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9 Attorneys for Plaintiff,
10 MELVIN DAVIS

11 SUPERIOR COURT OF THE STATE OF CALIFORNIA
12 FOR THE COUNTY OF LOS ANGELES

13 MELVIN DAVIS, in his representative
14 capacity only, and on behalf of other
15 aggrieved employees pursuant to
16 California's Private Attorneys General
17 Act,

18 Plaintiff,

19 v.

20 ENTERPRISE RENT-A-CAR
21 COMPANY OF LOS ANGELES, LLC,
22 a limited liability company; and DOES 1
23 through 10 inclusive,

24 Defendants.

Electronically FILED by
Superior Court of California,
County of Los Angeles
2/24/2025 4:28 PM
David W. Slayton,
Executive Officer/Clerk of Court,
By S. Ruiz, Deputy Clerk

CASE NO.: 25STCV05199

**PLAINTIFF'S COMPLAINT FOR
VIOLATIONS OF CALIFORNIA
LABOR CODE SECTION 2698 ET
SEQ. - THE PRIVATE ATTORNEYS
GENERAL ACT OF 2004**

1 Plaintiff Melvin Davis (“Plaintiff”), in his representative capacity only, and on
2 behalf of other aggrieved employees pursuant to California’s Private Attorneys General
3 Act, alleges as follows on knowledge as to his own acts/interactions and on information
4 and belief as to all other matters:

5 **JURISDICTION AND VENUE**

6 1. This Court has personal jurisdiction over Defendant because it conducts
7 business in the State of California.

8 2. Under California Code of Civil Procedure section 395(a), venue is proper in
9 this County because Defendant does business in this County and the harm to Plaintiff
10 occurred in this County.

11 **EXHAUSTION OF ADMINISTRATIVE REQUIREMENTS**

12 3. On December 10, 2024, counsel for Plaintiff prepared and electronically
13 submitted a letter to the California Labor & Workforce Development Agency (“LWDA”)
14 via the California Department of Industrial Relations’ “PAGA Filing” website. A copy
15 of the letter was mailed to Defendant, also via USPS Certified Mail. The letter contained
16 the specific provisions of the California Labor Code violated by Defendant, as well as the
17 facts and theories in support of Plaintiff’s claims.

18 4. Now that sixty-five (65) days have passed since Plaintiff notified
19 Defendants of these violations, the statutory time period for the LWDA to investigate
20 and/or respond, and for the employer to respond, has concluded. Plaintiff has exhausted
21 the administrative requirements for bringing a claim under the PAGA for these
22 violations.

23 **PARTIES**

24 5. Plaintiff, at all times relevant hereto, was and is a resident of the State of
25 California.

26 6. Plaintiff is informed and believes that Defendant ENTERPRISE RENT-A-
27 CAR COMPANY OF LOS ANGELES, LLC (“Defendant”) is a limited liability
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1 company organized and existing under the laws of Delaware with its principal place of
2 business located at 333 City Blvd W, Suite 1000, City Tower, Orange, CA 92868.

3 7. The true names and capacities of the defendants named herein as Does 1
4 through 10, inclusive, whether individual, corporate, associate or otherwise, are unknown
5 to Plaintiff who therefore sues such defendants by fictitious names pursuant to California
6 Code of Civil Procedure section 474. Plaintiff is informed and believes that all of the
7 Doe defendants are California residents. Plaintiff will amend this Complaint to show
8 such true names and capacities when they have been determined.

9 8. Plaintiff is informed and believes that at all times relevant herein, each
10 defendant designated, including Does 1 through 10, was the agent, managing agent,
11 principal, owner, partner, joint venturer, representative, manager, servant, employee
12 and/or co-conspirator of each of the other defendants, and was at all times mentioned
13 herein acting within the course and scope of said agency and employment, and that all
14 acts or omissions alleged herein were duly committed with the ratification, knowledge,
15 permission, encouragement, authorization and consent of each defendant designated
16 herein.

17 **FACTUAL ALLEGATIONS**

18 9. Defendant is a car rental company. Starting in approximately November of
19 2021 through approximately December 7, 2024, Plaintiff was employed by Defendant as
20 a non-exempt employee.

21 10. Plaintiff worked for Defendant in the position of Assistant Branch Manager
22 at Defendant's facility located at 3366 Cherry Ave, Long Beach, CA 90806.

23 11. Plaintiff and other aggrieved employees working for Defendant were not
24 compensated for all time worked, Defendant failed to accurately keep track of their time,
25 had their time entries altered/decreased by Defendant, had their time rounded, were
26 required to work "off the clock," were not paid for mandatory trainings, and not paid for
27 reporting time pay.

1 12. Under California law, the determination of the regular rate of pay for
2 purposes of determining the amount of overtime pay must include all remuneration
3 earned by the employee including the employee's bonuses, shift-differential pay or other
4 non-hourly compensation. See DLSE Manual § 49.2.1.2 ("Compute the regular rate by
5 dividing the total earnings for the week, including earnings during overtime hours, by the
6 total hours worked during the week, including the overtime hours."); see also 29 C.F.R. §
7 778.118-120 ("When the commission is paid on a weekly basis, it is added to the
8 employee's other earnings for that workweek . . . and the total is divided by the total
9 number of hours worked in the workweek to obtain the employee's regular hourly rate for
10 the particular workweek.").

11 13. The "regular rate of pay" must include "all remuneration for employment
12 paid to, or on behalf of, the employee." Alonzo v. Maximus, Inc., 832 F. Supp. 2d 1122,
13 1130 (C.D. Cal. 2011). "Thus, when an employer calculates 1.5 times an employee's
14 regular rate of pay to pay overtime, ***the employer must include bonuses, commissions, or***
15 ***any other income not subject to an exception in that calculation.***" Brum v.
16 Marketsource, Inc., No. 2:17-cv-241-JAM-EFB, 2017 U.S. Dist. LEXIS 94079, at *10
17 (E.D. Cal. June 16, 2017) (emphasis added).

18 14. Defendant did not include non-discretionary compensation in calculating
19 the hourly rate of pay for overtime purposes. Instead, the regular rate of pay used for
20 calculating the overtime rate of pay was strictly based on the employees' hourly wage
21 (not including the non-discretionary compensation). As such, Defendant owe Plaintiff
22 and other members of the proposed classes additional overtime pay based on a
23 calculation using the correct, higher rate of pay (taking into account the non-discretionary
24 compensation).

25 15. Further, Defendant failed to pay Plaintiff and other aggrieved employees all
26 wages due to them within any time period specified by Labor Code § 204, including
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1 earned and unpaid minimum wages, overtime wages, and wages in the form of penalties
2 for non-complaint meal and rest periods.

3 16. Plaintiff and other aggrieved employees are entitled to liquidated damages
4 equal to unlawfully unpaid minimum wages with interest pursuant to Labor Code §
5 1194.2.

6 17. Due to these and other issues, Plaintiff and other aggrieved employees were
7 also not compensated appropriately for overtime wages and double overtime wages.
8 Plaintiff and other aggrieved employees worked overtime during their employment with
9 Defendant by working over eight (8) hours in a workday and/or forty (40) hours in a
10 workweek.

11 18. Plaintiff and other aggrieved employees were also not compensated for all
12 hours worked and were not compensated at the appropriate overtime rate, which resulted
13 in underpayments of overtime wages and double overtime wages.

14 19. Plaintiff and other aggrieved employees working for Defendant were forced
15 to miss taking compliant meal periods (30-minute meal periods after the first five hours
16 worked). Moreover, Plaintiff and other non-exempt hourly employees were deprived of
17 taking a second meal period after ten hours worked. Plaintiff and other aggrieved
18 employees working for Defendant were denied compliant meal periods based on
19 Defendant's failure to implement an adequate relief system by which employees could
20 receive work-free meal periods.

21 20. Plaintiff and other aggrieved employees worked at least 3.5 hours or more
22 and were entitled to a 10-minute paid rest break for every 3.5 hours of continuous work.
23 Defendant knew or should have known that Plaintiff and Class Members worked 3.5
24 hours or more on any given day.

25 21. During Plaintiff's employment by Defendant, Plaintiff and other aggrieved
26 employees working for Defendant were forced to miss taking compliant rest periods (ten
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1 minutes rest time per four hours worked) due to the demands placed on them by
2 Defendant and lack of coverage.

3 22. Defendant failed to pay penalties for noncompliant rest and meal periods
4 (premium pay as required by Labor Code § 226.7(b) and Sections 11 and 12 of the
5 applicable Wage Order in lieu of meal and/or rest periods).

6 23. To the extent Defendant paid some penalties (one hour of pay) for certain
7 missed or non-compliant meal or rest periods, Defendant paid such penalties at an
8 incorrect rate that is lower than the rate required by law. More specifically, because the
9 Legislature intended “regular rate of compensation” under Lab. Code, § 226.7, subd. (c),
10 to have the same meaning as “regular rate of pay” under Lab. Code, § 510, subd. (a), the
11 calculation of premium pay for a noncompliant meal, rest, or recovery period, like the
12 calculation of overtime pay, had to account for not only hourly wages but also other
13 nondiscretionary payments. Thus, an employer calculating premium pay for
14 noncompliant meal or rest breaks according to the employee’s base hourly rate while
15 omitting nondiscretionary incentive payments failed to pay in accordance with the
16 employee’s regular rate of compensation. Ferra v. Loews Hollywood Hotel, LLC, 11
17 Cal. 5th 858 (2021). By doing so, Defendant underpaid each meal and rest period penalty
18 payment. Also, by doing so, Defendant underpaid overtime wages to Plaintiff and other
19 employees at the incorrect rate.

20 24. Upon Plaintiff’s termination of employment, Plaintiff was not paid all
21 wages owed, including minimum wages, overtime wages, and missing meal/rest period
22 premiums. Plaintiff is informed and believes that Defendant similarly failed to pay other
23 aggrieved employees all wages owed upon termination or resignation of employment in
24 compliance with California law. In doing so, Defendant violated and continues to violate
25 California Labor Code sections 201-203 (failure to pay all wages upon termination or
26 resignation).

1 25. In addition, Defendant did not provide Plaintiff and other aggrieved
2 employees with accurate wage statements as required under California law. More
3 specifically, the wage statements provided to Plaintiff and other employees did not reflect
4 or did not accurately reflect the: (1) gross wages earned, (2) total hours worked by the
5 employee, (3) net wages earned, and (4) all applicable hourly rates in effect during the
6 pay period and the corresponding number of hours worked at each hourly rate by the
7 employee. Accordingly, Plaintiff and other aggrieved employees were not able to
8 promptly and easily determine the missing information without reference to other
9 documents or information.

10 26. The wage statements also did not provide accurate information by
11 understating the lack of meal/rest break premium pay that should have been paid to
12 Plaintiff and the other aggrieved employees. Naranjo v. Spectrum Sec. Servs., Inc., 13
13 Cal. 5th 93 (2022) (Because premium pay for missed meal and rest breaks under Lab.
14 Code, § 226.7, compensated employees for the work performed during a break period and
15 therefore constituted wages within the meaning of Lab. Code, §§ 200, subd. (a), 203, 226,
16 penalties could be available for an employer's alleged failure to timely pay or report such
17 payments.).

18 27. The wage statements also did not include accurate information about the
19 non-discretionary compensation paid to Plaintiff and other employees. The DLSE
20 Enforcement Manual specifically provides that the information on the wage statements
21 required under Labor Code section 226(a)(3) must include "3. The number of piece rate
22 units earned and any applicable piece rate whenever an employee is being paid on a
23 piecework basis (and commissioned employees, i.e., commission rate and amount of
24 sales.)" (emphasis added). See DLSE Enforcement Policies and Interpretations Manual §
25 14.1.1; see also Balboa Acquisition v. Ratkovich, No. SACV 07-00091-JVS (RNBx),
26 2008 U.S. Dist. LEXIS 126625, at *6-7 (C.D. Cal. Feb. 27, 2008).

1 28. Plaintiff and other aggrieved employees were not able to promptly and
2 easily determine the missing information without reference to other documents or
3 information.

4 29. Plaintiff and other aggrieved employees were not reimbursed for all
5 business expenses and, to the extent such reimbursement was provided, it was provided
6 in an amount not sufficient to reimburse Plaintiff and other employees for such expenses,
7 including use of their personal mobile phones and data plans, which were required to
8 perform their duties, and reimbursement for mileage for work-related tasks (including
9 clocking in and out via an application and speaking to managers). See Cochran v.
10 Schwan's Home Service, Inc., 228 Cal. App. 4th 1137 (2014) (Lab. Code, § 2802,
11 requires an employer to reimburse an employee for the reasonable expense of the
12 mandatory use of a personal cell phone, regardless of the details of the employee's cell
13 phone plan, whether the phone bill is paid for by a third person or at all, and whether the
14 employee changed plans to accommodate worked-related cell phone usage; to show
15 liability under § 2802, an employee need only show that he or she was required to use a
16 personal cell phone to make work-related calls, and that he or she was not reimbursed).

17 30. Defendant violated California Labor Code §§ 1174, 1174.5 by failing to
18 keep at a central location in the state or at the plants or establishments at which
19 employees are employed, payroll records showing the hours worked daily by and the
20 wages paid to employees employed at the respective plants or establishments.

21 31. Defendant violated California Labor Code § 2751 by failing to provide a
22 signed copy of the contract related to commissions and the method by which the
23 commissions shall be computed and paid.

24 32. Defendant also violated California Labor Code § 246 by failing to properly
25 accrue and pay sick pay at the correctly regular rate of pay, which should have included
26 all non-discretionary incentive compensation. Instead, the regular rate of pay used paying
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1 sick pay was the base hourly rate, not including all non-discretionary incentive
2 compensation.

3 **FIRST CAUSE OF ACTION**

4 **PRIVATE ATTORNEYS GENERAL ACT OF 2004, LABOR CODE SECTION**
5 **2698 ET SEQ.**

6 **(REPRESENTATIVE ACTION BY PLAINTIFF AND AGGRIEVED**
7 **EMPLOYEES AGAINST DEFENDANT)**

8 33. Plaintiff incorporates by this reference all preceding and subsequent
9 paragraphs.

10 34. Plaintiff seeks penalties pursuant to PAGA for based on Defendant's
11 following violation of the California Labor Code:

- 12 a. Underpayment and late of minimum wages and hourly wages in violation
13 of California Labor Code §§ 204, 1194, 1194.2, 1197, IWC Wage Order,
14 California Minimum Wage Order.
- 15 b. Underpayment of overtime wages in violation of California Labor Code
16 §§ 510, 1194, 1198, and IWC Wage Order.
- 17 c. Failure to provide compliant meal periods in violation of California Labor
18 Code §§ 226.7, 512, 558, and IWC Wage Order.
- 19 d. Failure to provide compliant rest periods in violation of California Labor
20 Code §§ 226.7, 512, 558, and IWC Wage Order.
- 21 e. Failure to reimburse business expenses in violation of California Labor
22 Code 2802 and IWC Wage Order.
- 23 f. Non-compliant wage statements in violation of California Labor Code §
24 226(a).
- 25 g. Failure to pay all wages upon resignation or termination due to the
26 underpayment of wages and/or overtime in violation of California Labor
27 Code §§ 201-203.

- h. Failure to pay, appropriately accrue, and forfeiture of paid time off in violation of California Labor Code § 227.3.
- i. Failure to pay and appropriately accrue sick pay wages in violation of California Labor Code § 246.
- j. Failure to provide a signed copy of the contract related to commissions and the method by which the commissions shall be computed and paid in violation of California Labor Code § 2751.
- k. Failure to keep payroll records showing total hours worked and wages paid in violation of California Labor Code §§ 1174-1174.5 and IWC Wage Order.

35. Plaintiff seeks civil penalties due to Plaintiff, other aggrieved employees, and the State of California according to proof, pursuant to the California Labor Code, including California Labor Code §§ 2699(a) and 2699(f), which provides for \$100 for each initial violation and \$200 for each subsequent violation per employee pay period.

36. Plaintiff was compelled to retain the services of counsel to file this action to protect Plaintiff's interests and the interests of other similarly aggrieved employees, and to assess and collect the civil penalties owed by Defendant. Plaintiff has thereby incurred attorneys' fees and costs, which Plaintiff is entitled to recover under California Labor Code § 2699(g).

PRAYER FOR RELIEF

37. WHEREFORE, Plaintiff respectfully requests the Court grant Plaintiff and other aggrieved employees following relief against Defendant:

- a. Civil penalties due to Plaintiffs, other aggrieved employees, and the State of California according to proof, pursuant to the California Labor Code, including California Labor Code §§ 2699(a) and 2699(f), which provides for \$100 for each initial violation and \$200 for each subsequent violation per employee pay period;

- 1 b. For attorneys' fees where allowed by law, including under California
2 Labor Code § 2699(g);
3 c. For an award of pre-judgment and post-judgment interest where allowed
4 by law, including California Labor Code § 218.6;
5 d. For costs of suit incurred herein; and
6 e. For such other and further relief as this Court deems just and proper.
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8 Dated: February 24, 2025

Respectfully submitted,
AZADIAN LAW GROUP, PC

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12 By: _____
George S. Azadian
13 Attorneys for Plaintiff,
14 MELVIN DAVIS
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