragraphs as though fully set forth herein.

72. “If an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately.” LAB. CODE § 201.

73. “If an employee not having a written contract for a definite period quits his or her employment, his or her wages shall become due and payable not later than 72 hours thereafter, unless the employee has given 72 hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.” LAB. CODE § 202.

74. “If an employer willfully fails to pay any wages of an employee who is discharged or who quits, the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until an action therefor is commenced.” LAB. CODE § 203.

75. Plaintiff was not exempt from the requirements of Labor Code sections 201-203.

76. At no time since Plaintiff's separation of employment did Defendants pay them wait-time penalties as required by Labor Code section 203.

77. As a direct and proximate result of Defendants' willful failure to pay Plaintiff's wages upon his separation of employment, Plaintiff incurred wait-time penalties in an amount equal to his daily rate of pay over the period that the wages were not paid, in an amount subject to proof at trial.

78. Pursuant to Labor Code section 558.1, any employer, or other person acting on behalf of an employer, who violates, or causes to be violated, Labor Code section 203 may be held liable as the employer for such violation.

79. At all relevant times herein, Defendants REGINALD V. FINCH and TERESE FINCH violated and/or caused to be violated, Labor Code section 203, as alleged herein.

SEVENTH CAUSE OF ACTION
CIVIL PENALTIES IN VIOLATION OF
LABOR CODE §§ 2698, *ET SEQ.*
(AGAINST DEFENDANT NORTH SPRUCE LP)

80. Plaintiff incorporates, by reference, all allegations in the foregoing paragraphs as though fully set forth herein.

81. Under Labor Code §§ 2698, *et seq.*, Plaintiff, as an aggrieved employee, may bring an action against Defendant, on behalf of himself and other current and former employees, seeking civil penalties for Defendant's violations of the California Labor Code.

82. Plaintiff is an aggrieved employee within the meaning of Labor Code §§ 2698, *et seq.* by virtue of the numerous Labor Code violations he was subjected to as plead herein, including Labor Code sections 201 – 203, 204, 210, 226, 1174, 1182.12, 1182, 1194, 1194.2, 1197, 1197.1, 1198, and 2802.

83. Defendant also subjected the aggrieved employees, on whose behalf Plaintiff brings this enforcement action, to all of the Labor Code violations plead herein, including Labor Code sections 201 – 203, 204, 210, 226, 1174, 1182.12, 1182, 1194, 1194.2, 1197, 1197.1, 1198, and 2802.

84. On November 21, 2024, Plaintiff provided written notice by online filing with the Labor & Workforce Development Agency, and thereafter, on November 25, 2024, provided the same written notice by certified mail to Defendant of the specific provisions of the Labor Code alleged to have been violation, including the facts and theories to support the alleged violation, as required by Labor Code section 2699.3(a)(1)(A).

85. As of the filing of this Complaint, Plaintiff has received no notice from the LWDA of its intent to pursue an action against Defendant.

86. As a direct and proximate result of Defendant's violations of the California Labor Code as set forth herein, Plaintiff is entitled to civil penalties of one hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation, and two hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent violation, pursuant to Labor Code section 2699(f), for those Labor Code sections not expressly providing for a penalty, and civil penalties

1 provided by the specific Labor Code sections that do expressly provide for a penalty.

2 87. Plaintiff is also entitled to reasonable attorney's fees and costs, and twenty-five percent
3 (25%) of the recovered civil penalties.

4 **EIGHTH CAUSE OF ACTION**

5 **UNFAIR COMPETITION IN VIOLATION OF**

6 **BUSINESS & PROFESSIONS CODE §§ 17200, *ET SEQ.***

7 **(AGAINST ALL DEFENDANTS)**

8 88. Plaintiff incorporates, by reference, all allegations in the foregoing paragraphs as
9 though fully set forth herein.

10 89. Defendants are a "person" as defined by the California Business & Professions Code
11 section 17201.

12 90. Defendants' conduct, as alleged herein, has been, and continues to be, unfair, unlawful,
13 and harmful to Plaintiff and the general public. Plaintiff has suffered an injury in fact and has lost
14 money as a result of Defendants' unlawful business practices. Plaintiff seeks to enforce important
15 rights affecting the public interest within the meaning of the California Code of Civil Procedure section
16 1021.5.

17 91. A violation of the Business & Professions Code sections 17200, *et seq.* may be
18 predicated on the violation of any state or federal law.

19 92. Defendants' failure to obey the wage and hour laws plead herein, including violations
20 of the Labor Code, Code of Regulations, and Industrial Welfare Commission Wage Orders, constitute
21 unfair business practices in violation of the California Business & Professions Code §§ 17200, *et seq.*

22 93. As a result of their unfair business practices, Defendants have reaped unfair benefits
23 and illegal profits at the expense of Plaintiff, the other aggrieved employees, and members of the
24 public.

25 94. Pursuant to the California Business & Professions Code sections 17200, *et seq.*,
26 Plaintiff is entitled to restitution of the wages withheld and retained by Defendants during a period
27 that commences four (4) years prior to the filing of this Complaint, a permanent injunction requiring
28 Defendants to pay all outstanding wages due to Plaintiff and the other aggrieved employees, an award

1 of attorneys' fees pursuant to California Code of Civil Procedure section 1021.5 and/or other
2 applicable laws, and an award of costs.

3 **PRAYER FOR RELIEF**

4 Plaintiff prays for relief and judgment against Defendant as follows:

5 1. For damages, unpaid wages, penalties, injunctive relief, and attorneys' fees in excess
6 of \$35,000, exclusive of interest and costs.

7 2. That the Court adjudge, declare, and decree that the employment practices engaged in
8 by Defendants as plead herein, including violations of the Labor Code, Code of Regulations, and
9 Industrial Welfare Commission Wage Orders, constitute unfair business practices in violation of the
10 California Business & Professions Code §§ 17200, *et seq.*;

11 3. That the Court adjudge, declare, and decree that Defendants violated

12 a. Labor Code section 2802 by willfully failing to reimburse business expenses
13 incurred by Plaintiff;

14 b. Labor Code sections 510, 1182.12, 1194, 1197, 1197.1, and 1198, applicable
15 Industrial Welfare Commission Wage Orders, and Codes of Regulation by
16 willfully failing to pay minimum and overtime wages to Plaintiff;

17 c. Labor Code sections 226 and 1198, applicable Industrial Welfare Commission
18 Wage Orders, and Codes of Regulation by willfully failing to furnish
19 compliant, accurate, and itemized wage statements to Plaintiff and for failure to
20 keep accurate payroll records;

21 d. Labor Code section 204, applicable Industrial Welfare Commission Wage
22 Orders, and Codes of Regulation by willfully failing to timely pay wages to
23 Plaintiff;

24 e. Labor Code sections 201-203, applicable Industrial Welfare Commission Wage
25 Orders, and Codes of Regulation by willfully failing to pay minimum and
26 overtime wages and meal and rest premiums owed to Plaintiff either upon
27 discharge or within 72 hours of his resignation;

28 4. For civil penalties pursuant to Labor Code sections 210; 226.3; 256; 558; 1174.5;

1 1197.1; and 2699(a), (f), and (g), for violations of all California Labor Code sections plead herein,
2 including Labor Code sections 201 – 203, 204, 210, 226, 1174, 1182.12, 1182, 1194, 1194.2, 1197,
3 1197.1, 1198, and 2802;

4 5. For unreimbursed business expenses and for all actual, consequential, and incidental
5 losses and damages, according to proof, and interest at the same rate as judgments in civil actions,
6 accruing from the date on which Plaintiff incurred the necessary expenditures or loses pursuant to
7 Labor Code section 2802;

8 6. For restitution of unpaid wages to Plaintiff and prejudgment interest from the day such
9 amounts were due and payable;

10 7. For liquidated damages pursuant to Labor Code section 1194.2 in an amount subject to
11 proof, plus interest;

12 8. For all reasonable costs and attorney's fees incurred by Plaintiff's enforcement of his
13 rights pursuant to Labor Code sections 226(e)(1), 1194(a), 2802(c), and 2699(g)(1);

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

16 10. For consequential and incidental losses and damages according to proof;

17 11. For injunctive relief pursuant to Labor Code section 226(h);

18 12. For statutory penalties pursuant to Labor Code section 226(e);

19 13. For wait time penalties pursuant to Labor Code section 203;

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

21 15. For such other and further relief as the Court deems just and appropriate.

22 **DEMAND FOR JURY TRIAL**

23 Plaintiff hereby demands a trial by jury on all issues.

24
25 **PIMENTEL LAW, P.C.**

26
27 Dated: May 2, 2025

28 By: 
Gabriel J. Pimentel, Esq.
Attorney for Plaintiff

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PROOF OF SERVICE

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is 30 N. Raymond Ave., Suite 211, Pasadena, CA 91103.

On May 2, 2025, I served the foregoing document described as **FIRST AMENDED COMPLAINT; AMENDED SUMMONS** on the interested parties in this action as follows:

☐ By placing true copies enclosed in a sealed envelope addressed to each addressee as follows:

☒ Electronically to from my email address, VAB@PimentelLaw.com on the persons identified below at the following electronic service address: rmansukhani@grsm.com; glee@grsm.com;

Gordon Rees Scully Mansukhani
Roger Mansukhani, Esq.
101 W Broadway Suite 200
San Diego, CA 92101

Counsel for Defendant North Spruce LP

☐ BY MAIL:

☐ I deposited each envelope in the mail at Pasadena, California, with postage thereon fully prepaid.

☐ I enclosed the documents in an envelope or package provided by an overnight delivery carrier and addressed to the persons at the addresses above. I placed the envelope or package for collection and overnight delivery at an office or regularly utilized drop box of the overnight delivery carrier.

☒ STATE I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Viktoria Baklan

Viktoria Baklan

Executed on May 2, 2025 at Pasadena, California.

EXHIBIT 4

1 ROGER MANSUKHANI (SBN: 164463)
rmansukhani@grsm.com
2 L. GEOFFREY LEE (SBN: 234024)
glee@grsm.com
3 GORDON REES SCULLY MANSUKHANI, LLP
101 West Broadway, Suite 2000
4 San Diego, CA 92101
Telephone: (619) 230-7418
5 Facsimile: (619) 696-7124

6 Attorneys for Defendants

7
8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 COUNTY OF SAN DIEGO

10
11 JOE MARTINEZ, an individual, on behalf of
himself and all other aggrieved employees,

12 Plaintiff,

13 v.

14 NORTH SPRUCE LP, a California Limited
15 Partnership; and DOES 1 through 20 inclusive,

16 Defendants.

Case No. 25CU009079C

**STATUTORY OFFER OF
COMPOMISE [C.C.P. § 998]**

Judge: Hon. Wendy M. Behan
Dept: C-66

Complaint Filed: February 19, 2025

17
18 **TO PLAINTIFF JOE MARTINEZ AND TO HIS ATTORNEYS OF RECORD:**

19 Defendants pursuant to Code of Civil Procedure section 998 and *Goodstein v. Bank of San*
20 *Pedro* (1994) 27 Cal.App.4th 899, offer to compromise the claims in the above-captioned lawsuit.

21 In full settlement of all claims by Plaintiff Robert Flores ("Plaintiff"), Defendants offer to
22 pay:

- 23 (a) Plaintiff the total sum of Fifteen Thousand and One Dollars (\$15,001.00), inclusive of
24 all individual nonmonetary claims and monetary claims for damages, prejudgment
25 interest, and individual and civil penalties, **exclusive of** attorney's fees and costs to be
26 decided by motion, in exchange for the following: (1) the entry of a Request for
27 Dismissal with Prejudice of Plaintiff's individual claims; and (2) the execution and
28 transmittal of a general release by Plaintiff of all of his individual claims in the action;

1 and

2 (b) the total sum of Eight Thousand Dollars (\$8,000.00) for all PAGA civil penalties,
3 **exclusive of** attorney's fees and costs to be decided by motion, in exchange for a
4 requested dismissal of the PAGA claims by way of a motion for settlement approval
5 and notice to the LWDA.

6 Both conditions (a) and (b) must be accepted to be binding.

7 Said offer does not contemplate entry of a judgment of any kind against Defendants. (See
8 *Hartline v. Kaiser Foundation Hosp.* (2005) 132 Cal.App.4th 458, 470 ["Although section 998
9 refers to entry of a judgment or award, an offer that provides for the plaintiff's dismissal of the
10 action with prejudice is a valid form of offer within section 998."].)

11 If this offer is not accepted by the time of trial as defined under Code of Civil Procedure
12 section 998, it shall be deemed withdrawn, and may not be given in evidence upon the trial of this
13 matter.

14 California Code of Civil Procedure section 998(c)(1) provides that if an offer made by a
15 defendant is not accepted and the plaintiff fails to obtain a more favorable judgment or award, the
16 plaintiff shall not recover his post-offer costs and shall pay the defendants' costs from the time of
17 the offer. In addition, the court, in its discretion, may require the plaintiff to pay a reasonable
18 sum to cover costs of the services of expert witnesses, who are not regular employees of any
19 party, actually incurred and reasonably necessary in preparation for trial of the case by the
20 defendants.

21 Plaintiff shall indicate his acceptance of this offer through the signature of his attorney
22 below, or through the signature of his attorney on a separate document indicating that the offer is
23 accepted.

24 ///

25 ///

26 ///

27 ///

28 ///

1 Said offer is subject to the terms and conditions set forth in Code of Civil Procedure
2 section 998.

3
4 Dated: June 24, 2025

GORDON REES SCULLY MANSUKHANI, LLP

5
6 By: 

Roger Mansukhani
L. Geoffrey Lee
Attorneys for Defendants

7
8
9 PLAINTIFF HEREBY ACCEPTS THE ABOVE CCP 998 OFFER.

10
11 Dated: _____

PIMENTEL LAW P.C.

12 By: _____

Gabriel Pimientel
Attorneys for Plaintiff
JOE MARTINEZ

EXHIBIT 5

From: [Gabriel J. Pimentel](#)
To: ["Sasha Sudan"](#); [Fabrizio Ricardo Albuquerque](#)
Cc: [Geoff Lee](#)
Subject: RE: Martinez v. North Spruce; Discovery Responses
Date: Tuesday, June 24, 2025 7:39:16 PM

Mr. Lee, before we can assess the reasonableness of Defendant's 998 offer, we would need to be provided with the number of persons employed by Defendant during the PAGA period, their dates of employment, as well as their job titles so that we can calculate an estimate of the potential PAGA liability. Absent information that would allow us to calculate the PAGA exposure, we will consider the offer to be invalid. *See Licudine v. Cedars-Sinai Medical Center*, 30 Cal.App.5th 918 (2019). _

Regards,

Gabriel J. Pimentel, Esq., Trial Lawyer | Pimentel Law, P.C.
30 N. Raymond Ave. Ste. 211 Pasadena, CA 91103
T (626) 765-6505 | F (626) 628-3036 | pimentellaw.com

From: Sasha Sudan <asudan@grsm.com>
Sent: Monday, June 23, 2025 10:00 PM
To: Gabriel J. Pimentel <gjp@pimentellaw.com>; Fabrizio Ricardo Albuquerque <fra@pimentellaw.com>
Cc: Geoff Lee <glee@grsm.com>
Subject: Martinez v. North Spruce; Discovery Responses

Good afternoon,

Please see the attached regarding the above referenced case.

Best regards,

ALEXANDRA (SASHA) SUDAN
Legal Secretary

GORDON REES SCULLY MANSUKHANI | GRSM50
YOUR 50 STATE LAW FIRM™

101 W. Broadway, Suite 2000, San Diego, CA 92101

asudan@grsm.com
Direct: (619) 230 – 7448
Ext: 7448

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EXHIBIT 6

101 W. Broadway, Suite 2000
San Diego, CA 92101
www.grsm.com

June 26, 2025

EVIDENCE CODE § 1152

VIA EMAIL AND U.S. MAIL

Gabriel Pimentel, Esq.
Nooshin Didarmorshedi, Esq.
PIMENTEL LAW, P.C.
30 N. Raymond Avenue, Suite 210
Pasadena, CA 91103
gjp@pimentellaw.com

Re: Joe Martinez v. North Spruce LP, et al.
San Diego Superior Court Case No.: 25CU009079C

Dear Counsel:

We are providing you some additional information to help you assess the generosity of our C.C.P. section 998 offer.

While the amount of information you have may not be fully complete or perfect, you have more than sufficient information to make a reasonable decision. Perfect information is not the standard. “[T]he reasonableness of defendant's offer does not depend on information actually known to plaintiff but rather on information that was known or reasonably should have been known.” *Mesa Forest Prods. v. St. Paul Mercury Ins. Co.*, 73 Cal. App. 4th 324, 333-334 (1999). There is no need to “predict the exact amount” that Plaintiff might win. *Id.* A 998 offer represents “a reasonable prediction of the amount of money, if any, defendant would have to pay plaintiff following a trial, discounted by an appropriate factor for receipt of money by plaintiff before trial.” *Id.*

Our office already had extensive early settlement negotiations with attorney Jenna Koleson at the outset of the case on March 28, 2025 regarding “worst case” scenario of damages and the survey of PAGA civil penalties awarded by courts. Although Attorney Koleson may no longer be with your firm, the information shared with her is imputed to the entire firm and to Plaintiff such that all she was told is information that “should have been known” to you and Plaintiff.

Pimentel Law, P.C.

Re: Joe Martinez v. North Spruce LP, et al.

June 26, 2025

Page 2

Based on what we shared with Attorney Koleson previously, Ms. Koleson reiterated her prior written settlement demand of \$60,000, which encompassed Plaintiff's individual claims, PAGA claims, and attorney's fees with costs. (Ms. Koleson during our March 28, 2025 even offered to dismiss the PAGA claims voluntarily). Our C.C.P. section 998 offer when considering a motion for attorney's fees is just slightly less than the \$60,000 demand. As such, the C.C.P. section 998 offer is reasonable on its face given the prior settlement demand.

Nevertheless, we will reiterate what we previously told Attorney Koleson. Plaintiff previously admitted that the putative PAGA group is no more than nine (9) employees. Complaint ¶9. The demand letter of November 25, 2024 even asserted six (6) employees. In actuality, there are less. There are three (3) employees besides Plaintiff who worked within the PAGA limitations period (beginning December 16, 2023).

1. E. Luna [Maintenance Supervisor] – 12/16/23-12/22/23 = 1 pay period
2. A. Amaya [Asst. Apartment Manger] -- 12/16/23- present¹ = 39 pay periods
3. D. Wright [Apartment Manger] -- 12/16/23-1/27/25 = 28.6 pay periods²

TOTAL = 68.6 pay periods

Even assuming this number of pay periods, the PAGA civil penalty would likely be the same or less than what the 998 is offering.

Because only a judge has the power to render PAGA penalties, judges have the discretion to award as much as \$100 per employee per pay period subject to downward adjustment based on fairness. Judge almost never apply the \$100 base penalty. Excluding the outliers in the *Starbucks* case (\$5) and the *Alaska Airlines* case (\$100), the average base penalty after the bench trial tends to be \$17 to \$27 dollars:

- *Amaral v. Cintas Corp. No. 2*, 163 Cal. App. 4th 1157 (2008) (reducing base penalty to about \$33 per employee per pay period);

¹ We dispute whether PAGA penalties should be calculated past the filing of the lawsuit as we dispute any wrongdoing. In any event, we are assuming today's date for purposes of estimation and assume that a PAGA settlement would provide res judicata/collateral estoppel protection for some negotiable dates past the filing of the lawsuit.

² This person is a part-time employee, so the pay periods should be closer to half this amount anyway.

Pimentel Law, P.C.

Re: Joe Martinez v. North Spruce LP, et al.

June 26, 2025

Page 3

- *Fleming v. Covidien, Inc.*, 2011 U.S. Dist. LEXIS 154590 (C.D. Cal. 2011) (awarding about 20% of \$100 facial penalty);
- *Thurman v. Bayshore Transit Mgt., Inc.*, 203 Cal. App. 4th 1112, 1135 (2012) (reducing \$50 facial penalty by 30%);
- *Aguirre v. Genesis Logistics*, 2013 U.S. Dist. LEXIS 189820 (C.D. Cal. 2013) (reducing \$1.8 million facial penalty to \$500,000 for an effective discount to 28%); and
- *Elder v. Schwan Food Co.*, 2013 Cal. App. Unpub. LEXIS 1472 (Ct. Cal. App. 2013) (reducing \$15,000 in facial penalties to \$2,500, for an effective discount to 17%).

Thus, adding the assumed 68.6 pay periods plus Plaintiff's 12 pay periods (for a total of 80.6), the PAGA civil penalty scenarios look as follows:

Base Penalty	Pay Periods	PAGA Penalties
\$5	80.6	\$403
\$10	80.6	\$806
\$25	80.6	\$2,015
\$50	80.6	\$4,030

Even assuming *arguendo* there were double the amount of pay periods, our offer of \$8,000 is still extremely reasonable.

As to Plaintiff's individual claims, you have the clock records and payroll records to assess the claims. Plaintiff can estimate his own claimed "off the clock" work, which we dispute ever existed.

Finally, with the entire PAGA action being subject to dismissal upon our upcoming Demurrer and Motion to Strike, the C.C.P. Offer is more than fair considering the risks Plaintiff faces.

Pimentel Law, P.C.

Re: Joe Martinez v. North Spruce LP, et al.

June 26, 2025

Page 4

Plaintiff may not color the record in an attempt to neutralize the penalizing effect of the 998 Offer by claiming willful ignorance of facts. Plaintiff fails to accept the 998 Offer at his own peril.

Best regards,

GORDON REES SCULLY MANSUKHANI, LLP

A handwritten signature in black ink, appearing to read "L. Geoffrey Lee", is written over a light gray rectangular background.

L. Geoffrey Lee

LGL:ss

Cc: fra@pimentellaw.com

EXHIBIT 7

1 ROGER MANSUKHANI (SBN: 164463)
rmansukhani@grsm.com
2 L. GEOFFREY LEE (SBN: 234024)
glee@grsm.com
3 GORDON REES SCULLY MANSUKHANI, LLP
101 West Broadway, Suite 2000
4 San Diego, CA 92101
Telephone: (619) 230-7418
5 Facsimile: (619) 696-7124

6 Attorneys for Defendants

7
8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 COUNTY OF SAN DIEGO

10
11 JOE MARTINEZ, an individual, on behalf of
himself and all other aggrieved employees,

12 Plaintiff,

13 v.

14 NORTH SPRUCE LP, a California Limited
15 Partnership; and DOES 1 through 20 inclusive,

16 Defendants.

Case No. 25CU009079C

**STATUTORY OFFER OF
COMPROMISE [C.C.P. § 998]**

Judge: Hon. Wendy M. Behan
Dept: C-66

Complaint Filed: February 19, 2025

17
18 **TO PLAINTIFF JOE MARTINEZ AND TO HIS ATTORNEYS OF RECORD:**

19 Defendants pursuant to Code of Civil Procedure section 998 and *Goodstein v. Bank of San*
20 *Pedro* (1994) 27 Cal.App.4th 899, offer to compromise the claims in the above-captioned lawsuit.

21 In full settlement of all claims by Plaintiff Robert Flores ("Plaintiff"), Defendants offer to
22 pay:

- 23 (a) Plaintiff the total sum of Fifteen Thousand and One Dollars (\$15,001.00), inclusive of
24 all individual nonmonetary claims and monetary claims for damages, prejudgment
25 interest, and individual and civil penalties, **exclusive of** attorney's fees and costs to be
26 decided by motion, in exchange for the following: (1) the entry of a Request for
27 Dismissal with Prejudice of Plaintiff's individual claims; and (2) the execution and
28 transmittal of a general release by Plaintiff of all of his individual claims in the action;

1 and

2 (b) the total sum of Eight Thousand Dollars (\$8,000.00) for all PAGA civil penalties,
3 **exclusive of** attorney's fees and costs to be decided by motion, in exchange for a
4 requested dismissal of the PAGA claims by way of a motion for settlement approval
5 and notice to the LWDA.

6 Both conditions (a) and (b) must be accepted to be binding.

7 Said offer does not contemplate entry of a judgment of any kind against Defendants. (See
8 *Hartline v. Kaiser Foundation Hosp.* (2005) 132 Cal.App.4th 458, 470 ["Although section 998
9 refers to entry of a judgment or award, an offer that provides for the plaintiff's dismissal of the
10 action with prejudice is a valid form of offer within section 998."].)

11 If this offer is not accepted by the time of trial as defined under Code of Civil Procedure
12 section 998, it shall be deemed withdrawn, and may not be given in evidence upon the trial of this
13 matter.

14 California Code of Civil Procedure section 998(c)(1) provides that if an offer made by a
15 defendant is not accepted and the plaintiff fails to obtain a more favorable judgment or award, the
16 plaintiff shall not recover his post-offer costs and shall pay the defendants' costs from the time of
17 the offer. In addition, the court, in its discretion, may require the plaintiff to pay a reasonable
18 sum to cover costs of the services of expert witnesses, who are not regular employees of any
19 party, actually incurred and reasonably necessary in preparation for trial of the case by the
20 defendants.

21 Plaintiff shall indicate his acceptance of this offer through the signature of his attorney
22 below, or through the signature of his attorney on a separate document indicating that the offer is
23 accepted.

24 ///

25 ///

26 ///

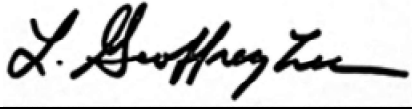
27 ///

28 ///

1 Said offer is subject to the terms and conditions set forth in Code of Civil Procedure
2 section 998.

3
4 Dated: June 24, 2025

GORDON REES SCULLY MANSUKHANI, LLP

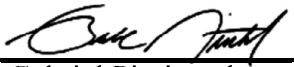
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6 By: 

Roger Mansukhani
L. Geoffrey Lee
Attorneys for Defendants

7
8
9 PLAINTIFF HEREBY ACCEPTS THE ABOVE CCP 998 OFFER.

10 Dated: June 30, 2025

PIMENTEL LAW P.C.

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12 By: 

Gabriel Pimientel
Attorneys for Plaintiff
JOE MARTINEZ

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I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is 30 N. Raymond Avenue, Suite 211, Pasadena, CA 91103.

☐ By placing true copies enclosed in a sealed envelope addressed to each addressee as follows:

☒ Electronically from my email address, fra@pimentellaw.com on the persons identified below at the following electronic service address: rmansukhani@grsm.com; glee@grsm.com;

Counsel for Defendant North Spruce LP

☐ I deposited each envelope in the mail at Pasadena, California, with postage thereon fully prepaid.

☐ I enclosed the documents in an envelope or package provided by an overnight delivery carrier and addressed to the persons at the addresses above. I placed the envelope or package for collection and overnight delivery at an office or regularly utilized drop box of the overnight delivery carrier.

☒ STATE I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.



Executed on June 30, 2025 at Pasadena, California.

EXHIBIT 8

EXHIBIT 9

NOTICE OF PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT PAYMENT

SUPERIOR COURT OF THE STATE OF CALIFORNIA, COUNTY OF SAN DIEGO

JOE MARTINEZ, an individual, on behalf of
himself and all other aggrieved employees,

Plaintiff,

vs.

NORTH SPRUCE LP, a California Limited
Partnership, *et al.*,

Defendants.

Case No. 25CU009079C

ASSIGNED FOR ALL PURPOSES TO

Hon. Wendy M. Behan in Dept.C-66

NOTICE OF PAGA SETTLEMENT PAYMENT

Complaint Filed: February 19, 2025

Trial Date: Not Set

TO EMPLOYEE <NAME>:

You have received this notice because you are an alleged Aggrieved Employee in this Private Attorneys General Act (PAGA) Action, in which Plaintiff alleged violations of Labor Code §§ 2802, 1182.12, 1194, 1197, 1197.1, 1198, 510, 1198, 226, 1174(d), 1198, 204 and 201–203. You are receiving this because you were employed by Defendant North Spruce LP at some time between December 16, 2023 to May 20, 2024.

The total amount of the PAGA settlement is \$8,000. The Superior Court has approved this settlement as fair. There is no need for you to object or “opt out” as this is *not* a class action lawsuit.

Of the \$8,000 settlement amount, \$5,200 has been distributed to the California Labor & Workforce Development Agency, and \$2,800 has been distributed to four Aggrieved Employees, including you. All Aggrieved Employees have been paid an equal share of the PAGA civil penalties allocated for this Settlement, equal to \$700 per employee.

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I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is 30 N. Raymond Avenue, Suite 211, Pasadena, CA 91103.

☐ By placing true copies enclosed in a sealed envelope addressed to each addressee as follows:

Gordon Rees Scully Mansukhani
Roger Mansukhani, Esq.
Geoffrey Lee, Esq.
101 W Broadway Suite 200
San Diego, CA 92101

Counsel for Defendant North Spruce LP

☐ BY MAIL:

☐ I deposited each envelope in the mail at Pasadena, California, with postage thereon fully prepaid.

☐ I enclosed the documents in an envelope or package provided by an overnight delivery carrier and addressed to the persons at the addresses above. I placed the envelope or package for collection and overnight delivery at an office or regularly utilized drop box of the overnight delivery carrier.

☒ STATE I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Fabrizio R. Alburquerque

Executed on August 6, 2025 at Pasadena, California.