



ZAKAY LAW GROUP
A PROFESSIONAL LAW CORPORATION

Client #70101

June 10, 2024

Via Online Filing to LWDA and Certified Mail to Defendants

Labor and Workforce Development Agency

Online Filing

EQUIPMENTSHARE.COM INC.

c/o CT Corporation System
330 N. Brand Blvd. Suite 700
Glendale, CA 91203

Via Certified U.S. Mail with Return Receipt No. 9589 0710 5270 0298 7762 88

Re: Notice of Violations of California Labor Code Sections 201, 201.3, 202, 203, 204, 210, 218.5, 218.6, 221, 226, 226.2, 226.3, 226.7, 227.3, 246, 510, 512, 558, 1174(d), 1174.5, 1194, 1197, 1197.1, 1197.14, 1198, 1198.5, 1199, 2802, and 2804, Violation of Applicable Industrial Welfare Commission Wage Order(s) and California Regulations, and Pursuant to California Labor Code Section 2699.5

Dear Sir/Madam:

Our offices represent Plaintiff Efraim Alvarado (“Plaintiff”), and other aggrieved employees in a proposed lawsuit against Defendant EquipmentShare.com Inc., (“Defendant”). Plaintiff was employed by Defendant in California from July 2022 to February 2024, as a non-exempt employee, paid on an hourly basis and entitled to payment of all wages and the legally required breaks, among other things. Defendant, however, unlawfully failed to record and pay Plaintiff and other aggrieved employees for all of their time worked, failed to pay employees at the correct regular rate of pay, when applicable, failed to reimburse employees for necessary business expenditures and for all of their meal and rest breaks. Further, Defendant failed to timely pay Plaintiff and other aggrieved employees for earned wages and failed to provide Plaintiff and other aggrieved employees with compliant meal and rest breaks.

As a consequence of the aforementioned violations, Plaintiff further contends that Defendant failed to provide accurate wage statements to him and other aggrieved employees, which among other violations of California Labor Code section 226(a). Said conduct, in addition to the foregoing Labor Code §§ 201, 201.3, 202, 203, 204, 210, 218.5, 218.6, 221, 226, 226.2, 226.3, 226.7, 227.3, 246, 510, 512, 558, 1174(d), 1174.5, 1194, 1197, 1197.1, 1197.14, 1198, 1198.5, 1199, 2802, and 2804, violates the applicable Industrial Welfare Commission Wage Order(s) and California Regulations, and is therefore actionable under California Labor Code section 2699.3.

Plaintiff seeks to represent a group of aggrieved employees defined as all non-exempt employees who worked for Defendants in California during the relevant claim period.

A true and correct copy of the proposed Complaint by Plaintiff against Defendant, which (1) identifies the alleged violations, (2) details the facts and theories which support the alleged violations, (3) details the specific work performed by Plaintiff, (4) sets forth the people/entities,

dates, classifications, violations, events, and actions which are at issue to the extent known to Plaintiff, and (5) sets forth the illegal practices used by Defendant, is attached hereto. This information provides notice to the Labor and Workforce Development Agency of the facts and theories supporting the alleged violations for the agency’s reference. Plaintiff therefore incorporates the allegations of the attached Complaint into

this letter as if fully set forth herein. If the agency needs any further information, please do not hesitate to ask.

To the extent that entities and/or individuals are named and charged with violations of the Labor Code—making them liable on an individual basis as permitted by numerous Labor Code Sections including, but not limited to 558, 558.1, and 1197.1—Plaintiffs reserve any and all rights to add, substitute, or change the name of employer entities and/or individuals responsible for the violations at issue.

Any further amendments and changes to this notice shall relate back to the date of this notice. Consequently, Defendant is on notice that Plaintiff continues their investigation, with the full intent to amend and/or change this notice, to add any undiscovered violations of any of the provisions of the California Labor Code—to the extent that are applicable to this case—and to change and/or add the identities of any entities and/or individuals responsible for the violations contained herein.

This notice is provided to enable Plaintiff to proceed with the Complaint against Defendant as authorized by California Labor Code section 2695, *et seq.* The lawsuit consists of other aggrieved employees. As counsel, our intention is to vigorously prosecute the claims as alleged in the Complaint, and to procure civil penalties as provided by the Private Attorney General Statute of 2004 on behalf of Plaintiff and all aggrieved California employees.

Your earliest response to this notice is appreciated. If you have any questions or concerns, please do not hesitate to contact me at the above number and address.

Very truly yours,

ZAKAY LAW GROUP, APLC

A handwritten signature in blue ink, appearing to read 'Shani O. Zakay', with a stylized flourish at the end.

Shani O. Zakay, Esq.

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SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF SAN DIEGO

EFRAIM ALVARDO, an individual, on behalf
of himself, and on behalf of all persons similarly
situated,

Plaintiffs,

v.

EQUIPMENTSHARE.COM INC., and DOES
1-50, Inclusive,

Defendants.

Case No:

CLASS ACTION COMPLAINT FOR:

- 1) UNFAIR COMPETITION IN VIOLATION
OF CAL. BUS. & PROF. CODE §17200 *et*
seq;
- 2) FAILURE TO PAY MINIMUM WAGES IN
VIOLATION OF CAL. LAB. CODE §§
1194, 1197 & 1197.1;
- 3) FAILURE TO PAY OVERTIME WAGES
IN VIOLATION OF CAL. LAB. CODE §§
510, *et seq*;
- 4) FAILURE TO PROVIDE REQUIRED
MEAL PERIODS IN VIOLATION OF
CAL. LAB. CODE §§ 226.7 & 512 AND
THE APPLICABLE IWC WAGE ORDER;
- 5) FAILURE TO PROVIDE REQUIRED
REST PERIODS IN VIOLATION OF CAL.
LAB. CODE §§ 226.7 & 512 AND THE
APPLICABLE IWC WAGE ORDER;

- 1 6) FAILURE TO REIMBURSE EMPLOYEES
2 FOR REQUIRED EXPENSES IN
3 VIOLATION OF CAL. LAB. CODE § 2802;
4 7) FAILURE TO PROVIDE ACCURATE
5 ITEMIZED STATEMENTS IN
6 VIOLATION OF CAL. LAB. CODE § 226;
7 8) FAILURE TO PROVIDE WAGES WHEN
8 DUE IN VIOLATION OF CAL. LAB.
9 CODE §§ 201, 202 AND 203.

10 **DEMAND FOR A JURY TRIAL**

11 PLAINTIFF EFRAIM ALVARADO (“PLAINTIFF”), an individual, on behalf of himself
12 and all other similarly situated current and former employees, alleges on information and belief,
13 except for his own acts and knowledge which are based on personal knowledge, the following:

14 **PRELIMINARY ALLEGATIONS**

15 1. Defendant EQUIPMENTSHARE.COM INC., (“DEFENDANT” and/or
16 “DEFENDANTS”) is a California Corporation that at all relevant times mentioned herein
17 conducted and continues to conduct substantial and regular business throughout California.

18 2. DEFENDANT owns and operates construction equipment rental company
19 throughout the state of California, including the county of San Diego where PLAINTIFF worked.

20 3. PLAINTIFF was employed by DEFENDANT in California from July 2022 to
21 February 2024. PLAINTIFF was employed by DEFENDANT as a non-exempt employee, paid
22 on an hourly basis, and entitled to the legally required meal and rest periods and payment of
23 minimum and overtime wages due for all time worked.

24 4. PLAINTIFF brings this Class Action on behalf of himself and a California class,
25 defined as all persons who are or previously were employed by Defendant
26 EQUIPMENTSHARE.COM INC. and classified as non-exempt employees (the “CALIFORNIA
27 CLASS”) at any time during the period beginning four years prior to the filing of this Complaint
28 and ending on the date as determined by the Court (the “CLASS PERIOD”). The amount in
controversy for the aggregate claim of the CALIFORNIA CLASS Members is under five million
dollars (\$5,000,000.00).

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1 5. PLAINTIFF brings this Class Action on behalf of himself and a CALIFORNIA
2 CLASS in order to fully compensate the CALIFORNIA CLASS for their losses incurred during
3 the CLASS PERIOD caused by DEFENDANTS' uniform policy and practice which failed to
4 lawfully compensate these employees. DEFENDANTS' uniform policy and practice alleged
5 herein was an unlawful, unfair, and deceptive business practice whereby DEFENDANT retained
6 and continues to retain wages due to PLAINTIFF and the other members of the CALIFORNIA
7 CLASS. PLAINTIFF and the other members of the CALIFORNIA CLASS seek an injunction
8 enjoining such conduct by DEFENDANT in the future, relief for the named PLAINTIFF and the
9 other members of the CALIFORNIA CLASS who have been economically injured by
10 DEFENDANT's past and current unlawful conduct, and all other appropriate legal and equitable
11 relief.

12 6. The true names and capacities, whether individual, corporate, subsidiary,
13 partnership, associate or otherwise of DEFENDANTS DOES 1 through 50, inclusive, are
14 presently unknown to PLAINTIFF who therefore sues these DEFENDANTS by such fictitious
15 names pursuant to Cal. Civ. Proc. Code § 474. PLAINTIFF will seek leave to amend this
16 Complaint to allege the true names and capacities of Does 1 through 50, inclusive, when they are
17 ascertained. PLAINTIFF is informed and believes, and based upon that information and belief
18 alleges, that the DEFENDANTS named in this Complaint, including DOES 1 through 50,
19 inclusive, are responsible in some manner for one or more of the events and happenings that
20 proximately caused the injuries and damages hereinafter alleged.

21 7. The agents, servants and/or employees of the DEFENDANTS and each of them
22 acting on behalf of the DEFENDANTS acted within the course and scope of his, her or its
23 authority as the agent, servant and/or employee of the DEFENDANTS, and personally
24 participated in the conduct alleged herein on behalf of the DEFENDANTS with respect to the
25 conduct alleged herein. Consequently, the acts of each DEFENDANT are legally attributable to
26 the other DEFENDANTS and all DEFENDANTS are jointly and severally liable to PLAINTIFF
27 and the other members of the CALIFORNIA CLASS, for the loss sustained as a proximate result
28 of the conduct of the Defendants' agents, servants and/or employees.

1 8. DEFENDANTS were PLAINTIFF’S employers or persons acting on behalf of
2 PLAINTIFF’S employer, within the meaning of California Labor Code § 558, who violated or
3 caused to be violated, a section of Part 2, Chapter 1 of the California Labor Code or any provision
4 regulating hours and days of work in any order of the Industrial Welfare Commission and, as
5 such, are subject to civil penalties for each underpaid employee, as set forth in Labor Code § 558,
6 at all relevant times.

7 9. DEFENDANTS were PLAINTIFF’S employers or persons acting on behalf of
8 PLAINTIFF’S employer either individually or as an officer, agent, or employee of another person,
9 within the meaning of California Labor Code § 1197.1, who paid or caused to be paid to any
10 employee a wage less than the minimum fixed by California state law, and as such, are subject to
11 civil penalties for each underpaid employee.

12 10. DEFENDANTS’ uniform policies and practices alleged herein were unlawful,
13 unfair, and deceptive business practices whereby DEFENDANTS retained and continue to retain
14 wages due to PLAINTIFF and other members of the CALIFORNIA CLASS.

15 11. PLAINTIFF and other members of the CALIFORNIA CLASS seek an injunction
16 enjoining such conduct by DEFENDANTS in the future, relief for the named PLAINTIFF and
17 other members of the CALIFORNIA CLASS who have been economically injured by
18 DEFENDANT’S past and current unlawful conduct, and all other appropriate legal and equitable
19 relief.

20 **JURISDICTION AND VENUE**

21 12. This Court has jurisdiction over this Action pursuant to California Code of Civil
22 Procedure, Section 410.10 and California Business & Professions Code, Section 17203. This
23 action is brought as a Class Action on behalf of PLAINTIFF and similarly situated employees of
24 DEFENDANT pursuant to Cal. Code of Civ. Proc. § 382.

25 13. Venue is proper in this Court pursuant to California Code of Civil Procedure,
26 Sections 395 and 395.5, because DEFENDANTS operate in locations across California, employ
27 the CALIFORNIA CLASS across California, including in this County, and committed the
28 wrongful conduct herein alleged in this County against the CALIFORNIA CLASS.

THE CONDUCT

14. In violation of the applicable sections of the California Labor Code and the requirements of the Industrial Welfare Commission (“IWC”) Wage Order, DEFENDANTS as a matter of company policy, practice, and procedure, intentionally, knowingly, and systematically failed to provide legally compliant meal and rest periods, failed to accurately compensate PLAINTIFF and the other members of the CALIFORNIA CLASS for missed meal and rest periods, failed to pay PLAINTIFF and the other members of the CALIFORNIA CLASS for all time worked, failed to compensate PLAINTIFF for off-the-clock work, failed to pay PLAINTIFF and the other members of the CALIFORNIA CLASS overtime at the correct rate of pay, failed to compensate PLAINTIFF and other members of the CALIFORNIA CLASS meal rest premiums at the correct rate, failed to reimburse PLAINTIFF and other CALIFORNIA CLASS Members for necessary business expenses, and failed to issue to PLAINTIFF and the members of the CALIFORNIA CLASS with accurate itemized wage statements showing, among other things, all applicable hourly rates in effect during the pay periods and the corresponding amount of time worked at each hourly rate, and other requirements of Labor Code §226(a)(1-9). DEFENDANT’s uniform policies and practices are intended to purposefully avoid the accurate and full payment for all time worked earned as required by California law which allows DEFENDANTS to illegally profit and gain an unfair advantage over competitors who comply with the law. To the extent equitable tolling operates to toll claims by the CALIFORNIA CLASS against DEFENDANTS, the CLASS PERIOD should be adjusted accordingly.

A. Meal Period Violations

15. Pursuant to the Industrial Welfare Commission Wage Orders, DEFENDANTS were required to pay PLAINTIFF and CALIFORNIA CLASS Members for all their time worked, meaning the time during which an employee is subject to the control of an employer, including all the time the employee is suffered or permitted to work. From time to time during the CLASS PERIOD, DEFENDANTS required PLAINTIFF and CALIFORNIA CLASS Members to work without paying them for all the time they were under DEFENDANT’s control. Specifically, there were many days where PLAINTIFF received his meal break late. As a result, PLAINTIFF and

1 other CALIFORNIA CLASS Members forfeited minimum wage and overtime compensation by
2 regularly working without their time being accurately recorded and without compensation at the
3 applicable minimum wage and overtime rates. DEFENDANT's uniform policy and practice not
4 to pay PLAINTIFF and other CALIFORNIA CLASS Members for all time worked is evidenced
5 by DEFENDANT's business records.

6 16. From time to time during the CLASS PERIOD, as a result of their rigorous work
7 schedules and DEFENDANTS' inadequate staffing practices, PLAINTIFF and other
8 CALIFORNIA CLASS Members were from time to time unable to take thirty (30) minutes off
9 duty meal breaks and were not fully relieved of duty for their meal periods. PLAINTIFF and other
10 CALIFORNIA CLASS Members were required to perform work as ordered by DEFENDANTS
11 for more than five (5) hours during some shifts without receiving a meal break. Further,
12 DEFENDANTS failed to provide PLAINTIFF and CALIFORNIA CLASS Members with a
13 second off-duty meal period for some workdays in which these employees are required by
14 DEFENDANTS to work ten (10) hours of work. The nature of the work performed by
15 PLAINTIFF and other CALIFORNIA CLASS Members does not qualify for the limited and
16 narrowly construed "on-duty" meal period exception. When they were provided with meal
17 periods, PLAINTIFF and other CALIFORNIA CLASS Members were, from time to time,
18 required to remain on duty and on call. Further, DEFENDANTS from time to time required
19 PLAINTIFF and other CALIFORNIA CLASS Members to maintain cordless communication
20 devices in order to receive and respond to work-related communications during what was
21 supposed to be their off-duty meal breaks. DEFENDANTS' failure to provide PLAINTIFF and
22 the CALIFORNIA CLASS Members with legally required meal breaks is evidenced by
23 DEFENDANTS' business records. PLAINTIFF and other members of the CALIFORNIA
24 CLASS therefore forfeit meal breaks without additional compensation and in accordance with
25 DEFENDANTS' strict corporate policy and practice.

26 **B. Rest Period Violations**

27 17. From time to time during the CLASS PERIOD, PLAINTIFF and other
28 CALIFORNIA CLASS Members were also required to work in excess of four (4) hours without

1 being provided ten (10) minute rest periods as a result of their rigorous work requirements and
2 DEFENDANT's inadequate staffing. Further, for the same reasons, these employees were denied
3 their first rest periods of at least ten (10) minutes for some shifts worked of at least two (2) to four
4 (4) hours from time to time, a first and second rest period of at least ten (10) minutes for some
5 shifts worked of between six (6) and eight (8) hours from time to time, and a first, second and
6 third rest period of at least ten (10) minutes for some shifts worked of ten (10) hours or more from
7 time to time. When they were provided with rest breaks, PLAINTIFF and other CALIFORNIA
8 CLASS Members were, from time to time, required to remain on duty and/or on call. Further,
9 DEFENDANTS from time to time required PLAINTIFF and other CALIFORNIA CLASS
10 Members to maintain cordless communication devices in order to receive and respond to work-
11 related communications during what was supposed to be their off-duty rest breaks. PLAINTIFF
12 and other CALIFORNIA CLASS Members were also not provided with one-hour wages *in lieu*
13 thereof. As a result of their rigorous work schedules and DEFENDANTS' inadequate staffing,
14 PLAINTIFF and other CALIFORNIA CLASS Members were from time to time denied their
15 proper rest periods by DEFENDANTS and DEFENDANTS' managers.

16 **C. Unreimbursed Business Expenses**

17 18. DEFENDANTS as a matter of corporate policy, practice, and procedure,
18 intentionally, knowingly, and systematically failed to reimburse and indemnify PLAINTIFF and
19 the other CALIFORNIA CLASS Members for required business expenses incurred by the
20 PLAINTIFF and other CALIFORNIA CLASS Members in direct consequence of discharging
21 their duties on behalf of DEFENDANT. Under California Labor Code Section 2802, employers
22 are required to indemnify employees for all expenses incurred in the course and scope of their
23 employment. Cal. Lab. Code § 2802 expressly states that "an employer shall indemnify his or her
24 employee for all necessary expenditures or losses incurred by the employee in direct consequence
25 of the discharge of his or her duties, or of his or her obedience to the directions of the employer,
26 even though unlawful, unless the employee, at the time of obeying the directions, believed them
27 to be unlawful."

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1 19. In the course of their employment, DEFENDANTS required PLAINTIFF and
2 other CALIFORNIA CLASS Members to use their personal cell phones and home internet as a
3 result of and in furtherance of their job duties, including but not limited to receiving and/or
4 responding to work-related communications and performing work-related duties/errands. In the
5 course of their employment, DEFENDANTS required PLAINTIFF and other CALIFORNIA
6 CLASS Members to purchase work boots and tools. However, DEFENDANTS unlawfully failed
7 to reimburse PLAINTIFF and other CALIFORNIA CLASS Members for the use of their personal
8 cell phones, home internet, boots and tools. As a result, in the course of their employment with
9 DEFENDANT, the PLAINTIFF and other CALIFORNIA CLASS Members incurred
10 unreimbursed business expenses that included, but were not limited to, costs related to the use of
11 their personal cell phones, home internet, boots and tools.

12 **D. Wage Statement Violations**

13 20. California Labor Code Section 226 required an employer to furnish its employees
14 an accurate itemized wage statement in writing showing (1) gross wages earned, (2) total hours
15 worked, (3) the number of piece-rate units earned and any applicable piece-rate, (4) all deductions,
16 (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the
17 name of the employee and only the last four digits of the employee's social security number or an
18 employee identification number other than a social security number, (8) the name and address of
19 the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay
20 period and the corresponding number of hours worked at each hourly rate by the employee.

21 21. From time to time during the CLASS PERIOD, when PLAINTIFF and other
22 CALIFORNIA CLASS Members missed meal and rest breaks, or were paid inaccurately for
23 missed meal and rest period premiums, or were not paid for all hours worked, DEFENDANTS
24 also failed to provide PLAINTIFF and other CALIFORNIA CLASS Members with complete and
25 accurate wage statements which failed to show, among other things, all deductions, the total hours
26 worked and all applicable hourly rates in effect during the pay period and the corresponding
27 amount of time worked at each hourly rate, correct rates of pay for penalty payments or missed
28 meal and rest periods.

22. In addition to the foregoing, DEFENDANTS, from time to time, failed to provide PLAINTIFF and the CALIFORNIA CLASS Members with wage statements that comply with Cal. Lab. Code § 226.

23. As a result, DEFENDANT issued PLAINTIFF and other members of the CALIFORNIA CLASS with wage statements that violate Cal. Lab. Code § 226. Further, DEFENDANT's violations are knowing and intentional, were not isolated due to an unintentional payroll error due to clerical or inadvertent mistake.

E. Off-the-Clock Work Resulting in Minimum Wage and Overtime Violations

24. During the CLASS PERIOD, from time-to-time DEFENDANTS failed and continue to fail to accurately pay PLAINTIFF and other members of the CALIFORNIA CLASS for all hours worked.

25. During the CLASS PERIOD, from time-to-time DEFENDANTS required PLAINTIFF and other members of the CALIFORNIA CLASS to perform pre-shift or post-shift work, including but not limited to, time spent training, onboarding, and attending orientations. This resulted in PLAINTIFF and other members of the CALIFORNIA CLASS to have to work while off-the-clock.

26. DEFENDANTS directed and directly benefited from the undercompensated off-the-clock work performed by PLAINTIFF and the other CALIFORNIA CLASS Members.

27. DEFENDANTS controlled the work schedules, duties, and protocols, applications, assignments, and employment conditions of PLAINTIFF and the other members of the CALIFORNIA CLASS.

28. DEFENDANTS were able to track the amount of time PLAINTIFF and the other members of the CALIFORNIA CLASS spent working; however, DEFENDANTS failed to document, track, or pay PLAINTIFF and the other members of the CALIFORNIA CLASS all wages earned and owed for all the work they performed.

29. PLAINTIFF and the other members of the CALIFORNIA CLASS were non-exempt employees, subject to the requirements of the California Labor Code.

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1 30. DEFENDANTS’ policies and practices deprived PLAINTIFF and the other
2 CALIFORNIA CLASS Members of all minimum regular, overtime, and double time wages owed
3 for the off-the-clock work activities. Because PLAINTIFF and the other members of the
4 CALIFORNIA CLASS typically worked over forty (40) hours in a workweek, and more than
5 eight (8) hours per day, DEFENDANTS’ policies and practices also deprived them of overtime
6 pay.

7 31. DEFENDANTS knew or should have known that PLAINTIFF and the other
8 members of the CALIFORNIA CLASS off-the-clock work was compensable under the law.

9 32. As a result, PLAINTIFF and the other members of the CALIFORNIA CLASS
10 forfeited wages due to them for all hours worked at DEFENDANTS direction, control, and benefit
11 for the time spent working while off-the-clock. DEFENDANTS’ uniform policy and practice to
12 not pay PLAINTIFF and the members of the CALIFORNIA CLASS wages for all hours worked
13 in accordance with applicable law is evidenced by DEFENDANTS’ business records.

14 **F. Regular Rate Violation – Overtime, Double Time, Meal and Rest Period Premiums,**
15 **and Redeemed Sick Pay**

16 33. From time to time during the CLASS PERIOD, DEFENDANT failed and
17 continues to fail to accurately calculate and pay PLAINTIFF and the other CALIFORNIA CLASS
18 Members for their overtime and double time hours worked, meal and rest period premiums, and
19 redeemed sick pay. As a result, PLAINTIFF and the other CALIFORNIA CLASS Members
20 forfeited wages due to them for working overtime without compensation at the correct overtime
21 and double time rates, meal and rest period premiums, and redeemed sick pay rates.
22 DEFENDANTS’ uniform policy and practice not to pay the CALIFORNIA CLASS Members at
23 the correct rate for all overtime and double time worked, meal and rest period premiums, and sick
24 pay in accordance with applicable law is evidenced by DEFENDANTS’ business records.

25 34. State law provides that employees must be paid overtime at one-and-one-half times
26 their “regular rate of pay.” PLAINTIFF and other CALIFORNIA CLASS Members were
27 compensated at an hourly rate plus incentive/Bonus pay.

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1 35. The second component of PLAINTIFF’S and other CALIFORNIA CLASS
2 Members’ compensation was DEFENDANTS’ non-discretionary incentive program that paid
3 PLAINTIFF and other CALIFORNIA CLASS Members incentive wages based on their
4 performance for DEFENDANTS and/or referral of employees. The non-discretionary bonus
5 program provided all employees paid on an hourly basis with bonus compensation when the
6 employees met the various performance goals set by DEFENDANTS.

7 36. However, from time to time, when calculating the regular rate of pay in those pay
8 periods where PLAINTIFF and other CALIFORNIA CLASS Members worked overtime, double
9 time, paid meal and rest period premium payments, and/or redeemed sick pay, and earned non-
10 discretionary bonuses, DEFENDANTS failed to accurately include the non-discretionary bonus
11 compensation as part of the employee’s “regular rate of pay” and/or calculated all hours worked
12 rather than just all non-overtime hours worked. Management and supervisors described the
13 incentive/bonus program to potential and new employees as part of the compensation package.
14 As a matter of law, the incentive compensation received by PLAINTIFF and other CALIFORNIA
15 CLASS Members must be included in the “regular rate of pay.” The failure to do so has resulted
16 in a systematic underpayment of overtime and double time compensation, meal and rest period
17 premium payments, and redeemed sick pay to PLAINTIFF and other CALIFORNIA CLASS
18 Members by DEFENDANTS. Specifically, California Labor Code Section 246 mandates that
19 paid sick time for non-exempt employees shall be calculated in the same manner as the regular
20 rate of pay for the workweek in which the non-exempt employee uses paid sick time, whether or
21 not the employee actually works overtime in that workweek. DEFENDANTS’ conduct, as
22 articulated herein, by failing to include the incentive compensation as part of the “regular rate of
23 pay” for purposes of sick pay compensation was in violation of Cal. Lab. Code § 246 the
24 underpayment of which is recoverable under Cal. Lab. Code Sections 201, 202, 203, and/or 204.

25 37. In violation of the applicable sections of the California Labor Code and the
26 requirements of the Industrial Welfare Commission (“IWC”) Wage Order, DEFENDANTS as a
27 matter of company policy, practice, and procedure, intentionally and knowingly failed to
28 compensate PLAINTIFF and the other members of the CALIFORNIA CLASS at the correct rate

1 of pay for all overtime and double time worked, meal and rest period premiums, and redeemed
2 sick pay as required by California law which allowed DEFENDANTS to illegally profit and gain
3 an unfair advantage over competitors who complied with the law. To the extent equitable tolling
4 operates to toll claims by the CALIFORNIA CLASS Members against DEFENDANTS, the
5 CLASS PERIOD should be adjusted accordingly.

6 **G. Violations for Untimely Payment of Wages**

7 38. Pursuant to California Labor Code section 204, PLAINTIFF and the
8 CALIFORNIA CLASS members were entitled to timely payment of wages during their
9 employment. PLAINTIFF and the CALIFORNIA CLASS members, from time to time, did not
10 receive payment of all wages, including, but not limited to, overtime wages, minimum wages,
11 meal period premium wages, and rest period premium wages within permissible time period.

12 39. Pursuant to Cal. Lab. Code § 201, “If an employer discharges an employee, the
13 wages earned and unpaid at the time of discharge are due and payable immediately.” Pursuant to
14 Cal. Lab. Code § 202, if an employee quits his or her employment, “his or her wages shall become
15 due and payable not later than 72 hours thereafter, unless the employee has given 72 hours
16 previous notice of his or her intention to quit, in which case the employee is entitled to his or her
17 wages at the time of quitting.” PLAINTIFF and the CALIFORNIA CLASS Members were, from
18 time to time, not timely provided the wages earned and unpaid at the time of their discharge and/or
19 at the time of quitting, in violation of Cal. Lab. Code §§ 201 and 202.

20 40. As such, PLAINTIFF demands up to thirty days of pay as penalty for not timely
21 paying all wages due at time of termination for all CALIFORNIA CLASS Members whose
22 employment ended during the CLASS PERIOD.

23 **H. Unlawful Deductions**

24 41. DEFENDANT, from time-to-time unlawfully deducted wages from PLAINTIFF
25 and CALIFORNIA CLASS Members’ pay without explanations and without authorization to do
26 so or notice to PLAINTIFF and the CALIFORNIA CLASS Members. As a result, DEFENDANT
27 violated Labor Code § 221.

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1 **I. Timekeeping Manipulation**

2 42. During the CLASS PERIOD, DEFENDANTS, from time-to-time, did not have an
3 immutable timekeeping system to accurately record and pay PLAINTIFF and other members of
4 the CALIFORNIA CLASS for the actual time PLAINTIFF and other members of the
5 CALIFORNIA CLASS worked each day, including regular time, overtime hours, sick pay, meal
6 and rest breaks. As a result, DEFENDANTS were able to and did in fact, unlawfully, and
7 unilaterally alter the time recorded in DEFENDANTS' timekeeping system for PLAINTIFF and
8 other members of the CALIFORNIA CLASS in order to avoid paying these employees for all
9 hours worked, applicable overtime compensation, applicable sick pay, missed meal breaks and
10 missed rest breaks.

11 43. As a result, PLAINTIFF and other members of the CALIFORNIA CLASS, from
12 time-to-time, forfeited time worked by working without their time being accurately recorded and
13 without compensation at the applicable pay rates.

14 44. The mutability of the timekeeping system also allowed DEFENDANTS to alter
15 employee time records by recording fictitious thirty (30) minute meal breaks in DEFENDANTS'
16 timekeeping system so as to create the appearance that PLAINTIFF and other members of the
17 CALIFORNIA CLASS clocked out for thirty (30) minute meal break when in fact the employees
18 were not at all times provided an off-duty meal break. This practice is a direct result of
19 DEFENDANTS' uniform policy and practice of denying employees uninterrupted thirty (30)
20 minute off-duty meal breaks each day or otherwise compensate them for missed meal breaks.

21 45. As a result, PLAINTIFF and the other members of the CALIFORNIA CLASS
22 forfeited wages due to them for all hours worked at DEFENDANTS' direction, control and
23 benefit for the time the timekeeping system was inoperable. DEFENDANTS' uniform policy
24 and practice to not pay PLAINTIFF and the members of the CALIFORNIA CLASS wages for
25 all hours worked in accordance with applicable law is evidenced by DEFENDANTS' business
26 records.

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1 **J. Unlawful Rounding Practices**

2 46. During the CALIFORNIA CLASS PERIOD, DEFENDANTS did not have in
3 place an immutable timekeeping system to accurately record and pay PLAINTIFF and other
4 CALIFORNIA CLASS Members for the actual time these employees worked each day,
5 including overtime hours. Specifically, DEFENDANTS had in place an unlawful rounding
6 policy and practice that resulted in PLAINTIFF and CALIFORNIA CLASS Members being
7 undercompensated for all of their time worked. As a result, DEFENDANTS were able to and did
8 in fact unlawfully, and unilaterally round the time recorded in DEFENDANTS' timekeeping
9 system for PLAINTIFF and the members of the CALIFORNIA CLASS in order to avoid paying
10 these employees for all their time worked, including the applicable overtime compensation for
11 overtime worked. As a result, PLAINTIFF and other CALIFORNIA CLASS Members, from
12 time to time, forfeited compensation for their time worked by working without their time being
13 accurately recorded and without compensation at the applicable overtime rates.

14 47. Further, the mutability of DEFENDANTS' timekeeping system and unlawful
15 rounding policy and practice resulted in PLAINTIFF and CALIFORNIA CLASS Members' time
16 being inaccurately recorded. As a result, from time to time, DEFENDANTS' unlawful rounding
17 policy and practice caused PLAINTIFF and CALIFORNIA CLASS Members to perform work
18 as ordered by DEFENDANTS for more than five (5) hours during a shift without receiving an
19 off-duty meal break.

20 **K. Sick Pay Violations**

21 48. Cal. Labor Code Section 246 (a)(1) mandates that "An employee who, on or after
22 July 1, 2015, works in California for the same employer for 30 or more days within a year from
23 the commencement of employment is entitled to paid sick days as specified in this section."
24 Further, Cal. Labor Code Sections 246(b)-(d) provide for the sick day accrual requirements. From
25 time to time, DEFENDANTS failed to have a policy or practice in place that provided
26 PLAINTIFF and other members of the CALIFORNIA CLASS with sick days and/or paid sick
27 leave. As of January 1, 2024, Defendants failed to adhere to the law in that they failed to provide
28 and allow employees to use at least 40 hours or five days of paid sick leave per year.

1 49. California Labor Code Section 246(i) requires an employer to furnish its
2 employees with written wage statements setting forth the amount of paid sick leave available.
3 From time to time, DEFENDANTS violated Cal. Lab. Code § 246 by failing to furnish
4 PLAINTIFF and other members of the CALIFORNIA CLASS with wage statements setting forth
5 the amount of paid sick leave available.

6 **CLASS ACTION ALLEGATIONS**

7 50. PLAINTIFF brings this Class Action on behalf of himself, and a California class
8 defined as all persons who are or previously were employed by Defendant EquipmentShare.com
9 Inc., in California and classified as non-exempt employees (the “CALIFORNIA CLASS”) at any
10 time during the period beginning four years prior to the filing of this Complaint and ending on
11 the date as determined by the Court (the “CLASS PERIOD”).

12 51. PLAINTIFF and the other CALIFORNIA CLASS Members have uniformly been
13 deprived of wages and penalties from unpaid wages earned and due, including but not limited to
14 unpaid minimum wages, unpaid overtime compensation, unpaid meal and rest period premiums,
15 illegal meal and rest period policies, failed to reimburse for business expenses, failed compensate
16 for off-the-clock work, failure to provide accurate itemized wage statements, failure to maintain
17 required records, and interest, statutory and civil penalties, attorney’s fees, costs, and expenses.

18 52. The members of the class are so numerous that joinder of all class members is
19 impractical.

20 53. Common questions of law and fact regarding DEFENDANTS’ conduct, including
21 but not limited to, off-the-clock work, unpaid meal and rest period premiums, failure to
22 accurately calculate the regular rate of pay for overtime compensation, failure to accurately
23 calculate the regular rate of compensation for missed meal and rest period premiums, failing to
24 provide legally compliant meal and rest periods, failure to reimburse for business expenses,
25 failure to provide accurate itemized wage statements accurate, and failure to ensure they are paid
26 at least minimum wage and overtime, exist as to all members of the class and predominate over
27 any questions affecting solely any individual members of the class. Among the questions of law
28 and fact common to the class are:

- a. Whether DEFENDANT maintained legally compliant meal period policies and practices;
- b. Whether DEFENDANT maintained legally compliant rest period policies and practices;
- c. Whether DEFENDANT failed to pay PLAINTIFF and the CALIFORNIA CLASS Members accurate premium payments for missed meal and rest periods;
- d. Whether DEFENDANT failed to pay PLAINTIFF and the CALIFORNIA CLASS Members accurate overtime wages;
- e. Whether DEFENDANT failed to pay PLAINTIFF and the CALIFORNIA CLASS Members at least minimum wage for all hours worked;
- f. Whether DEFENDANT failed to compensate PLAINTIFF and the CALIFORNIA CLASS Members for required business expenses;
- g. Whether DEFENDANT issued legally compliant wage statements;
- h. Whether DEFENDANT committed an act of unfair competition by systematically failing to record and pay PLAINTIFF and the other members of the CALIFORNIA CLASS for all time worked;
- i. Whether DEFENDANT committed an act of unfair competition by systematically failing to record all meal and rest breaks missed by PLAINTIFF and other CALIFORNIA CLASS Members, even though DEFENDANT enjoyed the benefit of this work, required employees to perform this work and permits or suffers to permit this work;
- j. Whether DEFENDANT committed an act of unfair competition in violation of the UCL, by failing to provide the PLAINTIFF and the other members of the CALIFORNIA CLASS with the legally required meal and rest periods.

54. PLAINTIFF is a member of the CALIFORNIA CLASS and suffered damages as a result of DEFENDANT's conduct and actions alleged herein.

55. PLAINTIFF'S claims are typical of the claims of the CALIFORNIA CLASS, and PLAINTIFF have the same interests as the other members of the class.

1 56. PLAINTIFF will fairly and adequately represent and protect the interests of the
2 CALIFORNIA CLASS Members.

3 57. PLAINTIFF retained able class counsel with extensive experience in class action
4 litigation.

5 58. Further, PLAINTIFF'S interests are coincident with, and not antagonistic to, the
6 interest of the other CALIFORNIA CLASS Members.

7 59. There is a strong community of interest among PLAINTIFF and the members of
8 the CALIFORNIA CLASS to, inter alia, ensure that the combined assets of DEFENDANT are
9 sufficient to adequately compensate the members of the CALIFORNIA CLASS for the injuries
10 sustained.

11 60. The questions of law and fact common to the CALIFORNIA CLASS Members
12 predominate over any questions affecting only individual members, including legal and factual
13 issues relating to liability and damages.

14 61. A class action is superior to other available methods for the fair and efficient
15 adjudication of this controversy because joinder of all class members is impractical. Moreover,
16 since the damages suffered by individual members of the class may be relatively small, the
17 expense and burden of individual litigation makes it practically impossible for the members of
18 the class individually to redress the wrongs done to them. Without class certification and
19 determination of declaratory, injunctive, statutory, and other legal questions within the class
20 format, prosecution of separate actions by individual members of the CALIFORNIA CLASS
21 will create the risk of:

- 22 a. Inconsistent or varying adjudications with respect to individual members of the
23 CALIFORNIA CLASS which would establish incompatible standards of conduct
24 for the parties opposing the CALIFORNIA CLASS; and/or,
25 b. Adjudication with respect to individual members of the CALIFORNIA CLASS
26 which would as a practical matter be dispositive of the interests of the other
27 members not party to the adjudication or substantially impair or impeded their
28 ability to protect their interests.

62. Class treatment provides manageable judicial treatment calculated to bring an efficient and rapid conclusion to all litigation of all wage and hour related claims arising out of the conduct of DEFENDANT.

FIRST CAUSE OF ACTION

Unlawful Business Practices

(Cal. Bus. And Prof. Code §§ 17200, *et seq.*)

(Alleged by PLAINTIFF and the CALIFORNIA CLASS against all DEFENDANTS)

63. PLAINTIFF, and the other members of the CALIFORNIA CLASS, reallege and incorporate by this reference, as though fully set forth herein, the prior paragraphs of this Complaint.

64. DEFENDANT is a “person” as that term is defined under Cal. Bus. And Prof. Code § 17021.

65. California Business & Professions Code §§ 17200, *et seq.* (the “UCL”) defines unfair competition as any unlawful, unfair, or fraudulent business act or practice. Section 17203 authorizes injunctive, declaratory, and/or other equitable relief with respect to unfair competition as follows:

Any person who engages, has engaged, or proposes to engage in unfair competition may be enjoined in any court of competent jurisdiction. The court may make such orders or judgments, including the appointment of a receiver, as may be necessary to prevent the use or employment by any person of any practice which constitutes unfair competition, as defined in this chapter, or as may be necessary to restore to any person in interest any money or property, real or personal, which may have been acquired by means of such unfair competition. (Cal. Bus. & Prof. Code § 17203).

66. By the conduct alleged herein, DEFENDANT has engaged and continues to engage in a business practice which violates California law, including but not limited to, the applicable Wage Order(s), the California Code of Regulations and the California Labor Code including Sections 201, 202, 203, 204, 210, 226.7, 510, 512, 558, 1194, 1197, 1197.1, 1198, and 2802, for which this Court should issue declaratory and other equitable relief pursuant to Cal. Bus. & Prof. Code § 17203 as may be necessary to prevent and remedy the conduct held to constitute unfair competition, including restitution of wages wrongfully withheld.

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1 67. By the conduct alleged herein, DEFENDANT's practices were unlawful and unfair
2 in that these practices violated public policy, were immoral, unethical, oppressive unscrupulous
3 or substantially injurious to employees, and were without valid justification or utility for which
4 this Court should issue equitable and injunctive relief pursuant to Section 17203 of the California
5 Business & Professions Code, including restitution of wages wrongfully withheld.

6 68. By the conduct alleged herein, DEFENDANTS' practices were deceptive and
7 fraudulent in that DEFENDANTS' uniform policy and practice failed to provide the legally
8 mandated meal and rest periods and the required amount of compensation for missed meal and
9 rest periods, failed to pay minimum and overtime wages owed, and failed to reimburse all
10 necessary business expenses incurred, due to a systematic business practice that cannot be
11 justified, pursuant to the applicable Cal. Lab. Code, and Industrial Welfare Commission
12 requirements in violation of Cal. Bus. Code §§ 17200, *et seq.*, and for which this Court should
13 issue injunctive and equitable relief, pursuant to Cal. Bus. & Prof. Code § 17203, including
14 restitution of wages wrongfully withheld.

15 69. By the conduct alleged herein, DEFENDANTS' practices were also unlawful,
16 unfair, and deceptive in that DEFENDANTS' employment practices caused PLAINTIFF and the
17 other members of the CALIFORNIA CLASS to be underpaid during their employment with
18 DEFENDANT.

19 70. By the conduct alleged herein, DEFENDANTS' practices were also unfair and
20 deceptive in that DEFENDANT's uniform policies, practices and procedures failed to provide
21 mandatory meal and/or rest breaks to PLAINTIFF and the CALIFORNIA CLASS members as
22 required by Cal. Lab. Code §§ 226.7 and 512.

23 71. Therefore, PLAINTIFF demands on behalf of himself and on behalf of each
24 CALIFORNIA CLASS member, one (1) hour of pay for each workday in which an off-duty meal
25 period was not timely provided for each five (5) hours of work, and/or one (1) hour of pay for
26 each workday in which a second off-duty meal period was not timely provided for each ten (10)
27 hours of work.

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1 72. PLAINTIFF further demands on behalf of himself and on behalf of each
2 CALIFORNIA CLASS member, one (1) hour of pay for each workday in which a rest period
3 was not timely provided as required by law.

4 73. By and through the unlawful and unfair business practices described herein,
5 DEFENDANTS have obtained valuable property, money and services from PLAINTIFF and the
6 other members of the CALIFORNIA CLASS, including earned wages for all time worked, and
7 has deprived them of valuable rights and benefits guaranteed by law and contract, all to the
8 detriment of these employees and to the benefit of DEFENDANTS so as to allow
9 DEFENDANTS to unfairly compete against competitors who comply with the law.

10 74. All the acts described herein as violations of, among other things, the Industrial
11 Welfare Commission Wage Orders, the California Code of Regulations, and the California Labor
12 Code, were unlawful and in violation of public policy, were immoral, unethical, oppressive, and
13 unscrupulous, were deceptive, and thereby constitute unlawful, unfair, and deceptive business
14 practices in violation of Cal. Bus. & Prof. Code §§ 17200, *et seq.*

15 75. PLAINTIFF and the other members of the CALIFORNIA CLASS are entitled to,
16 and do, seek such relief as may be necessary to restore to them the money and property which
17 DEFENDANTS have acquired, or of which PLAINTIFF and the other members of the
18 CALIFORNIA CLASS have been deprived, by means of the above described unlawful and
19 unfair business practices, including earned but unpaid wages for all time worked.

20 76. PLAINTIFF and the other members of the CALIFORNIA CLASS are further
21 entitled to, and do, seek a declaration that the described business practices are unlawful, unfair,
22 and deceptive, and that injunctive relief should be issued restraining DEFENDANTS from
23 engaging in any unlawful and unfair business practices in the future.

24 77. PLAINTIFF and the other members of the CALIFORNIA CLASS have no plain,
25 speedy and/or adequate remedy at law that will end the unlawful and unfair business practices of
26 DEFENDANTS. Further, the practices herein alleged presently continue to occur unabated. As
27 a result of the unlawful and unfair business practices described herein, PLAINTIFF and the other
28 members of the CALIFORNIA CLASS have suffered and will continue to suffer irreparable

1 legal and economic harm unless DEFENDANTS are restrained from continuing to engage in
2 these unlawful and unfair business practices.

3 **SECOND CAUSE OF ACTION**

4 **Failure To Pay Minimum Wages**

5 **(Cal. Lab. Code §§ 1194, 1197 and 1197.1)**

6 **(Alleged by PLAINTIFF and the CALIFORNIA CLASS against ALL DEFENDANTS)**

7 78. PLAINTIFF, and the other members of the CALIFORNIA CLASS, reallege and
8 incorporate by this reference, as though fully set forth herein, the prior paragraphs of this
9 Complaint.

10 79. PLAINTIFF and the other members of the CALIFORNIA CLASS bring a claim
11 for DEFENDANT's willful and intentional violations of the California Labor Code and the
12 Industrial Welfare Commission requirements for DEFENDANT's failure to accurately calculate
13 and pay minimum wages to PLAINTIFF and CALIFORNIA CLASS Members.

14 80. Pursuant to Cal. Lab. Code § 204, other applicable laws and regulations, and public
15 policy, an employer must timely pay its employees for all hours worked.

16 81. Cal. Lab. Code § 1197 provides the minimum wage for employees fixed by the
17 commission is the minimum wage to be paid to employees, and the payment of a less wage than
18 the minimum so fixed is unlawful.

19 82. Cal. Lab. Code § 1194 establishes an employee's right to recover unpaid wages,
20 including minimum wage compensation and interest thereon, together with the costs of suit.

21 83. DEFENDANTS maintained a uniform wage practice of paying PLAINTIFF and
22 the other members of the CALIFORNIA CLASS without regard to the correct amount of time
23 they work. As set forth herein, DEFENDANTS' uniform policy and practice was to unlawfully
24 and intentionally deny timely payment of wages due to PLAINTIFF and the other members of
25 the CALIFORNIA CLASS.

26 84. DEFENDANTS' uniform pattern of unlawful wage and hour practices manifested,
27 without limitation, applicable to the CALIFORNIA CLASS as a whole, as a result of
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1 implementing a uniform policy and practice that denies accurate compensation to PLAINTIFF
2 and the other members of the CALIFORNIA CLASS in regard to minimum wage pay.

3 85. In committing these violations of the California Labor Code, DEFENDANTS
4 inaccurately calculated the correct time worked and consequently underpaid the actual time
5 worked by PLAINTIFF and other members of the CALIFORNIA CLASS. DEFENDANTS
6 acted in an illegal attempt to avoid the payment of all earned wages, and other benefits in
7 violation of the California Labor Code, the Industrial Welfare Commission requirements and
8 other applicable laws and regulations.

9 86. As a direct result of DEFENDANTS' unlawful wage practices as alleged herein,
10 PLAINTIFF and the other members of the CALIFORNIA CLASS did not receive the correct
11 minimum wage compensation for their time worked for DEFENDANTS.

12 87. During the CLASS PERIOD, PLAINTIFF and the other members of the
13 CALIFORNIA CLASS were paid less for time worked than they were entitled to, constituting a
14 failure to pay all earned wages.

15 88. By virtue of DEFENDANTS' unlawful failure to accurately pay all earned
16 compensation to PLAINTIFF and the other members of the CALIFORNIA CLASS for the true
17 time they worked, PLAINTIFF and the other members of the CALIFORNIA CLASS have
18 suffered and will continue to suffer an economic injury in amounts which are presently unknown
19 to them, and which will be ascertained according to proof at trial.

20 89. DEFENDANTS knew or should have known that PLAINTIFF and the other
21 members of the CALIFORNIA CLASS were under-compensated for their time worked.
22 DEFENDANTS systematically elected, either through intentional malfeasance or gross
23 nonfeasance, to not pay employees for their labor as a matter of uniform company policy, practice
24 and procedure, and DEFENDANTS perpetrated this systematic scheme by refusing to pay
25 PLAINTIFF and the other members of the CALIFORNIA CLASS the correct minimum wages
26 for their time worked.

27 90. In performing the acts and practices herein alleged in violation of California labor
28 laws, and refusing to compensate the members of the CALIFORNIA CLASS for all time worked

1 and provide them with the requisite compensation, DEFENDANTS acted and continues to act
2 intentionally, oppressively, and maliciously toward PLAINTIFF and the other members of the
3 CALIFORNIA CLASS with a conscious and utter disregard for their legal rights, or the
4 consequences to them, and with the despicable intent of depriving them of their property and
5 legal rights, and otherwise causing them injury in order to increase company profits at the
6 expense of these employees.

7 91. PLAINTIFF and the other members of the CALIFORNIA CLASS therefore request
8 recovery of all unpaid wages, according to proof, interest, statutory costs, as well as the
9 assessment of any statutory penalties against DEFENDANTS, in a sum as provided by the
10 California Labor Code and/or other applicable statutes. To the extent minimum wage
11 compensation is determined to be owed to the CALIFORNIA CLASS Members who have
12 terminated their employment, DEFENDANTS' conduct also violates Labor Code §§ 201 and/or
13 202, and therefore these individuals are also be entitled to waiting time penalties under Cal. Lab.
14 Code § 203, which penalties are sought herein on behalf of these CALIFORNIA CLASS
15 Members. DEFENDANTS' conduct as alleged herein was willful, intentional and not in good
16 faith. Further, PLAINTIFF and other CALIFORNIA CLASS Members are entitled to seek and
17 recover statutory costs.

18 **THIRD CAUSE OF ACTION**

19 **Failure To Pay Overtime Compensation**

20 **(Cal. Lab. Code §§ 204, 510, 1194 and 1198)**

21 **(Alleged by PLAINTIFF and the CALIFORNIA CLASS against ALL DEFENDANTS)**

22 92. PLAINTIFF, and the other members of the CALIFORNIA CLASS, reallege and
23 incorporate by this reference, as though fully set forth herein, the prior paragraphs of this
24 Complaint.

25 93. PLAINTIFF and the other members of the CALIFORNIA CLASS bring a claim
26 for DEFENDANT's willful and intentional violations of the California Labor Code and the
27 Industrial Welfare Commission requirements for DEFENDANT's failure to pay these employees
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1 for all overtime worked, including, work performed in excess of eight (8) hours in a workday,
2 and/or twelve (12) hours in a workday, and/or forty (40) hours in any workweek.

3 94. Pursuant to Cal. Lab. Code § 204, other applicable laws and regulations, and public
4 policy, an employer must timely pay its employees for all hours worked.

5 95. Cal. Lab. Code § 510 provides that employees in California shall not be employed
6 more than eight (8) hours per workday and/or more than forty (40) hours per workweek unless
7 they receive additional compensation beyond their regular wages in amounts specified by law.

8 96. Cal. Lab. Code § 1194 establishes an employee's right to recover unpaid wages,
9 including minimum and overtime compensation and interest thereon, together with the costs of
10 suit. Cal. Lab. Code § 1198 further states that the employment of an employee for longer hours
11 than those fixed by the Industrial Welfare Commission is unlawful.

12 97. During the CLASS PERIOD, PLAINTIFF and CALIFORNIA CLASS Members
13 were required by DEFENDANTS to work for DEFENDANTS and were not paid for all the time
14 they worked, including overtime work.

15 98. DEFENDANTS' uniform pattern of unlawful wage and hour practices manifested,
16 without limitation, applicable to the CALIFORNIA CLASS as a whole, as a result of
17 implementing a uniform policy and practice that failed to accurately record overtime worked by
18 PLAINTIFF and other CALIFORNIA CLASS Members and denied accurate compensation to
19 PLAINTIFF and the other members of the CALIFORNIA CLASS for overtime worked,
20 including, the overtime work performed in excess of eight (8) hours in a workday, and/or twelve
21 (12) hours in a workday, and/or forty (40) hours in any workweek.

22 99. In committing these violations of the California Labor Code, DEFENDANTS
23 inaccurately recorded overtime worked and consequently underpaid the overtime worked by
24 PLAINTIFF and other CALIFORNIA CLASS Members. DEFENDANTS acted in an illegal
25 attempt to avoid the payment of all earned wages, and other benefits in violation of the California
26 Labor Code, the Industrial Welfare Commission requirements and other applicable laws and
27 regulations.

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1 100. As a direct result of DEFENDANTS' unlawful wage practices as alleged herein,
2 PLAINTIFF and the other members of the CALIFORNIA CLASS did not receive the correct
3 overtime compensation for their time worked for DEFENDANTS.

4 101. Cal. Lab. Code § 515 sets out various categories of employees who are exempt
5 from the overtime requirements of the law. None of these exemptions are applicable to
6 PLAINTIFF and the other members of the CALIFORNIA CLASS. Further, PLAINTIFF and the
7 other members of the CALIFORNIA CLASS are not subject to a valid collective bargaining
8 agreement that would preclude the causes of action contained herein this Complaint. Rather,
9 PLAINTIFF brings this Action on behalf of himself, and the CALIFORNIA CLASS based on
10 DEFENDANTS' violations of non-negotiable, non-waivable rights provided by the State of
11 California.

12 102. During the CLASS PERIOD, PLAINTIFF and the other members of the
13 CALIFORNIA CLASS were paid less for overtime worked than they were entitled to,
14 constituting a failure to pay all earned wages.

15 103. DEFENDANTS failed to accurately pay PLAINTIFF and the other members of
16 the CALIFORNIA CLASS overtime wages for the time they worked which was in excess of the
17 maximum hours permissible by law as required by Cal. Lab. Code §§ 510, 1194, & 1198, even
18 though PLAINTIFF and the other members of the CALIFORNIA CLASS were regularly
19 required to work, and did in fact work overtime, as to which DEFENDANTS failed to accurately
20 record and pay as evidenced by DEFENDANTS' business records and witnessed by employees.

21 104. By virtue of DEFENDANTS' unlawful failure to accurately pay all earned
22 compensation to PLAINTIFF and the other members of the CALIFORNIA CLASS for the true
23 amount of overtime they worked, PLAINTIFF and the other members of the CALIFORNIA
24 CLASS have suffered and will continue to suffer an economic injury in amounts which are
25 presently unknown to them, and which will be ascertained according to proof at trial.

26 105. DEFENDANTS knew or should have known that PLAINTIFF and the other
27 members of the CALIFORNIA CLASS were undercompensated for their time worked.
28 DEFENDANTS systematically elected, either through intentional malfeasance or gross

1 nonfeasance, to not pay them for their labor as a matter of uniform company policy, practice and
2 procedure, and DEFENDANTS perpetrated this systematic scheme by refusing to pay
3 PLAINTIFF and the other members of the CALIFORNIA CLASS the correct overtime wages
4 for their overtime worked.

5 106. In performing the acts and practices herein alleged in violation of California labor
6 laws, and refusing to compensate the members of the CALIFORNIA CLASS for all time worked
7 and provide them with the requisite compensation, DEFENDANT acted and continues to act
8 intentionally, oppressively, and maliciously toward PLAINTIFF and the other members of the
9 CALIFORNIA CLASS with a conscious of and utter disregard for their legal rights, or the
10 consequences to them, and with the despicable intent of depriving them of their property and
11 legal rights, and otherwise causing them injury in order to increase company profits at the
12 expense of these employees.

13 107. Therefore, PLAINTIFF and the other members of the CALIFORNIA CLASS
14 request recovery of overtime wages, according to proof, interest, statutory costs, as well as the
15 assessment of any statutory penalties against DEFENDANTS, in a sum as provided by the
16 California Labor Code and/or other applicable statutes. To the extent overtime compensation is
17 determined to be owed to the CALIFORNIA CLASS Members who have terminated their
18 employment, DEFENDANT'S conduct also violates Labor Code §§ 201 and/or 202, and
19 therefore these individuals are also be entitled to waiting time penalties under Cal. Lab. Code §
20 203, which penalties are sought herein. DEFENDANTS' conduct as alleged herein was willful,
21 intentional, and not in good faith. Further, PLAINTIFF and other CALIFORNIA CLASS
22 Members are entitled to seek and recover statutory costs.

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1 **FOURTH CAUSE OF ACTION**

2 **Failure To Provide Required Meal Periods**

3 **(Cal. Lab. Code §§ 226.7 & 512)**

4 **(Alleged by PLAINTIFF and the CALIFORNIA CLASS against all DEFENDANTS)**

5 108. PLAINTIFF and the other members of the CALIFORNIA CLASS, reallege and
6 incorporate by this reference, as though fully set forth herein, the prior paragraphs of this
7 Complaint.

8 109. During the CLASS PERIOD, DEFENDANTS failed to provide all the legally
9 required off-duty meal breaks to PLAINTIFF and the other CALIFORNIA CLASS Members as
10 required by the applicable Wage Order and Labor Code. The nature of the work performed by
11 PLAINTIFF and CALIFORNIA CLASS Members did not prevent these employees from being
12 relieved of all of their duties for the legally required off-duty meal periods. As a result of their
13 rigorous work schedules, PLAINTIFF and other CALIFORNIA CLASS Members were often
14 not fully relieved of duty by DEFENDANT for their meal periods. Additionally,
15 DEFENDANT's failure to provide PLAINTIFF and the CALIFORNIA CLASS Members with
16 legally required meal breaks prior to their fifth (5th) hour of work is evidenced by
17 DEFENDANT's business records. Further, DEFENDANT failed to provide PLAINTIFF and
18 CALIFORNIA CLASS Members with a second off-duty meal period in some workdays in which
19 these employees were required by DEFENDANT to work ten (10) hours of work. As a result,
20 PLAINTIFF and other members of the CALIFORNIA CLASS forfeited meal breaks without
21 additional compensation and in accordance with DEFENDANT's strict corporate policy and
22 practice.

23 110. DEFENDANT further violated California Labor Code §§ 226.7 and the applicable
24 IWC Wage Order by failing to compensate PLAINTIFF and CALIFORNIA CLASS Members
25 who were not provided a meal period, in accordance with the applicable Wage Order, one
26 additional hour of compensation at each employee's regular rate of pay for each workday that a
27 meal period was not provided.

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111. As a proximate result of the aforementioned violations, PLAINTIFF and CALIFORNIA CLASS Members have been damaged in an amount according to proof at trial, and seek all wages earned and due, interest, penalties, expenses and costs of suit.

FIFTH CAUSE OF ACTION

Failure To Provide Required Rest Periods

(Cal. Lab. Code §§ 226.7 & 512)

(Alleged by PLAINTIFF and the CALIFORNIA CLASS against all DEFENDANTS)

112. PLAINTIFF, and the other members of the CALIFORNIA CLASS, reallege and incorporate by this reference, as though fully set forth herein, the prior paragraphs of this Complaint.

113. From time to time, PLAINTIFF and other CALIFORNIA CLASS Members were required to work in excess of four (4) hours without being provided ten (10) minute rest periods. Further, these employees were denied their first rest periods of at least ten (10) minutes for some shifts worked of at least two (2) to four (4) hours, a first and second rest period of at least ten (10) minutes for some shifts worked of between six (6) and eight (8) hours, and a first, second and third rest period of at least ten (10) minutes for some shifts worked of ten (10) hours or more. PLAINTIFF and other CALIFORNIA CLASS Members were also not provided with one-hour wages *in lieu* thereof. As a result of their rigorous work schedules, PLAINTIFF and other CALIFORNIA CLASS Members were periodically denied their proper rest periods by DEFENDANT and DEFENDANT's managers. In addition, DEFENDANT failed to compensate PLAINTIFF and other CALIFORNIA CLASS Members for their rest periods as required by the applicable Wage Order and Labor Code. As a result, DEFENDANT's failure to provide PLAINTIFF and the CALIFORNIA CLASS Members with all the legally required paid rest periods is evidenced by DEFENDANT's business records.

114. DEFENDANTS further violated California Labor Code §§ 226.7 and the applicable IWC Wage Order by failing to compensate PLAINTIFF and CALIFORNIA CLASS Members who were not provided a rest period, in accordance with the applicable Wage Order,

one additional hour of compensation at each employee's regular rate of pay for each workday that rest period was not provided.

115. As a proximate result of the aforementioned violations, PLAINTIFF and CALIFORNIA CLASS Members have been damaged in an amount according to proof at trial, and seek all wages earned and due, interest, penalties, expenses and costs of suit.

SIXTH CAUSE OF ACTION

Failure To Reimburse Employees For Required Expenses

(Cal. Lab. Code §§ 2802)

(Alleged by PLAINTIFF and the CALIFORNIA CLASS against all DEFENDANTS)

116. PLAINTIFF, and the other members of the CALIFORNIA CLASS, reallege and incorporate by this reference, as though fully set forth herein, the prior paragraphs of this Complaint.

117. Cal. Lab. Code § 2802 provides, in relevant part, that:

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

118. From time to time during the CLASS PERIOD, DEFENDANTS violated Cal. Lab. Code § 2802, by failing to indemnify and reimburse PLAINTIFF and the CALIFORNIA CLASS members for required expenses incurred in the discharge of their job duties for DEFENDANT's benefit. DEFENDANT failed to reimburse PLAINTIFF and the CALIFORNIA CLASS members for expenses which included, but were not limited to, their personal cell phones, home internet, purchase of boots and tools, as a result of and in furtherance of their job duties, including but not limited to receiving and/or responding to work-related communications and performing work-related duties. Specifically, PLAINTIFF and other CALIFORNIA CLASS Members were required by DEFENDANTS to use their personal cell phones, home internet, purchase of boots and tools, to execute their essential job duties on behalf of DEFENDANT. DEFENDANT's uniform policy, practice and procedure was to not reimburse PLAINTIFF and the CALIFORNIA CLASS members for expenses resulting from using their personal cell phones and home internet

1 and purchase of boots and tools for DEFENDANT within the course and scope of their
2 employment for DEFENDANT. These expenses were necessary to complete their principal job
3 duties. DEFENDANT is estopped by DEFENDANT's conduct to assert any waiver of this
4 expectation. Although these expenses were necessary expenses incurred by PLAINTIFF and the
5 CALIFORNIA CLASS members, DEFENDANT failed to indemnify and reimburse
6 PLAINTIFF and the CALIFORNIA CLASS members for these expenses as an employer is
7 required to do under the laws and regulations of California.

8 119. PLAINTIFF therefore demands reimbursement for expenditures or losses incurred
9 by them and the CALIFORNIA CLASS members in the discharge of their job duties for
10 DEFENDANT, or their obedience to the directions of DEFENDANT, with interest at the
11 statutory rate and costs under Cal. Lab. Code § 2802.

12 **SEVENTH CAUSE OF ACTION**

13 **Failure To Provide Accurate Itemized Statements**

14 **(Cal. Lab. Code § 226)**

15 **(Alleged by PLAINTIFF and the CALIFORNIA CLASS against all DEFENDANTS)**

16 120. PLAINTIFF, and the other members of the CALIFORNIA CLASS, reallege and
17 incorporate by this reference, as though fully set forth herein, the prior paragraphs of this
18 Complaint.

19 121. Cal. Labor Code § 226 provides that an employer must furnish employees with an
20 "accurate itemized" statement in writing showing:

- 21 a. Gross wages earned,
- 22 b. (2) total hours worked by the employee, except for any employee whose
23 compensation is solely based on a salary and who is exempt from payment of
24 overtime under subdivision (a) of Section 515 or any applicable order of the
25 Industrial Welfare Commission,
- 26 c. the number of piece-rate units earned and any applicable piece rate if the employee
27 is paid on a piece-rate basis,

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- d. all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item,
- e. net wages earned,
- f. the inclusive dates of the period for which the employee is paid,
- g. the name of the employee and his or her social security number, except that by January 1, 2008, only the last four digits of his or her social security number of an employee identification number other than social security number may be shown on the itemized statement,
- h. the name and address of the legal entity that is the employer, and
- i. all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee.

122. When DEFENDANT did not accurately record PLAINTIFF'S and other CALIFORNIA CLASS Members' missed meal and rest breaks, or were paid inaccurate missed meal and rest break premiums, or were not paid for all hours worked, DEFENDANT violated Cal. Lab. Code § 226 in that DEFENDANT failed to provide PLAINTIFF and other CALIFORNIA CLASS Members with complete and accurate wage statements which failed to show, among other things, all deductions, the accurate gross wages earned, net wages earned, the total hours worked and all applicable hourly rates in effect during the pay period and the corresponding amount of time worked at each hourly rate, and correct rates of pay for penalty payments or missed meal and rest periods.

123. In addition to the foregoing, DEFENDANTS failed to provide itemized wage statements to PLAINTIFF and members of the CALIFORNIA CLASS that complied with the requirements of California Labor Code Section 226.

124. DEFENDANT knowingly and intentionally failed to comply with Cal. Lab. Code § 226, causing injury and damages to PLAINTIFF and the other members of the CALIFORNIA CLASS. These damages include, but are not limited to, costs expended calculating the correct wages for all missed meal and rest breaks and the amount of employment taxes which were not properly paid to state and federal tax authorities. These damages are difficult to estimate.

1 Therefore, PLAINTIFF and the other members of the CALIFORNIA CLASS may elect to
2 recover liquidated damages of fifty dollars (\$50.00) for the initial pay period in which the
3 violation occurred, and one hundred dollars (\$100.00) for each violation in a subsequent pay
4 period pursuant to Cal. Lab. Code § 226, in an amount according to proof at the time of trial (but
5 in no event more than four thousand dollars (\$4,000.00) for PLAINTIFF and each respective
6 member of the CALIFORNIA CLASS herein).

7 **EIGHTH CAUSE OF ACTION**

8 **Failure To Pay Wages When Due**

9 **(Cal. Lab. Code § 203)**

10 **(Alleged by PLAINTIFF and the CALIFORNIA CLASS against all DEFENDANTS)**

11 125. PLAINTIFF, and the other members of the CALIFORNIA CLASS, reallege and
12 incorporate by this reference, as though fully set forth herein, the prior paragraphs of this
13 Complaint.

14 126. Cal. Lab. Code § 200 provides that:

15 As used in this article:

- 16 (d) "Wages" includes all amounts for labor performed by employees of every
17 description, whether the amount is fixed or ascertained by the standard of time,
18 task, piece, Commission basis, or other method of calculation.
19 (e) "Labor" includes labor, work, or service whether rendered or performed under
20 contract, subcontract, partnership, station plan, or other agreement if the to be
21 paid for is performed personally by the person demanding payment.

22 127. Cal. Lab. Code § 201 provides, in relevant part, that "If an employer discharges
23 an employee, the wages earned and unpaid at the time of discharge are due and payable
24 immediately."

25 128. Cal. Lab. Code § 202 provides, in relevant part, that:

26 If an employee not having a written contract for a definite period quits his or her
27 employment, his or her wages shall become due and payable not later than 72 hours
28 thereafter, unless the employee has given 72 hours previous notice of his or her intention
to quit, in which case the employee is entitled to his or her wages at the time of quitting.
Notwithstanding any other provision of law, an employee who quits without providing a
72-hour notice shall be entitled to receive payment by mail if he or she so requests and
designates a mailing address. The date of the mailing shall constitute the date of payment
for purposes of the requirement to provide payment within 72 hours of the notice of
quitting.

129. There was no definite term in PLAINTIFF'S or any CALIFORNIA CLASS Members' employment contract.

130. Cal. Lab. Code § 203 provides:

If an employer willfully fails to pay, without abatement or reduction, in accordance with Sections 201, 201.5, 202, and 205.5, any wages of an employee who is discharged or who quits, the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until an action therefor is commenced; but the wages shall not continue for more than 30 days.

131. The employment of PLAINTIFF and many CALIFORNIA CLASS Members terminated, and DEFENDANT has not tendered payment of wages to these employees who missed meal and rest breaks, as required by law.

132. Therefore, as provided by Cal Lab. Code § 203, on behalf of themselves and the members of the CALIFORNIA CLASS whose employment has, PLAINTIFF demands up to thirty (30) days of pay as penalty for not paying all wages due at time of termination for all employees who terminated employment during the CLASS PERIOD and demands an accounting and payment of all wages due, plus interest and statutory costs as allowed by law.

PRAYER FOR RELIEF

WHEREFORE, PLAINTIFF prays for a judgment against each DEFENDANT, jointly and severally, as follows:

1. On behalf of the CALIFORNIA CLASS:

- a. That the Court certify the First Cause of Action asserted by the CALIFORNIA CLASS as a class action pursuant to Cal. Code of Civ. Proc. § 382;
- b. An order temporarily, preliminarily and permanently enjoining and restraining DEFENDANTS from engaging in similar unlawful conduct as set forth herein;
- c. An order requiring DEFENDANTS to pay all overtime wages and all sums unlawfully withheld from compensation due to PLAINTIFF and the other members of the CALIFORNIA CLASS; and
- d. Restitutionary disgorgement of DEFENDANT's ill-gotten gains into a fluid fund for restitution of the sums incidental to DEFENDANT's violations due to PLAINTIFF and to the other members of the CALIFORNIA CLASS.

1 2. On behalf of the CALIFORNIA CLASS:

- 2 a. That the Court certify the Second, Third, Fourth, Fifth, Sixth, Seventh, and Eighth
- 3 Causes of Action asserted by the CALIFORNIA CLASS as a class action pursuant
- 4 to Cal. Code of Civ. Proc. § 382;
- 5 b. Compensatory damages, according to proof at trial, including compensatory
- 6 damages for overtime compensation due to PLAINTIFF and the other members of
- 7 the CALIFORNIA CLASS, during the applicable CLASS PERIOD plus interest
- 8 thereon at the statutory rate;
- 9 c. Meal and rest period compensation pursuant to Cal. Lab. Code §§ 226.7, 512 and
- 10 the applicable IWC Wage Order;
- 11 d. The greater of all actual damages or fifty dollars (\$50) for the initial pay period in
- 12 which a violation occurs and one hundred dollars (\$100) per each member of the
- 13 CALIFORNIA CLASS for each violation in a subsequent pay period, not exceeding
- 14 an aggregate penalty of four thousand dollars (\$4,000), and an award of costs for
- 15 violation of Cal. Lab. Code § 226
- 16 e. The wages of all terminated employees from the CALIFORNIA CLASS as a
- 17 penalty from the due date thereof at the same rate until paid or until an action
- 18 therefore is commenced, in accordance with Cal. Lab. Code § 203.
- 19 f. The amount of the expenses PLAINTIFF and each member of the CALIFORNIA
- 20 CLASS incurred in the course of their job duties, plus interest, and costs of suit.

21 3. On all claims:

- 22 a. An award of interest, including prejudgment interest at the legal rate;
- 23 b. Such other and further relief as the Court deems just and equitable; and
- 24
- 25
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1 c. An award of penalties, attorneys' fees, and costs of suit, as allowable under the law,
2 including, but not limited to, pursuant to Labor Code § 218.5, § 226, and/or § 1194.
3
4

5 Dated: June 10, 2024

JCL LAW FIRM, APC
ZAKAY LAW GROUP, APLC

6
7 By: 

Jean-Claude Lapuyade, Esq.
Monnett De La Torre, Esq.
Andrea Amaya, Esq.
Shani O. Zakay, Esq.

10 Attorneys for Plaintiff
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DEMAND FOR A JURY TRIAL

PLAINTIFF demands a jury trial on issues triable to a jury.

Dated: June 10, 2024

**JCL LAW FIRM, APC
ZAKAY LAW GROUP, APLC**

By: 
Jean-Claude Lapuyade, Esq.
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