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SUPERIOR COURT OF CALIFORNIA
COUNTY OF SAN BERNARDINO
SAN BERNARDINO DISTRICT
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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN BERNARDINO

CYNTHIA REYNOSO, as an individual and on behalf of all others similarly situated,

Plaintiff,

vs.

LAUREL AVENUE, LLC d.b.a. MADISON GROVE POST ACUTE, a Delaware limited liability company; and DOES 1 through 100, inclusive,

Defendants.

Case No. CIVSB2624143

FIRST AMENDED CLASS AND REPRESENTATIVE ACTION COMPLAINT:

(1) FAILURE TO PAY ALL OVERTIME WAGES (LABOR CODE §§ 204, 510, 1194 and 1198);

(2) MINIMUM WAGE VIOLATIONS (LABOR CODE §§ 1182.12, 1194, 1194.2, 1197);

(3) MEAL PERIOD VIOLATIONS (LABOR CODE §§ 226.7, 512, and 558);

(4) REST PERIOD VIOLATIONS (LABOR CODE §§ 226.7, 516, and 558);

(5) WAGE STATEMENT VIOLATIONS (LABOR CODE § 226 *et seq.*);

(6) FAILURE TO REIMBURSE EMPLOYEES FOR NECESSARY BUSINESS EXPENDITURES (LABOR CODE §§ 2802 and 2804);

(7) UNFAIR COMPETITION (BUS & PROF CODE § 17200 *et seq.*); and

(8) CIVIL PENALTIES UNDER THE PRIVATE ATTORNEYS GENERAL ACT (LABOR CODE § 2698 *et seq.*).

DEMAND FOR JURY TRIAL
UNLIMITED CIVIL CASE

Plaintiff Cynthia Reynoso ("Plaintiff") hereby brings this First Amended Class and Representative Action Complaint ("Complaint") against Defendants Laurel Avenue, LLC d.b.a. Madison Grove Post Acute, a Delaware limited liability company; and DOES 1 through 100, inclusive (collectively, "Defendants"), and on information and belief alleges as follows:

JURISDICTION

1. Plaintiff, on behalf of herself and all others similarly situated, hereby brings this Complaint for recovery of unpaid wages and penalties under Labor Code §§ 204, 226 *et seq.*, 226.7, 510, 512, 516, 558, 1182.12, 1194, 1194.2, 1197, 1198, 2698 *et seq.*, 2802, 2804, California Business & Professions Code § 17200 *et seq*., and Industrial Welfare Commission Wage Order No. 5 ("Wage Order 5"), in addition to seeking declaratory relief and restitution. This Complaint is brought pursuant to California Code of Civil Procedure § 382. This Court has jurisdiction over Defendants' violations of the California Labor Code because the amount in controversy exceeds this Court's jurisdictional minimum.

VENUE

2. Venue is proper in this judicial district pursuant to California Code of Civil Procedure §§ 395(a) and 395.5, as at least some of the acts and omissions complained of herein occurred in San Bernardino County. Defendants own, maintain offices, transact business, have an agent or agents within San Bernardino County, and/or otherwise are found within San Bernardino County, and Defendants are within the jurisdiction of this Court for purposes of service of process.

PARTIES

3. Plaintiff is an individual over the age of eighteen (18). At all relevant times herein, Plaintiff was, and currently is, a California resident. Within the statute of limitations periods applicable to each cause of action pled herein, Plaintiff was employed by Defendants as a non-exempt employee. Plaintiff was, and is, a victim of Defendants' policies and/or practices complained of herein, lost money and/or property, and has been deprived of the rights guaranteed to her by Labor Code §§ 204, 226 *et seq.*, 226.7, 510, 512, 516, 558, 1182.12, 1194, 1194.2, 1197, 1198, 2698 *et seq.*, 2802, 2804, Business and Professions Code Section 17200 *et seq*., and Wage Order 5, which sets employment standards for the public housekeeping industry.

4. Plaintiff is informed and believes, and based thereon alleges, that during the time period relevant to this action, Defendants did (and do) business by operating a skilled nursing and rehabilitation facility providing post-acute and long-term care services.

5. Plaintiff is informed and believes, and based thereon alleges, that at all times mentioned herein, Defendants were licensed to do business in the State of California and were the employers of Plaintiff and of the members of the Classes (as defined in Paragraph 18).

6. Plaintiff does not know the true names, capacities, relationships, and/or the extent of participation of Defendants DOES 1 through 100, inclusive, in the conduct alleged in this Complaint. For that reason, Defendants DOES 1 through 100, inclusive, are sued under such fictitious names. Plaintiff prays for leave to amend this Complaint when their true names and capacities are known. Plaintiff is informed and believes, and based thereon alleges, that each fictitiously named Defendant is and was responsible in some way for the alleged wage-and-hour violations and other wrongful conduct that subjected Plaintiff and the Classes, as defined below, to the illegal employment practices, wrongs and injuries complained of herein. All references in this Complaint to "Defendants" shall be deemed to include all DOE Defendants.

7. At all times herein mentioned, each of said Defendants participated in the doing of the acts hereinafter alleged to have been done by the named Defendants; and furthermore, the Defendants, and each of them, were the agents, servants, and employees of each and every one of the other Defendants, as well as the agents of all Defendants, and at all times herein mentioned were acting within the course and scope of said agency and employment. Defendants, and each of them, approved of, condoned, and/or otherwise ratified each and every one of the acts or omissions complained of herein.

8. At all times mentioned herein, Defendants, and each of them, were members of and engaged in a joint venture, partnership, and common enterprise, and acted within the course and scope of and in pursuance of said joint venture, partnership, and common enterprise. Further, Plaintiff alleges that all Defendants were joint employers for all purposes of Plaintiff and the Classes (as defined in Paragraph 18).

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GENERAL FACTUAL ALLEGATIONS

9. Defendants employed Plaintiff as a non-exempt employee in the position of "Medical Biller" (or similarly titled position) since approximately October 2024. Defendants operate a skilled nursing and rehabilitation facility providing post-acute and long-term care services. Plaintiff's job duties included billing medical insurance companies, reviewing medical paperwork, renewing medical insurance, and opening bank accounts for residents.

10. During Plaintiff's employment with Defendants, Defendants have failed to pay Plaintiff and other non-exempt employees for all hours worked, including (but not limited to) by requiring and/or permitting employees to work while off-the-clock. For example, Plaintiff and other non-exempt employees were expected to respond to coworkers' communications as soon as Plaintiff and other non-exempt employees entered the facility and before clocking in to their shift. As a result, Plaintiff and other non-exempt employees performed compensable work while off-the-clock but were not reimbursed for this time. In addition, it was Defendants' expectation that Plaintiff always keep her personal cellular phone on her person during her shifts, including during off duty meal periods. Because of this policy and/or practice, Plaintiff and other non-exempt employees were frequently interrupted during their off-duty meal period and expected to respond to emergent issues while still off-the-clock. This has resulted in Plaintiff and other non-exempt employees not being paid all required wages for all hours worked, including all minimum wages and overtime wages. Due to Defendants' timekeeping policies/practices that fail to compensate for all hours worked, Plaintiff and other non-exempt employees were not compensated for all required minimum and overtime wages.

11. Throughout Plaintiff's employment with Defendants, Plaintiff received various forms of non-discretionary bonuses and/or other forms of pay not properly excludable as a matter of law when calculating an employee's regular rate of pay (hereinafter the aforementioned forms of pay are collectively referred to as "Incentive Pay"). For example, Plaintiff received a monthly bonus for meeting quotas based on the amount of medical billing completed. This Incentive Pay is reflected in Plaintiff's wage statement as "Bonus." The various forms of Incentive Pay provided to Plaintiff and other non-exempt employees were pursuant to Defendants' uniform

policies and practices. Despite Defendants' payment of Incentive Pay to Plaintiff, Defendants failed to include all forms of Incentive Pay when calculating Plaintiff's regular rate of pay, thereby causing Plaintiff to be underpaid for all of her required overtime wages, sick pay or equivalent payments made for sick pay, such as PTO and/or "wellness time," and meal and/or rest period premium payments.

12. During Plaintiff's employment with Defendants, Defendants failed to provide Plaintiff and other non-exempt employees with all legally compliant meal periods due to Defendants' meal period policies/practices, which have resulted in late (commencing after the fifth hour of work), short (less than 30 minutes), missed meal periods, and meal periods that were interrupted as discussed above. For example, Plaintiff and other non-exempt employees' meal periods were regularly interrupted as they were expected to respond to emergent issues during their meal periods. In addition, Plaintiff and other non-exempt employees would occasionally begin their meal period after the fifth hour of work due to work demands. Plaintiff was also required to commute to local healthcare service offices and complete insurance related assignments. On some occasions, Plaintiff would leave Defendants' facility before the fifth hour of work and not return for several hours. For example, if Plaintiff clocked in at 8:30 a.m., left Defendants' facility at 11:00 a.m., and did not return until 3:00 p.m., she would take her lunch with her and eat her lunch on the way to the destination office or while she worked at the destination office. On these occasions, Plaintiff would not clock out for a meal period and eat her lunch while still on the clock. Therefore, Plaintiff was not provided with legally compliant meal periods. As a result, Defendants failed to always compensate their non-exempt employees with meal period premiums at their regular rate of pay for all workdays in which a meal period violation occurred, as required by Labor Code § 226.7. Additionally, upon information and belief, when Defendants paid meal period premium payments, they paid meal periods premiums at the base hourly rate of pay, rather than at the regular rate of pay after factoring in Incentive Pay.

13. Moreover, due to Defendants' meal period policies/practices, Plaintiff and other non-exempt employees were not provided with a full 30 minutes of "net rest" for her meal periods. Specifically, Plaintiff was never provided with meal periods that were a full 30 minutes of "net

rest" in an area away from the workstation that is appropriate for rest, which employers are required by the Wage Order to maintain for their employees to use during their meal and rest periods. For example, Defendants' designated break area was located approximately three minutes from the nearest electronic time clock. As a result, Plaintiff and other non-exempt employees would spend approximately three minutes of their off-duty meal period walking to the designated break area. Therefore, Plaintiff was not provided with a full 30-minute meal period of net rest in an area appropriate for rest, as required by the applicable Wage Order. In addition, if Plaintiff began her meal period at 12:30 p.m., she was required to be back and ready to resume work precisely at 1:00 p.m. Defendants' expectation was that Plaintiff and other non-exempt employees would be prepared to work immediately at the conclusion of the 30-minute meal period. Due to the need to account for time spent walking back to the workstation from the break area, Plaintiff and other non-exempt employees were compelled to shorten their meal periods to ensure they were at their workstation and ready to begin work exactly at the end of the 30-minute period. On those occasions when Plaintiff was not provided with all legally-compliant meal periods to which she was entitled, Defendants failed to compensate Plaintiff with the required meal period premium(s) for each workday there was a meal period violation as mandated by Labor Code § 226.7.

14. Furthermore, Defendants have also failed to authorize and permit all required rest periods for Plaintiff and other non-exempt employees. Specifically, Defendants have often failed to authorize and permit a 10-minute rest period for every four hours worked or major fraction thereof due to work demands imposed by Defendants. In addition, Plaintiff and other non-exempt employees were required to carry their personal cellular phones on them during rest periods and were regularly interrupted with time sensitive work issues. On those occasions when Plaintiff was not authorized and permitted all legally required rest periods to which she was entitled, Defendants did not always compensate Plaintiff with the required rest period premium, as required by Labor Code § 226.7. In addition, as with meal period premiums, Defendants failed to compensate their non-exempt employees with an additional hour of premium pay at their respective regular rates of pay for each workday in which a rest period violation occurred, as

required by Labor Code § 226.7.

15. During Plaintiff's employment with Defendants, Plaintiff was not authorized and permitted to take all required rest periods, because Defendants failed to provide at least 10 minutes of "net rest" in an area appropriate for rest away from the workstation. Specifically, similar to the meal periods, Defendants' break area was located approximately two minutes from Plaintiff's workstation. As a result, Plaintiff and other non-exempt employees would spend approximately two minutes of their rest period walking to the break area. In addition, Plaintiff and other non-exempt employees were expected to return from the 10-minute rest break by the end of the designated break period. For example, if Plaintiff began her rest break at 10:00 a.m., she was required to be back at her workstation and ready to resume work precisely at 10:10 a.m. Defendants' expectation was that Plaintiff and other non-exempt employees would be prepared to work immediately at the conclusion of the 10-minute break. Due to the need to account for time spent walking back to the workstation from the break area, Plaintiff and other non-exempt employees were effectively required to shorten their rest breaks to ensure they were at their workstation and ready to begin work exactly at the end of the 10-minute period. Thus, Plaintiff was unable to ever take 10 minutes of "net rest" in an area appropriate for rest away from the workstation during her rest period. On those occasions when Plaintiff was not authorized and permitted all legally required rest periods to which she was entitled, Defendants did not compensate Plaintiff with the required rest period premium for each workday in which she experienced a rest period violation as mandated by Labor Code § 226.7.

16. Defendants also failed to reimburse Plaintiff and other non-exempt employees for all reasonable and necessary work expenditures, including, but not limited to, personal cellular phone expenses incurred for work-related purposes. Specifically, Plaintiff used her personal cellular phone to access the Microsoft application, check online portals for billing documents, and to communicate with her supervisors and colleagues regarding current assignments or other work-related issues. Furthermore, Plaintiff was not reimbursed for mileage when using her personal vehicle to commute to various healthcare service offices during her work shifts. Plaintiff and other non-exempt employees were not reimbursed for these work-related expenditures as

required pursuant to Labor Code § 2802.

17. As a result of Defendants' failure to compensate Plaintiff and other non-exempt employees for all minimum wages, overtime wages, and all meal and rest period premium wages, Defendants maintained inaccurate payroll records and failed to issue accurate, compliant, itemized wage statements.

CLASS ACTION ALLEGATIONS

18. Class Definitions: Plaintiff brings this Complaint on behalf of herself and the following Classes pursuant to Section 382 of the Code of Civil Procedure:

a. The Overtime Class consists of all of Defendants' current and former non-exempt employees in the State of California who worked more than 8.0 hours per day and/or 40.0 hours per week and: (i) were subject to Defendants' timekeeping policies and/or practices; and/or (ii) received Incentive Pay in a corresponding pay period, during the four years immediately preceding the filing of the lawsuit through the present.

b. The Minimum Wage Class consists of all of Defendants' current and former non-exempt employees in the State of California who were subject to Defendants' timekeeping policies and/or practices, during the four years immediately preceding the filing of the lawsuit through the present.

c. The Meal Period Class consists of all of Defendants' current and former non-exempt employees in the State of California who worked at least one shift in excess of 5.0 hours, during the four years immediately preceding the filing of the lawsuit through the present.

d. The Rest Period Class consists of all of Defendants' current and former non-exempt employees in the State of California who worked at least one shift of 3.5 hours or more, during the four years immediately preceding the filing of the lawsuit through the present.

e. The Wage Statement Class consists of all of Defendants' current and former non-exempt employees who worked for Defendants, during the one year immediately

preceding the filing of the lawsuit through the present.

f. The Employee Expense Class consists of all of Defendants' current and former non-exempt employees who were not adequately reimbursed for reasonable and necessary expenditures in connection with their employment with Defendants, during the four years immediately preceding the filing of the lawsuit through the present.

19. **Numerosity/Ascertainability:** The members of the Classes are so numerous that joinder of all members would be unfeasible and not practicable. The membership of the classes and subclasses are unknown to Plaintiff, at this time; however, it is estimated that the Class numbers are in excess of one hundred (100) individuals as to each class. The identity of such membership is readily ascertainable via inspection of Defendants' employment records.

20. **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 employees, which predominate over questions affecting only individual members including, without limitation, to:

i. Whether Defendants violated the applicable Labor Code provisions, including, but not limited to, §§ 510 and 1194 by requiring members of the Overtime Class to perform overtime work and not paying for said work in accordance with the overtime laws of the State of California;

ii. Whether Defendants paid all minimum wages owed to members of the Minimum Wage Class for all hours worked pursuant to Labor Code §§ 1182.12, 1194, 1194.2 and 1197;

iii. Whether Defendants' timekeeping policies/practices resulted in the failure to properly compensate members of the Overtime Class and Minimum Wage Classes;

iv. Whether Defendants provided legally compliant meal periods to members of the Meal Period Class pursuant to Labor Code §§ 226.7 and 512;

v. Whether Defendants correctly paid meal period premium payments for non-

compliant meal periods pursuant to Labor Code § 226.7;

vi. Whether Defendants authorized and permitted legally compliant rest periods to members of the Rest Period Class pursuant to Labor Code §§ 226.7 and 516;

vii. Whether Defendants correctly paid rest period premium payments for non-compliant rest periods pursuant to Labor Code § 226.7;

viii. Whether Defendants furnished legally compliant wage statements to members of the Wage Statement Class pursuant to Labor Code § 226; and

ix. Whether Defendants' policies and/or practices regarding reasonable and necessary business expenditures resulted in the failure to properly reimburse members of the Employee Expense Class.

21. **Predominance of Common Questions:** Common questions of law and fact predominate over questions that affect only individual members of the Classes. The common questions of law and fact set forth above are numerous and substantial and stem from Defendants' uniform policies and/or practices applicable to each individual class member including, but not limited to, Defendants' uniform timekeeping policies and/or practices, and meal and rest period policies and/or practices. As such, the common questions predominate over individual questions concerning each individual class member's showing as to his or her eligibility for recovery or as to the amount of his or her damages.

22. **Typicality:** The claims of Plaintiff are typical of the claims of the Classes because Plaintiff was employed by Defendants as a non-exempt employee in California during the statutes of limitation applicable to each cause of action pled in this Complaint. As alleged herein, Plaintiff, like the members of the Classes, was not properly paid minimum and overtime wages due to Defendants' timekeeping policies/practices, was not provided all required meal periods, was not authorized and permitted to take all required rest periods, did not receive meal and rest period premium wages for missed and/or non-compliant meal and rest periods, and was not issued accurate itemized wage statements.

23. **Adequacy of Representation:** Plaintiff is fully prepared to take all necessary steps to represent fairly and adequately the interests of the members of the Classes. Moreover,

Plaintiff's attorneys are ready, willing, and able to fully and adequately represent the members of the Classes and Plaintiff. Plaintiff's attorneys have prosecuted and defended numerous wage-and-hour class actions in state and federal courts in the past and are committed to vigorously prosecuting this action on behalf of the members of the Classes.

24. **Superiority:** The California Labor Code is broadly remedial in nature and serves an important public interest in establishing minimum working conditions and standards in California. These laws and labor standards protect the average working employee from exploitation by employers who have the responsibility to follow the laws and who may seek to take advantage of superior economic and bargaining power in setting onerous terms and conditions of employment. The nature of this action and the format of laws available to Plaintiff and members of the Classes make the class action format a particularly efficient and appropriate procedure to redress the violations alleged herein. If each employee were required to file an individual lawsuit, Defendants would necessarily gain an unconscionable advantage since they would be able to exploit and overwhelm the limited resources of each individual plaintiff with their vastly superior financial and legal resources. Moreover, requiring each member of the Classes to pursue an individual remedy would also discourage the assertion of lawful claims by employees who would be disinclined to file an action against their former and/or current employer for real and justifiable fear of retaliation and permanent damages to their careers at subsequent employment. Further, the prosecution of separate actions by the individual class members, even if possible, would create a substantial risk of inconsistent or varying verdicts or adjudications with respect to the individual class members against Defendants herein; and which would establish potentially incompatible standards of conduct for Defendants; and/or legal determinations with respect to individual class members which would, as a practical matter, be 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. Further, the claims of the individual members of the Classes are not sufficiently large to warrant vigorous individual prosecution considering all of the concomitant costs and expenses attending thereto. As such, the Classes are maintainable as classes under § 382 of the Code of Civil Procedure.

FIRST CAUSE OF ACTION

FAILURE TO PAY ALL OVERTIME WAGES

(AGAINST ALL DEFENDANTS)

25. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

26. This cause of action is brought pursuant to Labor Code §§ 204, 510, 1194, and 1198, which provides that non-exempt employees are entitled to all overtime wages and compensation for all overtime hours worked and provide a private right of action for the failure to pay all overtime compensation for overtime work performed.

27. At all times relevant herein, Defendants were required to properly compensate non-exempt employees, including Plaintiff and members of the Overtime Class, for all overtime hours worked pursuant to California Labor Code § 1194 and Wage Order 5. Wage Order 5, § 3 requires an employer to pay an employee "one and one-half (1½) times the employee's regular rate of pay" for work in excess of 8 hours per workday and/or in excess of 40 hours of work in the workweek. Defendants caused Plaintiff to work overtime hours but did not compensate Plaintiff or members of the Overtime Class with one and one-half times their regular rate of pay for such hours.

28. The foregoing policies and practices are unlawful and create an entitlement to recovery by Plaintiff and members of the Overtime Class in a civil action for the unpaid amount of overtime premiums owing, including interest thereon, statutory penalties, attorneys' fees, and costs of suit according to California Labor Code §§ 204, 210, 216, 510, 1194, and 1198; and Code of Civil Procedure § 1021.5.

SECOND CAUSE OF ACTION

MINIMUM WAGE VIOLATIONS

(AGAINST ALL DEFENDANTS)

29. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

30. Wage Order 5, § 4 and California Labor Code §§ 1197 and 1182.12 establish the right of employees to be paid minimum wages for all hours worked, in amounts set by state law. Labor Code §§ 1194(a) and 1194.2(a) provide that an employee who has not been paid the legal

minimum wage as required by Labor Code § 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.

31. At all relevant times herein, Defendants failed to conform their pay practices to the requirements of the law by failing to pay Plaintiff and members of the Minimum Wage Class 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 Wage Order 5.

32. California Labor Code § 1198 makes unlawful the employment of an employee under conditions that the IWC prohibits. California Labor Code §§ 1194(a) and 1194.2(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.

33. As a direct and proximate result of Defendants' unlawful conduct as alleged herein, Plaintiff and the Minimum Wage Class have sustained economic damages including, but not limited to, unpaid wages and lost interest, in an amount to be established at trial, and are entitled to recover economic and statutory damages and penalties and other appropriate relief as a result of Defendants' violations of the California Labor Code and Wage Order 5.

34. The foregoing practices and policies are unlawful and create an entitlement to recovery by Plaintiff and the members of the Minimum Wage Class in a civil action for the unpaid amount of minimum wages owing, including interest thereon, liquidated damages, statutory and civil penalties, attorney's fees, and costs of suit according to California Labor Code §§ 204, 558, 1194, 1197, and 1198, Wage Order 5, and Code of Civil Procedure § 1021.5.

THIRD CAUSE OF ACTION

MEAL PERIOD VIOLATIONS

(AGAINST ALL DEFENDANTS)

35. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

36. Plaintiff is informed and believes, and based thereon alleges, that Defendants

failed in their affirmative obligation to provide all of their non-exempt employees in California, including Plaintiff and members of the Meal Period Class, with all legally compliant meal periods in accordance with the mandates of the California Labor Code and Wage Order 5, § 11. Despite Defendants' violations, Defendants did not pay an additional hour of pay to Plaintiff and members of the Meal Period Class at their respective regular rates of pay, in accordance with California Labor Code §§ 204, 210, 226.7, and 512. Moreover, when Defendants paid meal period premiums to Plaintiff and other non-exempt employees, Defendants paid premiums at the base rate of pay, rather than the regular rate of pay.

37. As a result, Defendants are responsible for paying premium compensation for meal period violations pursuant to Labor Code §§ 226.7 and 512, and Wage Order 5, including interest thereon, statutory penalties, civil penalties, and costs of suit.

FOURTH CAUSE OF ACTION

REST PERIOD VIOLATIONS

(AGAINST ALL DEFENDANTS)

38. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

39. Wage Order 5, § 12 and Labor Code §§ 226.7 and 516 establish the right of employees to be provided with a rest period of at least ten (10) minutes for each four (4) hour period worked, or major fraction thereof.

40. As alleged herein, Defendants failed to authorize and permit Plaintiff and members of the Rest Period Class to take all required rest periods.

41. The foregoing violations create an entitlement to recovery by Plaintiff and members of the Rest Period Class in a civil action for the unpaid amount of rest period premiums owing, including interest thereon, statutory penalties, civil penalties, and costs of suit according to Labor Code §§ 226.7, 516, and Civil Code §§ 3287(b) and 3289.

FIFTH CAUSE OF ACTION

WAGE STATEMENT VIOLATIONS

(AGAINST ALL DEFENDANTS)

42. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

43. Plaintiff is informed and believes, and based thereon alleges, that Defendants knowingly and intentionally, as a matter of uniform policy and practice, failed to furnish Plaintiff and members of the Wage Statement Class with accurate and complete, itemized wage statements that included, among other requirements, all hours worked, total gross wages earned, all rates of pay and corresponding number of hours worked, total net wages earned, and the correct name of the legal entity that is the employer in violation of Labor Code § 226 *et seq.*

44. Defendants' failure to furnish Plaintiff and members of the Wage Statement Class with accurate and complete, itemized wage statements resulted in actual injury, as said failures led to, among other things, the non-payment of minimum and overtime wages and meal and rest period premium wages owed, and deprived them of the information necessary to identify the discrepancies in Defendants' reported data.

45. Defendants' failures create an entitlement to recovery by Plaintiff and members of the Wage Statement Class in a civil action for all damages and/or penalties pursuant to Labor Code § 226 *et seq*., including statutory penalties, civil penalties, reasonable attorneys' fees, and costs of suit according to California Labor Code § 226 *et seq*.

SIXTH CAUSE OF ACTION

FAILURE TO REIMBURSE EMPLOYEES FOR NECESSARY BUSINESS EXPENDITURES

(AGAINST ALL DEFENDANTS)

46. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

47. Based on information and belief, Defendants required Plaintiff and members of the Employee Expense Class to use their personal cellular phones and personal vehicles, but failed to provide adequate reimbursement.

48. At all relevant times herein, Defendants were subject to Labor Code § 2802, which states that "[a]n employer shall indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer."

49. At all relevant times herein, Defendants were subject to Labor Code § 2804, which

states that, "[a]ny 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."

50. As a proximate result of Defendants' policies and/or practices in violation of Labor Code §§ 2802 and 2804, and Wage Order 5, § 9, Plaintiff and members of the Employee Expense Class were damaged in sums, which will be shown according to proof.

51. Plaintiff and members of the Employee Expense Class are entitled to attorneys' fees and costs of suit pursuant to Labor Code § 2802(c) for bringing this action.

52. Pursuant to Labor Code § 2802(b), any action brought for the reimbursement of necessary expenditures carries interest at the same rate as judgments in civil actions. Thus, Plaintiff and members of the Employee Expense Class are entitled to interest, which shall accrue from the date on which they incurred the necessary expenditure.

SEVENTH CAUSE OF ACTION

UNFAIR COMPETITION

(AGAINST ALL DEFENDANTS)

53. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

54. Defendants have engaged and continue to engage in unfair and/or unlawful business practices in California in violation of Business & Professions Code § 17200 *et seq*., by: (a) failing to pay Plaintiff and members of the Minimum Wage Class all minimum wages; (b) failing to pay Plaintiff and members of the Overtime Class all overtime wages; (c) failing to provide Plaintiff and members of the Meal Period Class with all meal periods to which they are entitled, and/or failing to pay them meal period premium payments; (d) failing to authorize and permit all required duty-free rest periods to Plaintiff and members of the Rest Period Class, and/or failing to pay them rest period premiums payments; (e) knowingly failing to furnish Plaintiff and the Wage Statement Class with all accurate and complete, itemized wage statements in violation of Labor Code § 226; and/or (f) failing to reimburse Plaintiff and the Employee Expense Class for all necessary business expenditures.

55. Defendants' utilization of these unfair and/or unlawful business practices deprived Plaintiff and continues to deprive members of the Classes of compensation to which they are legally entitled, constitutes unfair and/or unlawful competition, and provides an unfair advantage over Defendants' competitors who have been and/or are currently employing workers and attempting to do so in honest compliance with applicable wage and hour laws.

56. Because Plaintiff is a victim of Defendants' unfair and/or unlawful conduct alleged herein, Plaintiff for herself and on behalf of the members of the Classes, seeks full restitution of monies, as necessary and according to proof, to restore any and all monies withheld, acquired and/or converted by Defendants pursuant to Business and Professions Code §§ 17203 and 17208.

57. The acts complained of herein occurred within the last four years immediately preceding the filing of the Plaintiff's Complaint.

58. Plaintiff was compelled to retain the services of counsel to file this Complaint to protect her interests and those of the Classes, to obtain restitution and injunctive relief on behalf of Defendants' current non-exempt employees, and to enforce important rights affecting the public interest. Plaintiff has thereby incurred the financial burden of attorneys' fees and costs, which she is entitled to recover under Code of Civil Procedure § 1021.5.

EIGHTH CAUSE OF ACTION

PRIVATE ATTORNEYS GENERAL ACT

(AGAINST ALL DEFENDANTS)

59. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

60. Defendants have committed several Labor Code violations against Plaintiff, members of the Classes, and other aggrieved employees. Plaintiff, an "aggrieved employee" within the meaning of Labor Code § 2698 *et seq*., acting on behalf of herself and other aggrieved employees, brings this representative action against Defendants to recover the civil penalties due to Plaintiff, the members of the Classes, other aggrieved employees, and the State of California according to proof pursuant to Labor Code § 558 and § 2699 (a) and (f) including, but not limited to: (1) $100.00 for each initial violation for each failure to pay each employee and $200 for each subsequent violation or willful or intentional violation pursuant to Labor Code § 210 for each

failure to pay each employee, plus 25% of the amount unlawfully withheld; (2) $50.00 for each initial violation and $100 for each subsequent violation pursuant to Labor Code § 558 per employee per pay period; (3) $100.00 for each initial violation and $250.00 for each subsequent violation pursuant to Labor Code § 1197.1 per employee per pay period; (4) $250.00 for each initial violation and $1,000.00 for each subsequent violation pursuant to Labor Code § 226.3 per employee per pay period; and/or (5) $100.00 for each initial violation and $200 for each subsequent violation per employee per pay period for those violations of the Labor Code for which no civil penalty is specifically provided, based on the following Labor Code violations:

a. Failing to pay Plaintiff, the Overtime Class, and other aggrieved employees all earned overtime compensation in violation of Labor Code §§ 204, 510, 558, 1194, and 1198;

b. Failing to pay minimum wages for all hours worked to Plaintiff, the Minimum Wage Class, and other aggrieved employees in violation of Labor Code §§ 1182.12, 1194, 1194.2, and 1197;

c. Failing to provide all legally required meal periods, and failure to pay meal period premium wages, to Plaintiff, the Meal Period Class, and other aggrieved employees at the regular rate of compensation in violation of Labor Code §§ 226.7, 512, and 558;

d. Failing to authorize and permit all legally required rest periods, and failure to pay rest period premium wages, to Plaintiff, the Rest Period Class, and other aggrieved employees at the regular rate of compensation in violation of Labor Code §§ 226.7, 516, and 558;

e. Failing to reimburse Plaintiff, the Employee Expense Class, and other aggrieved employees for all necessary work expenses incurred in violation of Labor Code §§ 2802 and 2804;

f. Failing to furnish Plaintiff, the Wage Statement Class, and other aggrieved employees with complete, accurate, itemized wage statements in violation of Labor Code § 226 *et seq.*;

g. Failing to maintain accurate records on behalf of Plaintiff and other aggrieved employees in violation of Labor Code §§ 558 and 1174;

h. Failing to pay Plaintiff and other aggrieved employees all earned wages at least twice during each calendar month in violation of Labor Code § 204.

61. On August 20, 2026, Plaintiff notified Defendants via certified mail, and notified the California Labor and Workforce Development Agency ("LWDA") via its website, of Defendants' violations of the California Labor Code and Plaintiff's intent to bring a claim for civil penalties under California Labor Code § 2698 *et seq.* with respect to the violations of the California Labor Code identified in Paragraph 60 (a)-(h). Now that sixty-five days have passed from Plaintiff notifying Defendants and the LWDA of these violations, and the LWDA has not provided notice that it intends to investigate the violations, Plaintiff has exhausted her administrative requirements for bringing a claim under the Private Attorneys General Act with respect to these violations.

62. Based on the foregoing, Plaintiff seeks to represent herself and all Aggrieved Employees, as defined by Labor Code § 2699(c).

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

PRAYER

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

1. For an order certifying the proposed Classes;

2. For an order appointing Plaintiff as representative of the Classes;

3. For an order appointing Counsel for Plaintiff as Counsel for the Classes;

4. Upon the First Cause of Action, for compensatory, consequential, general and special damages according to proof pursuant to Labor Code §§ 204, 510, 1194, and 1198;

5. Upon the Second Cause of Action, for payment of minimum wages, liquidated

damages, and penalties according to proof pursuant to Labor Code §§ 1182.12, 1194, 1194.2, and 1197;

6. Upon the Third Cause of Action, for compensatory, consequential, general and special damages according to proof pursuant to Labor Code §§ 226.7, 512, and 558;

7. Upon the Fourth Cause of Action, for compensatory, consequential, general and special damages according to proof pursuant to Labor Code §§ 226.7, 516, and 558;

8. Upon the Fifth Cause of Action, for statutory penalties pursuant to Labor Code § 226 *et. seq.*;

9. Upon the Sixth Cause of Action, for compensatory, consequential, general, and special damages according to proof pursuant to Labor Code §§ 2802 and 2804;

10. Upon the Seventh Cause of Action, for restitution to Plaintiff and members of the Classes of all money and/or property unlawfully acquired by Defendants by means of any acts or practices declared by this Court to be in violation of Bus. & Prof. Code § 17200, *et seq*.;

11. Upon the Eighth Cause of Action, for civil penalties due to Plaintiff, other aggrieved employees, and the State of California according to proof pursuant to Labor Code §§ 558 and 2699(a) and (f) including, but not limited to: (1) $100.00 for each initial violation for each failure to pay each employee and $200 for each subsequent violation or willful or intentional violation pursuant to Labor Code § 210 for each failure to pay each employee, plus 25% of the amount unlawfully withheld; (2) $50.00 for each initial violation and $100 for each subsequent violation pursuant to Labor Code § 558 per employee per pay period; (3) $100.00 for each initial violation and $250.00 for each subsequent violation pursuant to Labor Code § 1197.1 per employee per pay period; (4) $250.00 for each initial violation and $1,000.00 for each subsequent violation pursuant to Labor Code § 226.3 per employee per pay period; and/or (5) $100.00 for each initial violation and $200 for each subsequent violation per employee per pay period for those violations of the Labor Code for which no civil penalty is specifically provided, based on the Labor Code violations identified in Paragraph 60 (a)-(h);

12. Prejudgment interest on all due and unpaid wages pursuant to California Labor Code § 218.6 and Civil Code §§ 3287 and 3289;

13. On all causes of action, for attorneys' fees and costs as provided by Labor Code §§ 226, 1194, 2699(g), 2802(c), and Code of Civil Procedure § 1021.5; and

14. For such other and further relief, the Court may deem just and proper.

Dated: October 26, 2026

Respectfully submitted,
HAINES LAW GROUP, APC

By: _____
Paul K. Haines
Attorneys for Plaintiff

DEMAND FOR JURY TRIAL

Plaintiff hereby demands a jury trial with respect to all issues triable by jury.

Dated: October 26, 2026

Respectfully submitted,
HAINES LAW GROUP, APC

By: _____
Paul K. Haines
Attorneys for Plaintiff

PROOF OF SERVICE

Cynthia Reynoso v. Laurel Avenue, LLC d.b.a. Madison Grove Post Acute
San Bernardino County Superior Court Case No. CIVSB2624143

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action; my business address is **[X]** 2155 Campus Drive, Suite 180, El Segundo, El Segundo, California 90245.

On October 26, 2026, I served the foregoing document(s) described as:

FIRST AMENDED CLASS AND REPRESENTATIVE ACTION COMPLAINT

on the interested party(ies) in this action as follows:

Ellen Connelly Cohen, Esq.
Kevin B. Holloway, Esq.
CALL & JENSEN, APC
610 Newport Center Drive, Suite 700
Newport Beach, CA 92660
Email: ecohen@calljensen.com
khollowa y@calljensen.com
Attorneys for Defendant LAUREL AVENUE, LLC

[X] (VIA ELECTRONIC MAIL) Based on a court order mandating electronic service in this case and pursuant to Code of Civil Procedure Sec. 1010.6(b)(1) and (2), I sent the document(s) to the person(s) at the electronic service address(es) listed from the email address aclark@haineslawgroup.com.

[X] (STATE) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on October 26, 2026, at El Segundo, California.

Aaron Clark

Aaron Clark