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8 Attorneys for Plaintiff BARON MAYLON PALACIOS,
9 individually and on behalf of all others similarly situated

10 **IN THE SUPERIOR COURT OF CALIFORNIA**

11 **COUNTY OF LOS ANGELES**

12 BARON MAYLON PALACIOS, individually
13 and on behalf of all others similarly situated,

Case No. **25STCV06961**

14 Plaintiff(s),

15 v.

16 WESTLAKE SERVICES LLC; and DOES 1
17 through 100,

18 Defendant(s).

COMPLAINT

1. **Failure to Provide Compliant Meal Breaks**
2. **Failure to Provide Complaint Rest Breaks**
3. **Failure to Pay All Hours Worked**
4. **Failure to Pay All Overtime Owed**
5. **Failure to Reimburse Work-Related Expenses**
6. **Wage Statement Violation**
7. **Waiting Time Penalties**
8. **Willful Misclassification**
9. **Violation of Unfair Competition**
10. **Private Attorneys General Act**

19 **RELEVANT PARTIES**

20 1. Plaintiff Baron Maylon Palacios ("Plaintiff") is an adult resident of Los Angeles County,
21 California, and was at all times relevant residing in Los Angeles County, California.

22 2. Defendant Westlake Services LLC ("Defendant") is a California Limited Liability Company
23 with its principal place of business located in Los Angeles County, California. Defendant is
24 registered to and does conduct business in the State of California and is subject to the laws of the
25 State of California. All acts and omissions of Defendant employees as alleged herein occurred while
26 they were acting within the course and scope of their employment.
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1 3. Plaintiff is unaware of the true names or capacities of the Defendants sued herein as DOES 1
2 through 100, inclusive (“Doe Defendants”), and therefore sues said Doe Defendants by such
3 fictitious names. Plaintiff will seek leave of this Court to amend this Complaint to insert the true
4 names and capacities of such Doe Defendants when such information has been obtained. Plaintiff is
5 informed and believes, and based on such information and belief alleges, that each of the fictitiously
6 named Doe Defendants has participated in some way in the wrongful acts and omissions alleged
7 below, and is liable to Plaintiff for damages and other relief to which Plaintiff is entitled. Defendant
8 and Doe Defendants are collectively referred to as “Defendants”.

9 **JURISDICTION AND VENUE**

10 4. This action is properly filed in Los Angeles County because the acts and omissions that give
11 rise to Plaintiff’s claims took place in Los Angeles County, and Defendants transact substantial
12 business in this County.

13 5. This Court has jurisdiction over Defendants because Defendants’ unlawful conduct as
14 alleged herein occurred in Los Angeles County, California and Plaintiff suffered damages from
15 such conduct within Los Angeles County, California.

16 **FACTUAL ALLEGATIONS**

17 6. At all times relevant, Plaintiff was Defendants’ employee.

18 7. Plaintiff was employed by Defendants since March 2008.

19 8. Under California law, the distinction between employees and independent contractors is
20 crucial, as only employees are protected by wage and hour laws. [*S.G. Borello & Sons, Inc. v.*
21 *Department of Industrial Relations* (1989)]. The California Supreme Court established a simplified
22 "ABC test" to determine worker classification for claims under California Wage Orders. [*Dynamex*
23 *Operations West, Inc. v. Sup.Ct. (Lee)* (2018)]. Under this test, a worker is presumed to be an
24 employee unless the hiring entity proves all three of the following elements: (A) the worker is free
25 from the hiring entity's control and direction in performing the work, both under contract and in
26 fact; (B) the worker performs work outside the usual course of the hiring entity's business; and (C)
27 the worker is customarily engaged in an independently established trade, occupation, or business of
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1 the same nature as the work performed. The failure to establish any single element of this test
2 results in the worker being classified as an employee rather than an independent contractor

3 9. Here, Plaintiff was performing work under the direct control and supervision of Defendants
4 both as to means and method of performance. Further, Plaintiff was performing functions within the
5 usual course of Defendant's business purpose. Lastly, Plaintiff is not engaged in independent trade
6 or business of the same nature. Therefore, Defendants willfully misclassified Plaintiff as an
7 independent contractor.

8 10. Defendants failed to provide Plaintiff with compliant meal breaks because Plaintiff was
9 required to remain on call and on duty during breaks. Despite not being provided with compliant
10 meal breaks, Defendant did not pay premium pay for these missed breaks at Plaintiff's regular rate
11 of pay.

12 11. Defendant failed to provide Plaintiff with compliant rest breaks because Plaintiff was
13 required to remain on call and on duty during breaks. Despite not being provided with compliant
14 rest breaks, Defendant did not pay premium pay for these missed breaks at Plaintiff's regular rate of
15 pay.

16 12. Defendants failed to pay Plaintiff for all hours worked because Plaintiff was required to
17 answer calls/emails during PTO and vacation and handle other work matters during days off.

18 13. Defendants failed to pay Plaintiff all overtime owed because Plaintiff usually worked 8
19 hours in a day and 40 hours in a week and thus any unpaid time was necessarily overtime.

20 14. Defendants failed to reimburse Plaintiff for all work-related expenses because Plaintiff was
21 required to pay for internet fees and purchase office supplies in order to perform their work duties,
22 but Defendants did not reimburse Plaintiff for these expenses.

23 15. Defendants failed to provide Plaintiff with accurate wage statements because the wage
24 statements issued to Plaintiff did not accurately list total wages owed and hours worked, among
25 other things.

26 16. Due to Defendants' failure to pay all wages due to Plaintiff during their employment, it
27 follows that Defendant failed to pay all wages due at the conclusion of Plaintiff's employment as
28 well. Therefore, Defendants are liable to Plaintiff for waiting time penalties.

PAGA ALLEGATIONS

17. Pursuant to Labor Code section 2699(a), any provision of the Labor Code which provides for a civil penalty to be assessed and collected by the Labor and Workforce Development Agency (“LWDA”) for violations of the Labor Code may, as an alternative, be recovered through a civil action brought by an aggrieved employee on behalf of himself or herself and other current or former employees pursuant to the procedures outlined in Labor Code section 2699.3.

18. Pursuant to Labor Code section 2699.3, an aggrieved employee may pursue a civil action under PAGA after the following requirement have been met:

19. The aggrieved employee has provided written notice by online filing to the LWDA and by certified mail to the employer (hereinafter “Employee’s Notice”) of the specific provisions of the Labor Code alleged to have been violated, including the facts and theories to support the alleged violations; and

20. The LWDA has provided notice (hereinafter “LWDA’s Notice”) to the employer and the aggrieved employee by certified mail that it does not intend to investigate the aggrieved employee’s claims. Upon receipt of the LWDA’s Notice, or if the LWDA does not provide such Notice within 65 calendar days of the postmark date of the Employee’s Notice, the aggrieved employee may commence a civil action pursuant to Labor Code section 2699 to recover civil penalties in addition to any other penalties to which the employee may be entitled.

21. On November 21, 2024, Plaintiff provided written notice by online filing to the LWDA and by certified mail to Defendants of specific provisions of the Labor Code alleged to have been violated by Defendants, including the facts and theories to support the alleged violations.

22. The 65-day notice period has elapsed, and the LWDA did not provide Plaintiff with written notice that it intends to investigate the alleged violations of the Labor Code. Thus, Plaintiff seeks PAGA Penalties on behalf of all Aggrieved Employees.

23. The Aggrieved Employees are defined as “All other nonexempt, hourly employees, current and former, who were employed by Defendants within one year prior to November 21, 2024, through final disposition of this action.”

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1 **FIRST CAUSE OF ACTION**

2 **Failure to Provide Compliant Meal Periods**

3 **By Plaintiff Against All Defendants**

4 24. Plaintiff incorporates by reference the paragraphs above.

5 25. Labor Code section 512 and the Wage Orders provide that “an employer shall not employ an
6 employee for a work period of more than five hours per day without providing the employee with a
7 meal period of not less than 30 minutes” or “for a work period of more than 10 hours per day
8 without providing the employee with a second meal period of not less than 30 minutes”.

9 26. An employer provides compliant meal breaks to its employees “if it relieves its employees
10 of all duty, relinquishes control over their activities and permits them a reasonable opportunity to
11 take an uninterrupted 30-minute break.” (*Brinker Restaurant Corp. v. Superior Court*, 53 Cal.4th
12 1004, 1040 (2012)).

13 27. Not only must an employer affirmatively relieve its employees of all duty during their meal
14 breaks, it also must not “impede or discourage” its employees from taking compliant meal breaks.
15 (*Brinker*, supra).

16 28. Defendants failed to provide Plaintiff with compliant meal breaks as alleged herein.

17 29. For each day that Defendants failed to provide Plaintiff with a compliant meal break,
18 Defendants were required to remit premium pay pursuant to Labor Code section 226.7(c), which is
19 one additional hour of pay at Plaintiff’s regular rate of pay. (*Ferra v. Loews Hollywood Hotel, LLC*,
20 11 Cal. 5th 858 (2021)).

21 30. Defendants failed to pay premium pay at Plaintiff’s regular rate of pay for each day a meal
22 break was missed.

23 31. Plaintiff is therefore entitled to recover premium pay for missed meal breaks, interest,
24 penalties, attorney fees, and costs.

25 **SECOND CAUSE OF ACTION**

26 **Failure to Provide Compliant Rest Periods**

27 **By Plaintiff Against All Defendants**

28 32. Plaintiff incorporates by reference the paragraphs above.

1 33. Labor Code section 226.7 and the Wage Orders requires employers to authorize and permit
2 its employees to take rest periods based on the total hours worked daily at the rate of 10 minutes net
3 per four hours or major fraction thereof.

4 34. Furthermore, “[d]uring rest periods employers must relieve employees of all duties and
5 relinquish control over how employees spend their time.” (*Augustus v. ABM Sec. Servs., Inc.*, 2 Cal.
6 5th 257, 269 (2016)).

7 35. Defendants failed to provide Plaintiff with compliant rest breaks as alleged herein.

8 36. For each day that Defendants failed to provide Plaintiff with a compliant rest break,
9 Defendants were required to remit premium pay pursuant to Labor Code section 226.7(c), which is
10 one additional hour of pay at Plaintiff’s regular rate of pay. (*Ferra v. Loews Hollywood Hotel, LLC*,
11 11 Cal. 5th 858 (2021)).

12 37. Defendants failed to pay premium pay at Plaintiff’s regular rate of pay for each day a rest
13 break was missed.

14 38. Plaintiff is therefore entitled to recover premium pay for missed rest breaks, interest,
15 penalties, attorney fees, and costs.

16 **THIRD CAUSE OF ACTION**

17 **Failure to Pay for All Hours Worked**

18 **By Plaintiff Against All Defendants**

19 39. Plaintiff incorporates by reference the paragraphs above.

20 40. Labor Code sections 558 and 1194 and the Wage Orders require an employer to pay
21 employees minimum wages for all hours worked fewer than eight hours in a day and/or fewer than
22 40 hours in a workweek.

23 41. Defendants failed to pay Plaintiff for all hours worked as alleged herein.

24 42. Plaintiff is therefore entitled to recover all unpaid wages, liquidated damages, interest,
25 penalties, attorney fees, and costs.

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FOURTH CAUSE OF ACTION

Failure to Pay All Overtime Owed

By Plaintiff Against All Defendants

43. Plaintiff incorporates by reference the paragraphs above.

44. Labor Code section 510 provides that “[a]ny work in excess of eight hours in one workday and 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 shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee.”

45. Defendants failed to pay Plaintiff all overtime wages owed as alleged herein.

46. Plaintiff is therefore entitled to recover all unpaid overtime wages, liquidated damages, interest, penalties, attorney fees, and costs.

FIFTH CAUSE OF ACTION

Failure To Reimburse Work-Related Expenses

By Plaintiff Against All Defendants

47. Plaintiff incorporates by reference the paragraphs above.

48. Pursuant to Labor Code section 2802, an employer shall indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the employee's discharge of his or her duties.

49. Defendants failed to reimburse Plaintiff for all work-related expenses as alleged herein.

50. Plaintiff is therefore entitled to reimbursement for all work-related expenses, penalties, attorney fees, and costs.

SIXTH CAUSE OF ACTION

Wage Statement Penalties

By Plaintiff Against All Defendants

51. Plaintiff incorporates by reference the paragraphs above.

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1 52. Labor Code section 226(a) requires employers to provide itemized wage statements to its
2 employees that identify accurate information regarding their compensation. Defendants, as a matter
3 of policy and practice, failed in its affirmative obligation to provide accurate itemized wage
4 statements to Plaintiff in violation of Labor Code section 226(a).

5 53. As alleged herein, the wage statements that Defendants issued to Plaintiff were inaccurate
6 and incomplete.

7 54. Defendants knowingly and intentionally issued wage statements that were inaccurate and
8 incomplete, and the issuance of inaccurate and incomplete wage statements caused injury to
9 Plaintiff in that Plaintiff was unable to accurately verify and/or calculate their wages.

10 55. Plaintiff is therefore entitled to the recovery of wage statement penalties, attorney fees, and
11 costs.

12 **SEVENTH CAUSE OF ACTION**

13 **Waiting Time Penalties**

14 **By Plaintiff Against All Defendants**

15 56. Plaintiff incorporates by reference the paragraphs above.

16 57. Labor Code sections 201 and 202 require that an employer provide an employee with all
17 wages due and payable either: (a) immediately upon termination, or (b) within 3 days of the
18 employee's resignation.

19 58. Labor Code section 203 provides that if an employer willfully fails to pay wages owed in
20 accordance with Labor Code sections 201 or 202, then the wages of the employee continue as a
21 penalty from the due date at the same rate until paid or until an action is commenced, not to exceed
22 thirty days.

23 59. As alleged herein, Defendants willfully did not pay Plaintiff all wages owed at the
24 conclusion of employment.

25 60. Plaintiff is therefore entitled to the recovery of waiting time penalties, interest, attorney fees,
26 and costs.

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1 **EIGHTH CAUSE OF ACTION**

2 **Willful Misclassification**

3 **Against All Defendants**

4 61. Plaintiff incorporates by reference the paragraphs above.

5 62. Defendants' conduct described herein constitutes willful misclassification in violation of
6 Labor Code section 226.8.

7 63. The misclassification is demonstrably willful as evidenced by multiple clear violations of
8 California's exemption requirements. Specifically, Defendants base pay rate of \$28 per hour falls
9 substantially below the minimum salary threshold required for exempt status under Labor Code §
10 515(a), which mandates a monthly salary of no less than two times the state minimum wage for full-
11 time employment. Second, Plaintiff's primary job duties are plainly non-exempt in nature. The
12 majority of work time is spent performing operational tasks including store visits, collections,
13 audits, and repossession work. These duties are routine operational functions that do not involve the
14 exercise of discretion and independent judgment with respect to matters of significance as required
15 for the administrative exemption under 29 C.F.R. § 541.200.

16 64. The commission sales exemption under Wage Order 4-2001 § 3(D) is similarly inapplicable,
17 as Plaintiff's primary duties do not involve sales activities. Additionally, the outside sales
18 exemption fails because Plaintiff do not spend more than 50% of their working time engaged in
19 sales activities away from the employer's place of business as required by Labor Code § 1171.
20 Instead, the predominant duties involve non-sales operational tasks at fixed locations.

21 65. Notwithstanding, Defendant misclassified Plaintiff as an independent contractor in violation
22 of Labor Code section 226.8.

23 66. Defendant is liable for civil penalties of at least \$5,000 for each violation.

24 **NINTH CAUSE OF ACTION**

25 **Violation of Unfair Competition Law**

26 **By Plaintiff Against All Defendants**

27 67. Plaintiff incorporates by reference the paragraphs above.

28 68. Defendants' conduct described herein constitutes unfair competition.

69. Specifically, Defendants have gained an unfair advantage over other similarly situated businesses by unlawfully reducing their overhead costs by not paying their employees what they are owed.

70. Pursuant to Business and Professions Code 17203, Plaintiff is entitled to restitution of all wrongfully withheld wages.

71. Plaintiff may recover attorney fees pursuant to Code of Civil Procedure section 1021.5.

TENTH CAUSE OF ACTION

Private Attorneys General Act

By Plaintiff and the Aggrieved Employees Against All Defendants

72. Plaintiff incorporates by reference the paragraphs above.

73. PAGA permits Plaintiff and the Aggrieved Employees to recover civil penalties for the violation(s) of the Labor Code.

74. As alleged herein, Defendants' conduct violates numerous sections of the Labor Code.

75. With respect to violations of Labor Code sections 226.7 and 558 for Defendants' failure to provide Plaintiff and the Aggrieved Employees with compliant meal periods or compensation in lieu thereof, the penalties in Labor Code sections 558 and 2699 apply.

76. With respect to violations of Labor Code section 226.7 for Defendants' failure to provide Plaintiff and the Aggrieved Employees with compliant rest periods or compensation in lieu thereof, the penalties in Labor Code section 2699 apply.

77. With respect to violations of Labor Code section 1197 for Defendants' failure to compensate Plaintiff and the Aggrieved Employees for all minimum wages earned, the penalties in Labor Code sections 1197.1 and 2699 apply.

78. With respect to violations of Labor Code section 510 for Defendants' failure to compensate Plaintiff and the Aggrieved Employees for all overtime wages earned, the penalties in Labor Code sections 558, 1197.1, and 2699 apply.

79. With respect to violations of Labor Code section 226(a) for failure to provide accurate wage statements to Plaintiff and the Aggrieved Employees, the penalties in Labor Code sections 226.3 and 2699 apply.

1 80. With respect to violations of Labor Code section 203 for failure to pay all wages due to
2 Plaintiff and the Aggrieved Employees and the conclusion of their employment, the penalties in
3 Labor Code section 2699 apply.

4 81. With respect to violations of Labor Code section 2802 for failure to reimburse Plaintiff and
5 the Aggrieved Employees for all work-related expenses, the penalties in Labor Code section 2699
6 apply.

7 82. With respect to violations of Labor Code section 226.8 for willfully misclassifying Plaintiff
8 and the Aggrieved Employees as independent contractors, the civil penalties in Labor Code sections
9 226.8 and 2699 apply, including penalties of not less than \$5,000 and not more than \$15,000 for
10 each violation, in addition to any other penalties or fines permitted by law.

11 83. Pursuant to Labor Code section 2699(k)(1), Plaintiff further seeks public injunctive relief in
12 the form of an Order enjoining Defendants from continuing to violate the California Labor Code in
13 the manner alleged herein.

14 84. Additionally, Plaintiff and the Aggrieved Employees are entitled to attorney's fees pursuant
15 to Labor Code section 2699(g).

16 **PRAYER FOR RELIEF**

17 WHEREFORE, Plaintiff prays for judgment against Defendants as follows:

18 **First Cause of Action**

- 19 1. Damages and/or penalties pursuant to Labor Code section 226.7
20 2. Interest
21 3. Attorneys' fees
22 4. Costs
23 5. Other relief the court deems proper

24 **Second Cause of Action**

- 25 1. Damages and/or penalties pursuant to Labor Code section 226.7
26 2. Interest
27 3. Attorneys' fees
28 4. Costs

1 5. Other relief the court deems proper

2 Third Cause of Action

3 1. Damages and/or penalties pursuant to Labor Code sections 558, 1194, 1197, and 1197.1

4 2. Liquidated damages

5 3. Interest

6 4. Attorneys' fees

7 5. Costs

8 6. Other relief the court deems proper

9 Fourth Cause of Action

10 1. Damages and/or penalties pursuant to Labor Code sections 510, 558, and 1194

11 2. Interest

12 3. Attorneys' fees

13 4. Costs

14 5. Other relief the court deems proper

15 Fifth Cause of Action

16 1. Reimbursement of all work-related expenses

17 2. Attorneys' fees

18 3. Costs

19 4. Other relief the court deems proper

20 Sixth Cause of Action

21 1. Penalties pursuant to Labor Code section 226

22 2. Attorneys' fees

23 3. Costs

24 4. Other relief the court deems proper

25 Seventh Cause of Action

26 1. Penalties pursuant to Labor Code section 203

27 2. Attorneys' fees

28 3. Costs

1 4. Other relief the court deems proper

2 Eighth Cause of Action

3 1. Misclassification penalties

4 2. Attorney fees

5 3. Costs

6 4. Other relief the court deems proper

7 Ninth Cause of Action

8 1. Restitution of all wrongfully withheld wages

9 2. Attorneys' fees

10 3. Costs

11 4. Other relief the court deems proper

12 Tenth Cause of Action

13 1. All applicable civil penalties available pursuant to Labor Code section 2698, et seq.

14 2. Public injunctive relief in the form of an Order enjoining Defendants from continuing to
15 violate the California Labor Code in the manner alleged herein

16 3. Attorneys' fees

17 4. Costs

18 5. Other relief the court deems proper

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20 DATED: March 11, 2025

FRONTIER LAW CENTER

21 /s/ Daniel Ginzburg

DANIEL GINZBURG

22
23 Attorney for Plaintiff
24 BARON MAYLON PALACIOS,
25 individually and on behalf of all
26 others similarly situated
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