

December 26, 2024

Filed via the LWDA's PAGA Claim Notice Online Form

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Re: Ernest D. Jones v. US Transport & Logistics Inc., et al.
Notice of Intent to File Suit Pursuant to California Labor Code
Section 2699

To Whom It May Concern:

This office represents Ernest D. Jones ("Plaintiff") and a group of the putative class members in a forthcoming lawsuit against US Transport & Logistics Inc. and US Transportation & Towing, Inc. (collectively "Defendants"). The action, entitled *Ernest D. Jones v. US Transport & Logistics Inc., et al.*, is to be filed in the Superior Court of the State of California for the County of Riverside (the "Action"). A copy of the complaint as currently drafted, and as is intended to be filed in the Action, is enclosed as **Exhibit A**. This letter incorporates by reference the facts, law, and allegations of Exhibit A.

This letter serves as notice pursuant to the California Labor Code Private Attorneys General Act of 2004 ("PAGA"), codified at California Labor Code sections 2698 through 2699.6, that we intend to include representative claims in the Action for civil penalties under PAGA on behalf of a group of aggrieved employees. For the purposes of this letter, "Aggrieved Employees" is defined as: *All individuals who are or were employed by Defendants as non-exempt employees in California, from one year prior to the mailing of this notice through the date of trial.*

As set forth in more detail in Exhibit A, Defendants violated their obligations to Plaintiff and the Aggrieved Employees under California law by: failing to pay minimum wages for all hours worked, failing to pay all overtime wages earned,

Notice of Intent to File PAGA Action

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failing to provide lawful rest periods and pay missed rest period premiums, failing to provide lawful meal periods and pay missed meal period premiums, failing to maintain accurate records, failing to reimburse all necessary business expenses, failing to provide accurate and complete wage statements, failing to pay all wages in full and on time during employment, and failing to pay all wages due upon termination.

Because of these systemic violations, Defendants violated: Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 1174, 1174.5, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2802, 2084, and California Industrial Welfare Commission Wage Orders Wage Orders 1-2001, 4-2001, and/or 9-2001, and others that may be applicable. (Cal. Code of Regs., tit. 8, §§ 11010, 11040, 11090.) The enclosed Complaint further details: **(1)** the alleged violations; **(2)** the facts and theories supporting these violations; **(3)** the people and entities, dates, classifications, violations, events, and actions at issue; and **(4)** the illegal practices instituted by Defendants.

Together with this correspondence, the enclosed complaint provides notice that we intend to proceed with a claim for civil penalties in the Action pursuant to PAGA. (See Lab. Code, §§ 2698–2699.6.) We intend to fully prosecute the representative claims alleged in the complaint, including by obtaining civil penalties under PAGA.

Please do not hesitate to contact me if you have any questions.

Sincerely,



KYLE D. SMITH

Enclosure

EXHIBIT A

(Anticipated Class Action Complaint in *Ernest D. Jones v. US Transport & Logistics Inc., et al.*)

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

ERNEST D. JONES, an individual, on behalf of
himself and all others similarly situated,

Plaintiff,

v.

US TRANSPORT & LOGISTICS INC., a
California Corporation; US
TRANSPORTATION & TOWING, INC., a
California Corporation; and DOES 1 TO 50,

Defendants.

Case Number: _____

Class Action Complaint For:

1. Failure to Pay All Minimum Wages,
2. Failure to Pay All Overtime Wages,
3. Failure to Provide Rest Periods and Pay Missed Rest Period Premiums,
4. Failure to Provide Meal Periods and Pay Missed Meal Period Premiums,
5. Failure to Maintain Accurate Employment Records,
6. Failure to Pay Wages Timely during Employment,
7. Failure to Pay All Wages Earned and Unpaid at Separation,
8. Failure to Indemnify All Necessary Business Expenditures,
9. Failure to Furnish Accurate Itemized Wage Statements, and

10. Violations of California’s Unfair Competition Law (Bus. & Prof. Code, §§ 17200–17210).

Demand for Jury Trial

Plaintiff Ernest D. Jones (“Plaintiff”), on behalf of himself and all other similarly situated employees within the State of California, complains and alleges of defendants US Transport & Logistics Inc., US Transportation & Towing, Inc., and Does 1 to 50 (collectively, “Defendants”), and each of them, as follows:

I. INTRODUCTION

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

2. The “Class Period” as used herein, is defined as the period from four years prior to the filing of this action and continuing into the present and ongoing. Defendants’ violations of California’s laws as described more fully below have been ongoing throughout the Class Period and are still ongoing.

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

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

- A. Failure to pay all minimum wages,
- B. Failure to pay all overtime wages,
- C. Failure to provide rest periods and pay missed rest period premiums,
- D. Failure to provide meal periods and pay missed meal period premiums,
- E. Failure to maintain accurate employment records,
- F. Failure to pay wages timely during employment,
- G. Failure to pay all wages earned and unpaid at separation,

- 1 H. Failure to indemnify all necessary business expenditures,
2 I. Failure to furnish accurate itemized wage statements, and
3 J. Violations of California’s Unfair Competition Law (“UCL”) (Bus. & Prof.
4 Code, §§ 17200–17210).

5 5. Plaintiff is informed and believes and thereon alleges that the California Industrial
6 Welfare Commission (“IWC”) Wage Orders applicable to the facts of this case are IWC Wage Orders
7 1-2001, 4-2001, and/or 9-2001 (the “Applicable Wage Orders”) and possibly others that may be
8 applicable. (Cal. Code of Regs., tit. 8, §§ 11010, 11040, 11090.) Plaintiff reserves the right to amend
9 or modify the definition of “Applicable Wage Orders” with greater specificity or add additional IWC
10 Wage Orders if additional applicable wage orders are discovered in litigation.

11 **II. JURISDICTION & VENUE**

12 6. This Court has subject matter jurisdiction over all causes of action asserted herein
13 pursuant to Article VI, section 10, of the California Constitution and Code of Civil Procedure section
14 410.10 because this is a civil action in which the matter in controversy, exclusive of interest, exceeds
15 \$25,000, and because each cause of action asserted arises under the laws of the State of California or
16 is subject to adjudication in the courts of the State of California.

17 7. This Court has personal jurisdiction over Defendants because Defendants have caused
18 injuries in the County of Riverside and the State of California through their acts, and by their violation
19 of the California Labor Code and California state common law. Defendants transact millions of dollars
20 of business within the State of California. Defendants own, maintain offices, transact business, have an
21 agent or agents within the County of Riverside, and/or otherwise are found within the County of
22 Riverside, and Defendants are within the jurisdiction of this Court for purposes of service of process.

23 8. Venue as to Defendants is proper in this judicial district, pursuant to section 395 of the
24 Code of Civil Procedure. Defendants operate within California and do business within Riverside
25 County, California. The unlawful acts alleged herein have a direct effect on Plaintiff and all of
26 Defendants’ employees identified above within Riverside County and surrounding counties where
27 Defendants may remotely operate.
28

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

7 **III. THE PARTIES**

8 **A. PLAINTIFF**

9 10. At all relevant times, Plaintiff, who is over the age of 18, was and currently is a citizen
10 of California residing in the State of California. Defendants employed Plaintiff as a non-exempt hourly
11 employee in the County of Riverside.

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

15 12. The Class Members, at all times pertinent hereto, are or were employees of Defendants
16 during the relevant statutory period.

17 **B. DEFENDANTS**

18 13. Plaintiff is informed and believes and thereon alleges that Defendants were authorized
19 to and doing business in Riverside County and is and/or was the legal employer of Plaintiff and the
20 other Class Members during the applicable statutory periods. Plaintiff and the other Class Members
21 were, and are, subject to Defendants' policies and/or practices complained of herein and have been
22 deprived of the rights guaranteed to them by: California Labor Code sections 201, 202, 203, 204, 210,
23 226, 226.3, 226.7, 510, 512, 1174, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2802, 2804,
24 and others that may be applicable; California Business and Professions Code sections 17200 through
25 17210 ("UCL"); and the Applicable Wage Orders (Cal. Code of Regs., tit. 8, §§ 11010, 11040, 11090).

26 14. Plaintiff is informed and believes, and based thereon alleges, that during the Class
27 Period, Defendants did (and continue to do) business in the State of California, County of Riverside.
28 Defendants' operations are headquartered in Riverside County.

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

9 16. Plaintiff is informed, and believes, and thereon alleges, that at all times mentioned
10 herein, Defendants were and/or are the employers of Plaintiff and the other Class Members. At all times
11 herein mentioned, each of said Defendants participated in the doing of the acts hereinafter alleged to
12 have been done by the named Defendants. Furthermore, the Defendants, and each of them, were the
13 agents, representatives, and employees of each and every one of the other Defendants, and at all times
14 herein mentioned were acting within the course and scope of said agency, representation, and
15 employment. Defendants, and each of them, approved of, condoned, or otherwise ratified every one of
16 the acts or omissions complained of herein.

17 17. Plaintiff is further informed, and believes, and thereon alleges, that at all times
18 mentioned herein, that Defendants, and each of them, are the alter egos of one another and that there
19 existed and now exists a unity of interest and ownership between them such that the individuality and
20 separateness of each of them has ceased. Plaintiff is further informed, and believes, and thereon alleges,
21 that at all times mentioned herein, that Defendants, and each of them, have been and now are mere
22 shells and naked frameworks that their principal uses for the conduct of that Defendant's own business,
23 property, and affairs, for which Defendants, and each of them, have concealed and misrepresented their
24 identities as the entities responsible for their ownership, management, and financial interests.

25 18. Plaintiff is further informed, and believes, and thereon alleges, that at all times
26 mentioned herein, Defendants, and each of them, were members of and engaged in a joint venture,
27 partnership, and common enterprise, and acting within the course and scope of and in pursuance of said
28 joint venture, partnership, and common enterprise. Further, Plaintiff is informed, and believes, and

thereon alleges, that all Defendants were joint employers for all purposes of Plaintiff and the other Class Members.

IV. COMMON FACTS & ALLEGATIONS

19. Plaintiff and the other Class Members (collectively, the “Class Members”) are, and were at all relevant times, employed by the Defendants within the State of California.

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

21. Specifically, Plaintiff was employed by Defendants within the statutory Class Period, working as a non-exempt service technician for Defendants. Plaintiff’s duties included servicing cars at customer homes, changing tires, changing batteries, and other roadside assistance duties.

A. MINIMUM WAGE VIOLATIONS

22. Labor Code section 1197 requires employees to be paid at least the minimum wage fixed by the IWC, and any payment of less than the minimum wage is unlawful. Similarly, Labor Code section 1194 entitles “any employee receiving less than the legal minimum wage . . . to recover in a civil action the unpaid balance of the full amount of this minimum wage.” Likewise, the Applicable Wage Orders also obligate employers to pay each employee minimum wages for all hours worked. (Cal. Code of Regs., tit. 8, §§ 11010, 11040, 11090.) Labor Code section 1198 makes unlawful the employment of an employee under conditions that the IWC Wage Orders prohibit.

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

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

1 Among other violations, the Class Members were subject to the control of Defendants while off-the-
2 clock and did not receive minimum wage for each hour worked.

3 25. Additionally, the Class Members were not paid all wages for all hours worked due to
4 Defendants' uniform payroll policies and practices that unfairly rounded employees' wages to the
5 detriment of the Class Members. This rounding policy routinely failed to capture the entirety of the
6 hours the Class Members worked and was structured in a way that in favored underpayment. (See *See's*
7 *Candy Shops, Inc. v. Superior Court* (2012) 210 Cal.App.4th 889, 907.) As a result, the Class Members
8 suffered periodic shortages in the hours for which they were compensated. This uncompensated time
9 violated California's requirement that employees be compensated for all hours worked. As a result of
10 this practice, the Class Members were not compensated their minimum wages for all hours worked.

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

15 27. When employees, such as the Class Members, are not paid for all hours worked under
16 Labor Code section 1194, they are entitled to recover minimum wages for the time which they received
17 no compensation. (See *Sillah v. Command International Security Services* (N.D. Cal. 2015) 154
18 F.Supp.3d 891 [employees suing for failure to pay overtime could recover liquidated damages under
19 Labor Code section 1194.2 if they also showed they were paid less than minimum wage].)

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

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

26 (2) "For each subsequent violation for the same specific offense, two
27 hundred fifty dollars (\$250) for each underpaid employee for each pay
28 period for which the employee is underpaid regardless of whether the

1 initial violation is intentionally committed.” (Lab. Code, § 1197.1, subd.

2 (a).)

3 29. As set forth above, Defendants failed to fully compensate the Class Members for all
4 minimum wages. Accordingly, the Class Members are entitled to recover liquidated damages for
5 violations of Labor Code section 1197.1.

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

8 **B. OVERTIME VIOLATIONS**

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

16 32. In accordance with Labor Code section 1194 and the Applicable Wage Orders, the Class
17 Members could not then agree and cannot now agree to work for a lesser wage than the amount
18 provided by Labor Code sections 510 or the Applicable Wage Orders.

19 33. Here, Defendants violated their duty to accurately and completely compensate the Class
20 Members for all overtime worked. The Class Members periodically worked hours that entitled them to
21 overtime compensation under the law but were not fully compensated for those hours.

22 34. Defendants also had a policy and practice of denying the Class Members meal breaks,
23 but nevertheless deducting meal break time from the Class Members’ pay. As a result, the Class
24 Members’ on-the-clock hours were unlawfully reduced below what was actually worked and, by
25 extension, overtime hours were also reduced below what was actually worked. The Class Members
26 were thus periodically shorted the full amount of overtime pay lawfully owed.

27 35. Moreover, during the relevant statutory periods, Defendants had a policy and practice
28 of failing to pay overtime wages at the proper rate when it actually paid overtime. Specifically, when

1 Defendants paid overtime wages to the Class Members, Defendants failed to include all compensation
2 when calculating the regular rate of pay used in overtime calculations and when paying overtime.

3 36. For instance, the Class Members would often receive, along with their hourly rates of
4 pay for their working hours, additional remuneration and/or non-discretionary bonus pay. Defendants,
5 however, calculated the regular rate of pay for the Class Members without factoring into the regular
6 rate of pay all other non-hourly pay earnings received during the pay period. As a result, the Class
7 Members were underpaid overtime wages when they worked in excess of eight hours in any workday
8 and/or forty hours in a workweek when such additional forms of remuneration were earned. By its
9 practice of periodically requiring the Class Members to work in excess of eight hours in a workday
10 and/or forty hours in a workweek without compensating them at the rate of one and one-half (1½) their
11 regular rate of pay, Defendants willfully violated the provisions of Labor Code sections 510, 1194, and
12 1199.

13 37. These actions were and are in clear violation of California’s overtime laws as set forth
14 in Labor Code sections 510, 1194, 1199, and the Applicable Wage Orders. (Cal. Code of Regs., tit. 8,
15 §§ 11010, 11040, 11090.) As a result of Defendants’ faulty policies and practices, the Class Members
16 were not compensated for all hours worked or paid accurate overtime compensation.

17 **C. REST BREAK VIOLATIONS**

18 38. Pursuant to Labor Code section 226.7 and the Applicable Wage Orders, Defendants
19 were and are required to provide the Class Members with compensated, duty-free rest periods of not
20 less than ten minutes for every major fraction of four hours worked. Under the Applicable Wage
21 Orders, an employer must authorize and permit all employees to take ten minute duty free rest periods
22 for every major fraction of four hours worked. (Cal. Code of Regs., tit. 8, §§ 11010, 11040, 11090.)

23 39. Likewise, Labor Code section 226.7 provides that “[a]n employer shall not require an
24 employee to work during a meal or rest or recovery period mandated pursuant to an applicable statute,
25 or applicable regulation, standard, or order of the Industrial Welfare Commission” (Lab. Code, §
26 226.7, subd. (b).) Labor Code section 226.7 also provides that employers must pay their employees one
27 additional hour of pay at the employee’s regular rate for each workday that a “meal or rest or recovery
28 period is not provided.” (Lab. Code, § 226.7, subd. (c).) The “regular rate” for these purposes must

1 factor in all nondiscretionary payments for work performed by the employee, including non-
2 discretionary bonuses, commissions, and other forms of wage payments exceeding the employees' base
3 hourly rate. (*Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.5th 858, 878.) Thus, the Wage
4 Orders set when and for how long the rest period must take place and the Labor Code establishes that
5 violations of the IWC Wage Orders are unlawful and sets forth the premium pay employer must pay
6 their employees when employers fail to provide rest periods.

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

14 “An employer is required to authorize and permit the amount of rest break time
15 called for under the wage order for its industry. If it does not—if, for example,
16 it adopts a uniform policy authorizing and permitting only one rest break for
17 employees working a seven-hour shift when two are required—it has violated
18 the wage order and is liable.” (*Brinker Rest. Corp. v. Superior Court* (2012) 53
19 Cal.4th 1004, 1033.)

20 41. Here, Defendants periodically did not permit the Class Members to take compliant duty-
21 free rest breaks, free from Defendants’ control as required by Labor Code section 226.7, the Applicable
22 Wage Orders, and applicable precedent. (See *Augustus v. ABM Security Services, Inc.* (2016) 2 Cal.5th
23 257, 269 [concluding that “during rest periods employers must relieve employees of all duties and
24 relinquish control over how employees spend their time.”].) At all relevant times, the Class Members
25 were periodically not provided with legally-compliant and timely rest periods of at least ten minutes
26 for each four hour work period, or major fraction thereof due to Defendants’ unlawful rest period
27 policies/practices. The Class Members were often expected and required to continue working through
28 rest periods to meet the expectations Defendants and finish the workday. In some cases when the Class

1 Members worked more than ten hours in a shift, Defendants failed to authorize and/or permit a third
2 mandated rest period. As a result, the Class Members were periodically unable to take compliant rest
3 periods.

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

11 43. In addition to failing to authorize and permit compliant rest periods, the Class Members
12 were not compensated with one hour’s worth of pay at their regular rate of compensation when they
13 were not provided with a compliant rest period in accordance with Labor Code section 226.7,
14 subdivision (c). Thus, Defendants have violated Labor Code section 226.7 and the Applicable Wage
15 Orders.

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

18 **D. MEAL BREAK VIOLATIONS**

19 45. Labor Code section 512 and the Applicable Wage Orders require employers to provide
20 employees with a thirty-minute uninterrupted and duty-free meal period within the first five hours of
21 work. (Lab. Code, § 512, subd. (a) [“An employer shall not employ an employee for a work period of
22 more than five hours per day without providing the employee with a meal period of not less than 30
23 minutes”]; Cal. Code of Regs., tit. 8, §§ 11010, 11040, 11090 [“No employer shall employ any
24 person for a work period of more than five (5) hours without a meal period of not less than 30
25 minutes”].) Additionally, an employee who works more than ten hours per day is entitled to
26 receive a second thirty-minute uninterrupted and duty-free meal period. (Lab. Code, § 512, subd. (a)
27 [“An employer shall not employ an employee for a work period of more than 10 hours per day without
28 providing the employee with a second meal period of not less than 30 minutes”].)

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

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

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

27 49. During the applicable statutory periods here, the Class Members were periodically
28 denied legally-compliant and timely off-duty meal periods of at least thirty minutes due to Defendants’

1 unlawful meal period policy and practices. As a result of Defendants’ uniform meal period policies and
2 practices, the Class Members were often not permitted to take compliant first meal periods before the
3 end of the fifth hour of work. The Class Members were also periodically not permitted to take second
4 meal periods for shifts in excess of ten hours. Defendants thus violated Labor Code section 512 and
5 the Applicable Wage Orders by failing to advise, authorize, or permit the Class Members to receive
6 thirty-minute, off-duty meal periods within the first five hours of their shifts.

7 50. Labor Code section 226.7 provides that “[a]n employer shall not require an employee
8 to work during a meal or rest or recovery period mandated pursuant to an applicable statute, or
9 applicable regulation, standard, or order of the Industrial Welfare Commission.” (Lab. Code, § 226.7,
10 subd. (b).) Labor Code section 226.7, subdivision (c), and the Applicable Wage Orders further obligate
11 employers to pay employees one additional hour of pay at the employee’s regular rate of compensation
12 for each workday that the meal period is not provided. (Lab. Code, § 226.7, subd. (c); Cal. Code of
13 Regs., tit. 8, §§ 11010, 11040, 11090 [“If an employer fails to provide an employee a meal period in
14 accordance with the applicable provisions of this order, the employer shall pay the employee one (1)
15 hour of pay at the employee’s regular rate of compensation for each workday that the meal period is
16 not provided.”].) The “regular rate” for these purposes must factor in all nondiscretionary payments for
17 work performed by the employee, including non-discretionary bonuses, commissions, and other forms
18 of wage payments exceeding the employees’ base hourly rate. (*Ferra v. Loews Hollywood Hotel, LLC*
19 (2021) 11 Cal.5th 858, 878.)

20 51. Accordingly, for each day that the Class Members did not receive compliant meal
21 periods, they were and are entitled to receive meal period premiums pursuant to Labor Code section
22 226.7 and the Applicable Wage Orders. Defendants, however, failed to pay the Class Members
23 applicable meal period premiums for many workdays that the employees did not receive a compliant
24 meal period. Thus, Defendants have violated Labor Code section 226.7 and the Applicable Wage
25 Orders.

26 52. Based on the foregoing, Plaintiff seeks to recover, on behalf of himself and other non-
27 exempt employees, meal period premiums and penalties.
28

1 **E. UNTIMELY WAGES DURING EMPLOYMENT**

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

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

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

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

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

21 **F. UNTIMELY WAGES AT SEPARATION**

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

27 57. Due to Defendants’ faulty pay policies, those Class Members whose employment with
28 Defendants concluded were not compensated for each and every hour worked at the appropriate rate.

1 Defendants have failed to pay formerly-employed Class Members whose sums were certain at the time
2 of termination within at least seventy-two hours of their resignation and have failed to pay those sums
3 for thirty days thereafter.

4 **G. FAILURE TO REIMBURSE BUSINESS EXPENSES**

5 58. At all relevant times herein, Defendants were subject to Labor Code section 2802, which
6 states that “an employer shall indemnify his or her employees for all necessary expenditures or losses
7 incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her
8 obedience to the directions of the employer.” The purpose of this section is to “prevent employers from
9 passing along their operating expenses onto their employees.” (*Gattuso v. Harte-Hanks Shoppers, Inc.*
10 (2007) 42 Cal.4th 554, 562.)

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

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

24 61. Here, Defendants failed to fully reimburse the Class Members for necessary
25 expenditures incurred as a direct consequence and requirement of performing their job duties, including
26 the costs associated with tools they required to perform their work. Consequently, Defendants failed to
27 comply with Labor Code section 2802.
28

1 **H. WAGE STATEMENT VIOLATIONS**

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

- 6 (1) The gross wages earned;
- 7 (2) The total hours worked by the employee;
- 8 (3) The number of piece-rate units earned and any applicable piece rate if
9 the employee is paid on a piece rate basis;
- 10 (4) All deductions, provided that all deductions made on written orders of
11 the employee may be aggregated and shown as one item;
- 12 (5) The net wages earned;
- 13 (6) The inclusive dates of the period for which the employee is paid;
- 14 (7) The name of the employee and only the last four digits of his or her social
15 security number or an employee identification number other than a social
16 security number;
- 17 (8) The name and address of the legal entity that is the employer; and
- 18 (9) All applicable hourly rates in effect during the pay period and the
19 corresponding number of hours worked at each hourly rate by the
20 employee.

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

26 64. In addition to Labor Code section 226, subdivision (a), Defendants also knowingly and
27 intentionally failed to provide the Class Members with accurate itemized wage statements in violation
28 of Labor Code section 226, subdivision (e). Defendants knew that they were not providing the Class

1 Members with wage statements required by California law but nevertheless failed to correct their
2 unlawful practices and policies. (See *Garnett v. ADT LLC* (E.D. Cal. 2015) 139 F.Supp.3d 1121, 1134
3 [finding the defendant knowingly and intentionally violated Labor Code section 226 because the
4 “[d]efendant knew that it was not providing total hours worked to plaintiff or other employees paid on
5 commission” even though it believed that employees paid solely on commission or commission and
6 salary “are exempt and therefore we do not record hours on a wage statement.”].)

7 **I. RECORDKEEPING VIOLATIONS**

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

11 “Any employer who violates subdivision (a) of Section 226 shall be subject to a
12 civil penalty in the amount of two hundred fifty dollars (\$250) per employee per
13 violation in an initial citation and one thousand dollars (\$1,000) per employee
14 for each violation in a subsequent citation, for which the employer fails to
15 provide the employee a wage deduction statement or fails to keep the records
16 required in subdivision (a) of Section 226. The civil penalties provided for in
17 this section are in addition to any other penalty provided by law.” (Lab. Code, §
18 226.3, emphasis added.)

19 66. Likewise, Labor Code section 1174, subdivision (d), requires every employer, including
20 Defendants, to:

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

67. As explained in detail above, Defendants failed to provide the Class Members with accurate itemized wage statements. Defendants did so, in part, because they failed to accurately track hours worked by the Class Members. Defendants have thus failed to keep accurate records of the “total hours worked by the employee[s]” in violation of Labor Code section 226, subdivision (a), and are therefore subject to the penalties provided by Labor Code section 226.3. These penalties are “in addition to any other penalty provided by law.” (Lab. Code, § 226.3.)

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

V. CLASS ACTION ALLEGATIONS

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

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

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

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

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

1 C. Whether Defendants' rest period policies and practices afforded legally
2 compliant rest periods or compensation in lieu thereof;

3 D. Whether Defendants' meal period policies and practices afforded legally
4 compliant meal periods or compensation in lieu thereof;

5 E. Whether Defendants maintained accurate employment records;

6 F. Whether Defendants timely paid all wages during employment;

7 G. Whether Defendants timely paid all wages earned and unpaid at separation;

8 H. Whether Defendants indemnified their employees for all necessary business
9 expenditures;

10 I. Whether Defendants furnished legally-compliant wage statements to the Class
11 Members pursuant to Labor Code section 226; and

12 J. Whether Defendants' violations of the Labor Code and the Applicable Wage
13 Orders amounted to a violation of California's UCL.

14 72. **Predominance of Common Questions:** Common questions of law and fact
15 predominate over questions that affect only individual Class Members. The common questions of law
16 set forth above are numerous and substantial and stem from Defendants' uniform policies and practices
17 applicable to each individual class member, such as Defendants' uniform policy and practice of failing
18 to pay for all hours worked, Defendants' uniform policies and practices which failed to provide
19 compliant rest periods, Defendants' uniform policies and practices which failed to provide compliant
20 meal periods, Defendants' failure to provide accurate itemized wage statements, and others. As such,
21 the common questions predominate over individual questions concerning each individual class
22 member's showing as to his or her eligibility for recovery or as to the amount of his or her damages.

23 73. **Typicality:** The claims of Plaintiff are typical of the claims of the Class Members
24 because Plaintiff was employed by Defendants as a non-exempt employee in California during the
25 statute(s) of limitation applicable to each cause of action pleaded in this complaint. As alleged herein,
26 Plaintiff, like the other Class Members, was deprived of minimum, regular, and overtime wages
27 because of Defendants' unlawful timekeeping policies and practices, was deprived of rest periods and
28 premium wages in lieu thereof, was deprived of meal periods and premium wages in lieu thereof, was

1 subject to Defendants' uniform rest period policies and practices, was subject to Defendants' uniform
2 meal period policies and practices, was not provided accurate itemized wage statements, was not paid
3 all wages in full and on time, , and was subject to other similar policies and practices to which the Class
4 Members were subject.

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

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

20 76. Moreover, requiring each Class Member to pursue an individual remedy would also
21 discourage the assertion of lawful claims by employees who would be disinclined to file an action
22 against their former or current employer for real and justifiable fear of retaliation and permanent
23 damages to their careers at subsequent employment. Further, the prosecution of separate actions by the
24 individual Class Members, even if possible, would create a substantial risk of inconsistent or varying
25 verdicts or adjudications with respect to the individual Class Members against Defendants herein, and
26 which would establish potentially incompatible standards of conduct for Defendants or legal
27 determinations with respect to individual Class Members which would, as a practical matter, be
28

dispositive of the interest of the other Class Members not parties to adjudications or which would substantially impair or impede the ability of the Class Members to protect their interests.

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

VI. CAUSES OF ACTION

First Cause of Action

Failure to Pay All Minimum Wages

(Against All Defendants)

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

79. Section 4 of the Applicable Wage Orders and Labor Code section 1197 establish the right of employees to be paid minimum wages for all hours worked, in amounts set by state law. (Lab. Code, § 1197; Cal. Code of Regs., tit. 8, §§ 11010, 11040, 11090.) Labor Code sections 1194, subdivision (a), and 1194.2, subdivision (a), provide that an employee who has not been paid the legal minimum wage as required by Labor Code section 1197 may recover the unpaid balance, together with attorneys' fees and costs of suit, as well as liquidated damages in an amount equal to the unpaid wages and interest accrued thereon.

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

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

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

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

Second Cause of Action

Failure to Pay All Overtime Wages

(Against All Defendants)

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

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

86. Defendants failed to fully conform their pay practices to the requirements of California law. This unlawful conduct includes but is not limited to Defendants' uniform and unlawful pay policies and practices of failing to accurately record all the time that non-exempt employees were under the supervision and control of Defendants. The foregoing policies and practices are unlawful and allow

1 Plaintiff and the other Class Members to recover in a civil action the unpaid amount of overtime
2 premiums owing, including interest thereon, statutory penalties, attorneys' fees, and costs of suit
3 according to Labor Code section 204, 510, 1194, and 1198, the Applicable Wage Orders, and Code of
4 Civil Procedure section 1021.5.

5 **Third Cause of Action**

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

7 *(Against All Defendants)*

8 87. Plaintiff realleges and incorporates by reference all previous paragraphs.

9 88. Section 12 of the Applicable Wage Orders, and Labor Code section 226.7 establish the
10 right of employees to be provided with a rest period of at least ten minutes for each four hour period
11 worked, or major fraction thereof. (See Cal. Code of Regs., tit. 8, §§ 11010, 11040, 11090.)

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

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

21 **Fourth Cause of Action**

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

23 *(Against All Defendants)*

24 91. Plaintiff realleges and incorporates by reference all previous paragraphs.

25 92. Plaintiff is informed and believes and thereon alleges, that Defendants failed in their
26 affirmative obligation to provide their hourly non-exempt employees, including Plaintiff and the other
27 Class Members, with all required meal periods in accordance with the mandates of the Labor Code and
28 the Applicable Wage Orders, for the reasons set forth herein above. Despite Defendants' violations,

1 Defendants have not paid an additional hour of pay to Plaintiff and the other Class Members at their
2 respective regular rates of pay for each violation, in accordance with California Labor Code section
3 226.7.

4 93. As a result, Defendants are responsible for paying premium compensation for meal
5 period violations, including interest thereon, statutory penalties, and costs of suit pursuant to the
6 Applicable Wage Orders and Labor Code sections 226.7 and 512, and Civil Code sections 3287,
7 subdivision (b), and 3289. (See Cal. Code of Regs., tit. 8, §§ 11010, 11040, 11090.)

8 **Fifth Cause of Action**

9 *Failure to Maintain Accurate Employment Records*

10 *(Against All Defendants)*

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

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

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

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

25 **Sixth Cause of Action**

26 *Failure to Pay Wages Timely during Employment*

27 *(Against All Defendants)*

28 98. Plaintiff realleges and incorporates by reference all previous paragraphs.

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

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

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

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

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

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

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

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

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

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110. California Labor Code Section 2802 states that employers must “indemnify” an 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.” Likewise, Labor Code section 2804 states that “any contract or agreement, express or implied, made by any employee to waive the benefits of this article or any part thereof, is null and void, and this article shall not deprive any employee or his personal representative of any right or remedy to which he is entitled under the laws of this State.”

111. Here, Plaintiff and the other Class Members paid out of pocket for necessary business expenditures incurred as a direct consequence and requirement of performing their job duties, including the costs associated with their tools that Plaintiff required to perform his duties they required to perform their work. Despite knowing that Plaintiff and the other Class Members incurred these necessary business expenses, and requiring Plaintiff and the other Class Members to use such items, Defendants did not reimburse them.

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

Ninth Cause of Action

Failure to Furnish Accurate Itemized Wage Statements

(Against All Defendants)

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

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

- (1) The gross wages earned;
- (2) The total hours worked by the employee;
- (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;

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

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

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

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

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

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

15 226, subdivision (a).

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

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

18 117. As a result of Defendants' issuance of inaccurate itemized wage statements to Plaintiff

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

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

21 \$100, up to an amount not exceeding an aggregate penalty of \$4,000 per Plaintiff and per each Class

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

23 reasonable attorneys' fees.

24 **Tenth Cause of Action**

25 *Violations of California's Unfair Competition Law*

26 *(Against All Defendants)*

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

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1 119. Defendants have engaged and continue to engage in unfair and/or unlawful business
2 practices in California in violation of California Business and Professions Code section 17200 through
3 17210, by committing the unlawful acts described above. Defendants' utilization of these unfair and
4 unlawful business practices deprived and continue to deprive Plaintiff and the other Class Members of
5 compensation to which they are legally entitled. These practices constitute unfair and unlawful
6 competition and provide an unfair advantage over Defendants' competitors who have been and/or are
7 currently employing workers and attempting to do so in honest compliance with applicable wage and
8 hour laws.

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

13 121. The acts complained of herein occurred within the four years prior to the initiation of
14 this action and are continuing into the present and ongoing.

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

20 **VII. DEMAND FOR JURY TRIAL**

21 123. Plaintiff hereby demands trial by jury of Plaintiff's and the Class Members' claims
22 against Defendants.

23 **VIII. PRAYER FOR RELIEF**

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

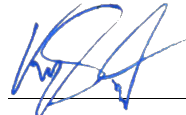
- 26 1. For an order certifying the proposed class;
- 27 2. For an order appointing Plaintiff as representative of the class;
- 28 3. For an order appointing Plaintiff's counsel as counsel for the class;

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

- 1 **13.** Prejudgment interest on all due and unpaid wages pursuant to Labor Code section 218.6
2 and Civil Code sections 3287 and 3289;
- 3 **14.** On all causes of action for which attorneys' fees may be available, for attorneys' fees
4 and costs as provided by Labor Code sections 218.5, 226, Code of Civil Procedure
5 section 1021.5, and others as may be applicable;
- 6 **15.** For an order enjoining Defendants, and each of them, and their agents, servants, and
7 employees, and all persons acting under, in concert with, or for them, from acting in
8 derogation of any rights or duties adumbrated in this complaint; and
- 9 **16.** For such other and further relief, this Court may deem just and proper.

10 Dated: December 26, 2024

MELMED LAW GROUP P.C.



KYLE D. SMITH

Attorneys for Plaintiff and the Putative Class