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**March 11, 2024
CA3141**

VIA ONLINE FILING TO LWDA AND CERTIFIED MAIL TO DEFENDANT

**Labor and Workforce Development Agency
Online Filing**

**Merrill Lynch, Pierce, Fenner & Smith
Incorporated
Certified Mail #9589071052700408543298
CT Corporation System
AMANDA GARCIA
330 N BRAND BLVD, Suite 700
GLENDALE, CA 91203**

Re: Notice Of Violations Of California Labor Code Sections §§ 201, 202, 203, 204 *et seq.*, 210, 218, 221, 226(a), 226.7, 227.3, 246 *et seq.*, 510, 512, 558(a)(1)(2), 1194, 1197, 1197.1, 1198, 2100 *et seq.*, 2802, California Code of Regulations, Title 8, Section 11040, Subdivision 5(A)-(B), California Code of Regulations, Title 8, Section 1 1070(14) (Failure to Provide Seating), and Violation of Applicable Industrial Welfare Commission Wage Order(s), brought Pursuant To California Labor Code Section 2699.5.

Dear Sir/Madam:

“Aggrieved Employees” refers to all individuals who are or previously were employed by Merrill Lynch, Pierce, Fenner & Smith Incorporated in California, including any employees staffed with Merrill Lynch, Pierce, Fenner & Smith Incorporated a third party, and classified as non-exempt employees during the time period of March 11, 2023 until a date as determined by the Court. Our offices represent Plaintiff Nancy Jauregui (“Plaintiff”) and other Aggrieved Employees in a lawsuit against Merrill Lynch, Pierce, Fenner & Smith Incorporated (“Defendant”). Plaintiff was employed by Defendant in California from 2008 to August 31, 2023. Plaintiff was at all times classified by Defendant as a non-exempt employee, paid on an hourly basis, and entitled to the legally required meal and rest periods and payment of minimum and overtime wages due for all time worked. Defendant, however, unlawfully failed to record and pay Plaintiff and other Aggrieved Employees for, including but not limited to, all of their time worked, including minimum and overtime wages and sick pay wages at the correct rate, for all of their missed meal and rest breaks at the correct regular rates, and for all of their time spent working off the clock. Moreover, when Defendant required Plaintiff and Aggrieved Employees to report for work, but “furnished less than half said employee’s usual or scheduled day’s work,” Defendant violated Cal. Code Regs., tit. 8 § 11040, subd. 5(A) by failing to pay Plaintiff and Aggrieved Employees for at least two (2) hours’ worth of work at their regular rate of pay. In addition, when Defendant required Plaintiff and Aggrieved Employees to respond to and engage in additional work, this resulted in a second reporting for work in a single workday, and

Defendant failed to pay these employees reporting time pay as required by Cal. Code Regs., tit. 8, § 11040, subd. 5(B). Further, Defendant failed to advise Plaintiff and the other Aggrieved Employees of their right to take separately and hourly paid duty-free ten (10) minute rest periods. *See Vaquero v. Stoneledge Furniture, LLC*, 9 Cal. App. 5th 98, 110 (2017). Additionally, pursuant to Labor Code § 204 *et seq.*, Defendant failed to timely provide Plaintiff and other Aggrieved Employees with their wages. Plaintiff further contends that Defendant failed to provide accurate wage statements to Plaintiff, and other Aggrieved Employees, in violation of California Labor Code section 226(a). Specifically, PLAINTIFF and the AGGRIEVED EMPLOYEES were paid on an hourly basis. As such, the wage statements should reflect all applicable hourly rates during the pay period and the total hours worked, and the applicable pay period in which the wages were earned pursuant to California Labor Code Section 226(a). The wage statements Defendant provided to PLAINTIFF and the AGGRIEVED EMPLOYEES failed to identify such information. More specifically, the wage statements failed to identify the accurate total hours worked each pay period in violation of Cal. Lab. Code Section 226(a)(2). Additionally, Plaintiff contends that Defendant failed to comply with Industrial Wage Order 7(A)(3) in that Defendant failed to keep time records showing when Plaintiff began and ended each shift and meal period. Plaintiff and other Aggrieved Employees perform tasks that reasonably permit sitting, and a seat would not interfere with their performance of any of their tasks that may require them to stand. Defendant failed to provide Plaintiff and other Aggrieved Employees with suitable seats. Said conduct, in addition to the foregoing, as well as the conduct alleged in the incorporated Complaint, violates Labor Code §§ 201, 202, 203, 204 *et seq.*, 210, 218, 221, 226(a), 226.7, 227.3, 246, 510, 512, 558(a)(1)(2), 1194, 1197, 1197.1, 1198, 2802, California Code of Regulations, Title 8, Section 11040, Subdivision 5(A)-(B), California Code of Regulations, Title 8, Section 11070(14) (Failure to Provide Seating), Violation of the applicable Industrial Welfare Commission Wage Order(s), and is therefore actionable under California Labor Code section 2699.3.

A true and correct copy of the Complaint by Plaintiff against Defendant, which (i) identifies the alleged violations, (ii) details the facts and theories which support the alleged violations, (iii) details the specific work performed by Plaintiff, (iii) sets forth the people/entities, dates, classifications, violations, events, and actions which are at issue to the extent known to Plaintiff, and (iv) 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.

This notice is provided to enable Plaintiff to proceed with the Complaint against Defendant as authorized by California Labor Code section 2699, *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 Employees.

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

Respectfully,

/s/ Nicholas J. De Blouw
Nicholas J. De Blouw, Esq.

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SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF ORANGE

NANCY JAUREGUI, an individual, on behalf of
herself, and on behalf of all persons similarly
situated,

Plaintiff,

vs.

MERRILL LYNCH, PIERCE, FENNER &
SMITH INCORPORATED, a Corporation; and
DOES 1 through 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;
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;
6. FAILURE TO PROVIDE ACCURATE ITEMIZED STATEMENTS IN VIOLATION OF CAL. LAB. CODE § 226;
7. FAILURE TO REIMBURSE EMPLOYEES FOR REQUIRED EXPENSES IN VIOLATION OF CAL. LAB. CODE § 2802;
8. FAILURE TO PROVIDE WAGES WHEN DUE IN VIOLATION OF CAL. LAB. CODE §§ 201, 202 AND 203; and,
9. FAILURE TO PAY SICK PAY WAGES IN VIOLATION OF CAL. LAB CODE §§201-204, 233, 246.

DEMAND FOR A JURY TRIAL

1 Nancy Jauregui (“PLAINTIFF”), an individual, on behalf of herself and all other
2 similarly situated current and former employees allege on information and belief, except for her
3 own acts and knowledge which are based on personal knowledge, the following.

4
5 **THE PARTIES**

6 1. Merrill Lynch, Pierce, Fenner & Smith Incorporated (“DEFENDANT”) is a
7 Corporation that at all relevant times mentioned herein conducted and continues to conduct
8 substantial business in California.

9 2. DEFENDANT is a registered broker dealer and investment advisor.

10 3. PLAINTIFF was employed by DEFENDANT in California from 2008 to August
11 31, 2023. PLAINTIFF was at all times classified by DEFENDANT as a non-exempt employee,
12 paid on an hourly basis, and entitled to the legally required meal and rest periods and payment
13 of minimum and overtime wages due for all time worked.

14 4. PLAINTIFF brings this Class Action on behalf of herself and a California class,
15 defined as all individuals who are or previously were employed by DEFENDANT in California,
16 including any employees staffed with DEFENDANT by a third party, and classified as
17 non-exempt employees (the “CALIFORNIA CLASS”) at any time during the period beginning
18 four (4) years prior to the filing of this Complaint and ending on the date as determined by the
19 Court (the “CALIFORNIA CLASS PERIOD”). The amount in controversy for the aggregate
20 claim of CALIFORNIA CLASS Members is under five million dollars (\$5,000,000.00).

21 5. PLAINTIFF brings this Class Action on behalf of herself and a CALIFORNIA
22 CLASS in order to fully compensate the CALIFORNIA CLASS for their losses incurred
23 during the CALIFORNIA CLASS PERIOD caused by DEFENDANT's policy and practice
24 which failed to lawfully compensate these employees. DEFENDANT's policy and practice
25 alleged herein was an unlawful, unfair and deceptive business practice whereby
26 DEFENDANT retained and continues to retain wages due to PLAINTIFF and the other
27 members of the CALIFORNIA CLASS. PLAINTIFF and the other members of the
28 CALIFORNIA CLASS seek an injunction enjoining such conduct by DEFENDANT in the

1 future, relief for the named PLAINTIFF and the other members of the CALIFORNIA
2 CLASS who have been economically injured by DEFENDANT's past and current unlawful
3 conduct, and all other appropriate legal and equitable relief.

4 6. The true names and capacities, whether individual, corporate, subsidiary,
5 partnership, associate or otherwise of defendants DOES 1 through 50, inclusive, are
6 presently unknown to PLAINTIFF who therefore sues these Defendants by such fictitious
7 names pursuant to Cal. Civ. Proc. Code § 474. PLAINTIFF will seek leave to amend this
8 Complaint to allege the true names and capacities of Does 1 through 50, inclusive, when
9 they are ascertained. PLAINTIFF is informed and believe, and based upon that information
10 and belief alleges, that the Defendants named in this Complaint, including DOES 1 through
11 50, inclusive, are responsible in some manner for one or more of the events and happenings
12 that proximately caused the injuries and damages hereinafter alleged.

13 7. The agents, servants and/or employees of the Defendants and each of them
14 acting on behalf of the Defendants acted within the course and scope of his, her or its
15 authority as the agent, servant and/or employee of the Defendants, and personally
16 participated in the conduct alleged herein on behalf of the Defendants with respect to the
17 conduct alleged herein. Consequently, the acts of each Defendant are legally attributable to
18 the other Defendants and all Defendants are jointly and severally liable to PLAINTIFF and
19 the other members of the CALIFORNIA CLASS, for the loss sustained as a proximate result
20 of the conduct of the Defendants' agents, servants and/or employees.

21 22 THE CONDUCT

23 9. Pursuant to the Industrial Welfare Commission Wage Orders, DEFENDANT
24 was required to pay PLAINTIFF and CALIFORNIA CLASS Members for all their time
25 worked, meaning the time during which an employee is subject to the control of an
26 employer, including all the time the employee is suffered or permitted to work.
27 DEFENDANT requires PLAINTIFF and CALIFORNIA CLASS Members to work without
28 paying them for all the time they are under DEFENDANT's control. Among other things,

1 DEFENDANT requires PLAINTIFF to work while clocked out during what is supposed to
2 be PLAINTIFF's off-duty meal break. PLAINTIFF were from time to time interrupted by
3 work assignments while clocked out for what should have been PLAINTIFF' off-duty meal
4 break. DEFENDANT, as a matter of established company policy and procedure, administers
5 a uniform practice of rounding the actual time worked and recorded by PLAINTIFF and
6 CALIFORNIA CLASS Members, always to the benefit of DEFENDANT, so that during the
7 course of their employment, PLAINTIFF and CALIFORNIA CLASS Members are paid less
8 than they would have been paid had they been paid for actual recorded time rather than
9 "rounded" time. Additionally, DEFENDANT engages in the practice of requiring
10 PLAINTIFF and CALIFORNIA CLASS Members to perform work off the clock in that
11 DEFENDANT, as a condition of employment, required these employees to submit to
12 mandatory temperature checks and symptom questionnaires for COVID-19 screening prior
13 to clocking into DEFENDANT's timekeeping system for the workday. As a result,
14 PLAINTIFF and other CALIFORNIA CLASS Members forfeit minimum wage, overtime
15 wage compensation, and off-duty meal breaks by working without their time being correctly
16 recorded and without compensation at the applicable rates. DEFENDANT's policy and
17 practice not to pay PLAINTIFF and other CALIFORNIA CLASS Members for all time
18 worked, is evidenced by DEFENDANT's business records.

19 13. State and federal law provides that employees must be paid overtime and meal
20 and rest break premiums at one-and-one-half times their "regular rate of pay." PLAINTIFF
21 and other CALIFORNIA CLASS Members are compensated at an hourly rate plus incentive
22 pay that is tied to specific elements of an employee's performance.

23 14. The second component of PLAINTIFF' and other CALIFORNIA CLASS
24 Members' compensation is DEFENDANT's non-discretionary incentive program that paid
25 PLAINTIFF and other CALIFORNIA CLASS Members incentive wages based on their
26 performance for DEFENDANT. The non-discretionary incentive program provided all
27 employees paid on an hourly basis with incentive compensation when the employees met the
28 various performance goals set by DEFENDANT. However, when calculating the regular

1 rate of pay in order to pay overtime and meal and rest break premiums to PLAINTIFF and
2 other CALIFORNIA CLASS Members, DEFENDANT failed to include the incentive
3 compensation as part of the employees' "regular rate of pay" for purposes of calculating
4 overtime pay and meal and rest break premium pay. Management and supervisors described
5 the incentive program to potential and new employees as part of the compensation package.
6 As a matter of law, the incentive compensation received by PLAINTIFF and other
7 CALIFORNIA CLASS Members must be included in the "regular rate of pay." The failure
8 to do so has resulted in a underpayment of overtime compensation and meal and rest break
9 premiums to PLAINTIFF and other CALIFORNIA CLASS Members by DEFENDANT.

10 15. As a result of their rigorous work schedules, PLAINTIFF and other
11 CALIFORNIA CLASS Members were from time to time unable to take thirty (30) minute
12 off duty meal breaks and were not fully relieved of duty for their meal periods. PLAINTIFF
13 and other CALIFORNIA CLASS Members were required from time to time to perform
14 work as ordered by DEFENDANT for more than five (5) hours during some shifts without
15 receiving a meal break. Further, DEFENDANT from time to time failed to provide
16 PLAINTIFF and CALIFORNIA CLASS Members with a second off-duty meal period for
17 some workdays in which these employees were required by DEFENDANT to work ten (10)
18 hours of work. DEFENDANT also engaged in the practice of rounding the meal period
19 times to avoid paying penalties to PLAINTIFF and other CALIFORNIA CLASS Members.
20 PLAINTIFF and other members of the CALIFORNIA CLASS therefore forfeit meal breaks
21 without additional compensation and in accordance with DEFENDANT's corporate policy
22 and practice.

23 16. During the CALIFORNIA CLASS PERIOD, PLAINTIFF and other
24 CALIFORNIA CLASS Members were also required from time to time to work in excess of
25 four (4) hours without being provided ten (10) minute rest periods. Further, these employees
26 were denied their first rest periods of at least ten (10) minutes for some shifts worked of at
27 least two (2) to four (4) hours from time to time, a first and second rest period of at least ten
28 (10) minutes for some shifts worked of between six (6) and eight (8) hours from time to

1 time, and a first, second and third rest period of at least ten (10) minutes for some shifts
2 worked of ten (10) hours or more from time to time. PLAINTIFF and other CALIFORNIA
3 CLASS Members were also not provided with one hour wages in lieu thereof. Additionally,
4 the applicable California Wage Order requires employers to provide employees with off-
5 duty rest periods, which the California Supreme Court defined as time during which an
6 employee is relieved from all work related duties and free from employer control. In so
7 doing, the Court held that the requirement under California law that employers authorize and
8 permit all employees to take rest period means that employers must relieve employees of all
9 duties and relinquish control over how employees spend their time which includes control
10 over the locations where employees may take their rest period. Employers cannot impose
11 controls that prohibit an employee from taking a brief walk - five minutes out, five minutes
12 back. Here, DEFENDANT's policy restricted PLAINTIFF and other CALIFORNIA
13 CLASS Members from unconstrained walks and is unlawful based on DEFENDANT's rule
14 which states PLAINTIFF and other CALIFORNIA CLASS Members cannot leave the work
15 premises during their rest period.

16 17. During the CALIFORNIA CLASS PERIOD, DEFENDANT failed to
17 accurately record and pay PLAINTIFF and other CALIFORNIA CLASS Members for the
18 actual amount of time these employees worked. Pursuant to the Industrial Welfare
19 Commission Wage Orders, DEFENDANT was required to pay PLAINTIFF and other
20 CALIFORNIA CLASS Members for all time worked, meaning the time during which an
21 employee was subject to the control of an employer, including all the time the employee was
22 permitted or suffered to permit this work. DEFENDANT required these employees to work
23 off the clock without paying them for all the time they were under DEFENDANT's control.
24 As such, DEFENDANT knew or should have known that PLAINTIFF and the other
25 members of the CALIFORNIA CLASS were under compensated for all time worked. As a
26 result, PLAINTIFF and other CALIFORNIA CLASS Members forfeited time worked by
27 working without their time being accurately recorded and without compensation at the
28 applicable minimum wage and overtime wage rates. To the extent that the time worked off

1 the clock does not qualify for overtime premium payment, DEFENDANT fails to pay
2 minimum wages for the time worked off-the-clock in violation of Cal. Lab. Code §§ 1194,
3 1197, and 1197.1.

4 18. From time to time, DEFENDANT also failed to provide PLAINTIFF and the
5 other members of the CALIFORNIA CLASS with complete and accurate wage statements
6 which failed to show, among other things, the correct gross and net wages earned. Cal. Lab.
7 Code § 226 provides that every employer shall furnish each of his or her employees with an
8 accurate itemized wage statement in writing showing, among other things, gross wages
9 earned and all applicable hourly rates in effect during the pay period and the corresponding
10 amount of time worked at each hourly rate. PLAINTIFF and CALIFORNIA CLASS
11 Members were paid on an hourly basis. As such, the wage statements should reflect all
12 applicable hourly rates during the pay period and the total hours worked, and the applicable
13 pay period in which the wages were earned pursuant to California Labor Code Section
14 226(a). The wage statements DEFENDANT provided to PLAINTIFF and other
15 CALIFORNIA CLASS Members failed to identify such information. More specifically, the
16 wage statements failed to identify the accurate total hours worked each pay period. When
17 the hours shown on the wage statements were added up, they did not equal the actual total
18 hours worked during the pay period in violation of Cal. Lab. Code 226(a)(2). Aside, from
19 the violations listed above in this paragraph, DEFENDANT failed to issue to PLAINTIFF
20 an itemized wage statement that lists all the requirements under California Labor Code 226
21 *et seq.* As a result, DEFENDANT from time to time provided PLAINTIFF and the other
22 members of the CALIFORNIA CLASS with wage statements which violated Cal. Lab. Code
23 § 226.

24 19. Cal. Lab. Code § 204(d) provides, the requirements of this section shall be
25 deemed satisfied by the payment of wages for weekly, biweekly, or semimonthly payroll if
26 the wages are paid not more than seven (7) calendar days following the close of the payroll
27 period. Cal. Lab. Code § 210 provides:
28

1 in [I]n addition to, and entirely independent and apart from, any other penalty provided
2 this article, every person who fails to pay the wages of each employee as provided in
3 Sections. . . 204. . . shall be subject to a civil penalty as follows: (1) For any initial
4 violation, one hundred dollars (\$100) for each failure to pay each employee; (2) For
5 each subsequent violation, or any willful or intentional violation, two hundred dollars
6 (\$200) for each failure to pay each employee, plus 25 percent of the amount
7 unlawfully withheld.

8 20. DEFENDANT from time to time failed to pay PLAINTIFF and members of
9 the CALIFORNIA LABOR SUB-CLASS Members within seven (7) days of the close of the
10 payroll period in accordance with Cal. Lab. Code § 204(d), including but not limited to for
11 the “Hourly” regular wage payments.

12 21. DEFENDANT underpaid sick pay wages to PLAINTIFF and other
13 CALIFORNIA CLASS Members by failing to pay such wages at the regular rate of pay in
14 violation of Cal. Lab. Code Section 246. Specifically, PLAINTIFF and other non-exempt
15 employees earn non-discretionary remuneration. Rather than pay sick pay at the regular rate
16 of pay, DEFENDANT underpaid sick pay to PLAINTIFF and other CALIFORNIA CLASS
17 Members at their base rates of pay.

18 22. Cal. Lab. Code Section 246(1)(2) requires that paid sick time for nonexempt
19 employees be calculated by dividing the employee’s total wages, not including overtime
20 premium pay, by the employee’s total hours worked in the full pay periods of the prior 90
21 days of employment.

22 23. DEFENDANT violated Cal. Lab. Code Section 246 by failing to pay sick pay
23 at the regular rate of pay. PLAINTIFF and CALIFORNIA CLASS Members routinely
24 earned non-discretionary incentive wages which increased their regular rate of pay.
25 However, when sick pay was paid, it was paid at the base rate of pay for PLAINTIFF and
26 members of the CALIFORNIA CLASS, as opposed to the correct, higher regular rate of pay,
27 as required under Cal. Lab. Code Section 246.

28 24. As a pattern and practice, DEFENDANT regularly failed to pay PLAINTIFF
and other members of the CALIFORNIA CLASS their correct wages and accordingly owe
waiting time penalties pursuant to Cal. Lab. Code Section 203. Further, PLAINTIFF are
informed and believe and based thereon allege that such failure to pay sick pay at regular

1 rate was willful, such that PLAINTIFF and members of the CALIFORNIA CLASS whose
2 employment has separated are entitled to waiting time penalties pursuant to Cal. Lab. Code
3 Sections 201-203.

4 25. Pursuant to Cal. Lab. Code Section 221, "It shall be unlawful for any employer
5 to collect or receive from an employee any part of wages theretofore paid by said employer
6 to said employee." DEFENDANT failed to pay all compensation due to PLAINTIFF and
7 other CALIFORNIA LABOR SUB-CLASS Members, made unlawful deductions from
8 compensation payable to PLAINTIFF and CALIFORNIA LABOR SUB-CLASS Members,
9 failed to disclose all aspects of the deductions from compensation payable to PLAINTIFF
10 and CALIFORNIA LABOR SUB-CLASS Members, and thereby failed to pay these
11 employees all wages due at each applicable pay period and upon termination. PLAINTIFF
12 and members of the CALIFORNIA LABOR SUB-CLASS seek recovery of all illegal
13 deductions from wages according to proof, related penalties, interest, attorney fees and costs.

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

24 27. In the course of their employment PLAINTIFF and other CALIFORNIA
25 CLASS Members as a business expense, were required by DEFENDANT to use their own
26 personal cellular phones as a result of and in furtherance of their job duties as employees for
27 DEFENDANT but are not reimbursed or indemnified by DEFENDANT for the cost
28 associated with the use of their personal cellular phones for DEFENDANT's benefit.

1 Specifically, PLAINTIFF and other CALIFORNIA CLASS Members were required by
2 DEFENDANT to use their personal cellular phones. As a result, in the course of their
3 employment with DEFENDANT, PLAINTIFF and other members of the CALIFORNIA
4 CLASS incurred unreimbursed business expenses which included, but were not limited to,
5 costs related to the use of their personal cellular phones all on behalf of and for the benefit
6 of DEFENDANT.

7 28. In violation of the applicable sections of the California Labor Code and the
8 requirements of the applicable Industrial Welfare Commission ("IWC") Wage Order,
9 DEFENDANT as a matter of company policy, practice and procedure, intentionally,
10 knowingly and systematically failed to provide PLAINTIFF and the other Aggrieved
11 Employees suitable seating when the nature of these employees' work reasonably permitted
12 sitting.

13 29. DEFENDANT knew or should have known that PLAINTIFF and other
14 Aggrieved Employees were entitled to suitable seating and/or were entitled to sit when it did
15 not interfere with the performance of their duties, and that DEFENDANT did not provide
16 suitable seating and/or did not allow them to sit when it did not interfere with the
17 performance of their duties.

18 30. By reason of this conduct applicable to PLAINTIFF and all Aggrieved
19 Employees, DEFENDANT violated California Labor Code Section 1198 and California
20 Code of Regulations, Title 8, Section 11070(14) (Failure to Provide Seating), Wage Order
21 4-2001, Section 14 by failing to provide suitable seats. PLAINTIFF seek penalties on behalf
22 of PLAINTIFF and other Aggrieved Employees as provided herein. Providing suitable
23 seating is the DEFENDANT's burden. As a result of DEFENDANT's intentional disregard
24 of the obligation to meet this burden, DEFENDANT violated the California Labor Code and
25 regulations promulgated thereunder as herein alleged.

26 31. Specifically as to PLAINTIFF, DEFENDANT failed to provide all the legally
27 required off-duty meal and rest breaks to PLAINTIFF as required by the applicable Wage
28 Order and Labor Code and failed to pay PLAINTIFF all minimum and overtime wages due

1 to PLAINTIFF. DEFENDANT did not have a policy or practice which provided timely off-
2 duty meal and rest breaks to PLAINTIFF and also failed to compensate PLAINTIFF for
3 PLAINTIFF' missed meal and rest breaks. The nature of the work performed by the
4 PLAINTIFF did not prevent PLAINTIFF from being relieved of all of PLAINTIFF' duties
5 for the legally required off-duty meal periods. As a result, DEFENDANT's failure to
6 provide PLAINTIFF with the legally required meal periods is evidenced by DEFENDANT's
7 business records. The amount in controversy for PLAINTIFF individually does not exceed
8 the sum or value of \$75,000.

9 **JURISDICTION AND VENUE**

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

14 33. Venue is proper in this Court pursuant to California Code of Civil Procedure,
15 Sections 395 and 395.5, because PLAINTIFF worked in this County for DEFENDANT and
16 DEFENDANT (i) currently maintains and at all relevant times maintained offices and
17 facilities in this County and/or conducts substantial business in this County, and (ii)
18 committed the wrongful conduct herein alleged in this County against members of the
19 CALIFORNIA CLASS.

20 **THE CALIFORNIA CLASS**

21 34. PLAINTIFF brings the First Cause of Action for Unfair, Unlawful and
22 Deceptive Business Practices pursuant to Cal. Bus. & Prof. Code §§ 17200, *et seq.* (the
23 "UCL") as a Class Action, pursuant to Cal. Code of Civ. Proc. § 382, on behalf of a
24 California class, defined as all individuals who are or previously were employed by
25 DEFENDANT in California, including any employees staffed with DEFENDANT by a third
26 party, and classified as non-exempt employees (the "CALIFORNIA CLASS") at any time
27 during the period beginning four (4) years prior to the filing of this Complaint and ending on
28

1 the date as determined by the Court (the "CALIFORNIA CLASS PERIOD"). The amount
2 in controversy for the aggregate claim of CALIFORNIA CLASS Members is under five
3 million dollars (\$5,000,000.00).

4 35. To the extent equitable tolling operates to toll claims by the CALIFORNIA
5 CLASS against DEFENDANT, the CALIFORNIA CLASS PERIOD should be adjusted
6 accordingly.

7 36. DEFENDANT, as a matter of company policy, practice and procedure, and in
8 violation of the applicable Labor Code, Industrial Welfare Commission ("IWC") Wage
9 Order requirements, and the applicable provisions of California law, intentionally,
10 knowingly, and wilfully, engaged in a practice whereby DEFENDANT failed to record all
11 meal and rest breaks missed by PLAINTIFF and other CALIFORNIA CLASS Members,
12 even though DEFENDANT enjoyed the benefit of this work, required employees to perform
13 this work and permits or suffers to permit this work.

14 37. DEFENDANT has the legal burden to establish that each and every
15 CALIFORNIA CLASS Member was paid accurately for all meal and rest breaks missed as
16 required by California laws. The DEFENDANT, however, as a matter of policy and
17 procedure failed to have in place during the CALIFORNIA CLASS PERIOD and still fails
18 to have in place a policy or practice to ensure that each and every CALIFORNIA CLASS
19 Member is paid as required by law. This common business practice is applicable to each
20 and every CALIFORNIA CLASS Member can be adjudicated on a class-wide basis as
21 unlawful, unfair, and/or deceptive under Cal. Business & Professions Code §§ 17200, *et seq.*
22 (the "UCL") as causation, damages, and reliance are not elements of this claim.

23 38. The CALIFORNIA CLASS, is so numerous that joinder of all CALIFORNIA
24 CLASS Members is impracticable.

25 39. DEFENDANT violated the rights of the CALIFORNIA CLASS under
26 California law by:

- 27 (a) Committing an act of unfair competition in violation of , Cal. Bus. &
28 Prof. Code §§ 17200, *et seq.* (the "UCL"), by unlawfully, unfairly

1 and/or deceptively having in place company policies, practices and
2 procedures that failed to record and pay PLAINTIFF and the other
3 members of the CALIFORNIA CLASS for all time worked, including
4 minimum wages owed and overtime wages owed for work performed
5 by these employees; and,

- 6 (b) Committing an act of unfair competition in violation of the UCL, by
7 failing to provide the PLAINTIFF and the other members of the
8 CALIFORNIA CLASS with the legally required meal and rest periods.

9 40. This Class Action meets the statutory prerequisites for the maintenance of a
10 Class Action as set forth in Cal. Code of Civ. Proc. § 382, in that:

- 11 (a) The persons who comprise the CALIFORNIA CLASS are so numerous
12 that the joinder of all such persons is impracticable and the disposition
13 of their claims as a class will benefit the parties and the Court;
14 (b) Nearly all factual, legal, statutory, declaratory and injunctive relief
15 issues that are raised in this Complaint are common to the
16 CALIFORNIA CLASS will apply to every member of the
17 CALIFORNIA CLASS;
18 (c) The claims of the representative PLAINTIFF are typical of the claims
19 of each member of the CALIFORNIA CLASS. PLAINTIFF, like all
20 the other members of the CALIFORNIA CLASS, were classified as
21 non-exempt employees paid on an hourly basis who were subjected to
22 the DEFENDANT's deceptive practice and policy which failed to
23 provide the legally required meal and rest periods to the CALIFORNIA
24 CLASS and thereby underpaid compensation to PLAINTIFF and
25 CALIFORNIA CLASS. PLAINTIFF sustained economic injury as a
26 result of DEFENDANT's employment practices. PLAINTIFF and the
27 members of the CALIFORNIA CLASS were and are similarly or
28

1 identically harmed by the same unlawful, deceptive and unfair
2 misconduct engaged in by DEFENDANT; and,

- 3 (d) The representative PLAINTIFF will fairly and adequately represent and
4 protect the interest of the CALIFORNIA CLASS, and have retained
5 counsel who are competent and experienced in Class Action litigation.
6 There are no material conflicts between the claims of the representative
7 PLAINTIFF and the members of the CALIFORNIA CLASS that would
8 make class certification inappropriate. Counsel for the CALIFORNIA
9 CLASS will vigorously assert the claims of all CALIFORNIA CLASS
10 Members.

11 41. In addition to meeting the statutory prerequisites to a Class Action, this action
12 is properly maintained as a Class Action pursuant to Cal. Code of Civ. Proc. § 382, in that:

- 13 (a) Without class certification and determination of declaratory, injunctive,
14 statutory and other legal questions within the class format, prosecution
15 of separate actions by individual members of the CALIFORNIA
16 CLASS will create the risk of:

- 17 1) Inconsistent or varying adjudications with respect to individual
18 members of the CALIFORNIA CLASS which would establish
19 incompatible standards of conduct for the parties opposing the
20 CALIFORNIA CLASS; and/or,
21 2) Adjudication with respect to individual members of the
22 CALIFORNIA CLASS which would as a practical matter be
23 dispositive of interests of the other members not party to the
24 adjudication or substantially impair or impede their ability to
25 protect their interests.

- 26 (b) The parties opposing the CALIFORNIA CLASS have acted or refused
27 to act on grounds generally applicable to the CALIFORNIA CLASS,
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1 making appropriate class-wide relief with respect to the CALIFORNIA
2 CLASS as a whole in that DEFENDANT failed to pay all wages due to
3 members of the CALIFORNIA CLASS as required by law;

4 1) With respect to the First Cause of Action, the final relief on
5 behalf of the CALIFORNIA CLASS sought does not relate
6 exclusively to restitution because through this claim
7 PLAINTIFF seek declaratory relief holding that the
8 DEFENDANT's policy and practices constitute unfair
9 competition, along with declaratory relief, injunctive relief, and
10 incidental equitable relief as may be necessary to prevent and
11 remedy the conduct declared to constitute unfair competition;

12 (c) Common questions of law and fact exist as to the members of the
13 CALIFORNIA CLASS, with respect to the practices and violations of
14 California law as listed above, and predominate over any question
15 affecting only individual CALIFORNIA CLASS Members, and a Class
16 Action is superior to other available methods for the fair and efficient
17 adjudication of the controversy, including consideration of:

18 1) The interests of the members of the CALIFORNIA CLASS in
19 individually controlling the prosecution or defense of separate
20 actions in that the substantial expense of individual actions will
21 be avoided to recover the relatively small amount of economic
22 losses sustained by the individual CALIFORNIA CLASS
23 Members when compared to the substantial expense and burden
24 of individual prosecution of this litigation;

25 2) Class certification will obviate the need for unduly duplicative
26 litigation that would create the risk of:

27 A. Inconsistent or varying adjudications with respect to
28 individual members of the CALIFORNIA CLASS, which

1 would establish incompatible standards of conduct for the
2 DEFENDANT; and/or,

3 B. Adjudications with respect to individual members of the
4 CALIFORNIA CLASS would as a practical matter be
5 dispositive of the interests of the other members not
6 parties to the adjudication or substantially impair or
7 impede their ability to protect their interests;

8 3) In the context of wage litigation because a substantial number of
9 individual CALIFORNIA CLASS Members will avoid asserting
10 their legal rights out of fear of retaliation by DEFENDANT,
11 which may adversely affect an individual's job with
12 DEFENDANT or with a subsequent employer, the Class Action
13 is the only means to assert their claims through a representative;
14 and,

15 4) A class action is superior to other available methods for the fair
16 and efficient adjudication of this litigation because class
17 treatment will obviate the need for unduly and unnecessary
18 duplicative litigation that is likely to result in the absence of
19 certification of this action pursuant to Cal. Code of Civ. Proc. §
20 382.

21 42. This Court should permit this action to be maintained as a Class Action
22 pursuant to Cal. Code of Civ. Proc. § 382 because:

23 (a) The questions of law and fact common to the CALIFORNIA CLASS
24 predominate over any question affecting only individual CALIFORNIA
25 CLASS Members because the DEFENDANT's employment practices
26 are applied with respect to the CALIFORNIA CLASS;

27 (b) A Class Action is superior to any other available method for the fair
28 and efficient adjudication of the claims of the members of the

1 CALIFORNIA CLASS because in the context of employment litigation
2 a substantial number of individual CALIFORNIA CLASS Members
3 will avoid asserting their rights individually out of fear of retaliation or
4 adverse impact on their employment;

5 (c) The members of the CALIFORNIA CLASS are so numerous that it is
6 impractical to bring all members of the CALIFORNIA CLASS before
7 the Court;

8 (d) PLAINTIFF, and the other CALIFORNIA CLASS Members, will not
9 be able to obtain effective and economic legal redress unless the action
10 is maintained as a Class Action;

11 (e) There is a community of interest in obtaining appropriate legal and
12 equitable relief for the acts of unfair competition, statutory violations
13 and other improprieties, and in obtaining adequate compensation for
14 the damages and injuries which DEFENDANT's actions have inflicted
15 upon the CALIFORNIA CLASS;

16 (f) There is a community of interest in ensuring that the combined assets of
17 DEFENDANT are sufficient to adequately compensate the members of
18 the CALIFORNIA CLASS for the injuries sustained;

19 (g) DEFENDANT has acted or refused to act on grounds generally
20 applicable to the CALIFORNIA CLASS, thereby making final class-
21 wide relief appropriate with respect to the CALIFORNIA CLASS as a
22 whole;

23 (h) The members of the CALIFORNIA CLASS are readily ascertainable
24 from the business records of DEFENDANT; and,

25 (i) Class treatment provides manageable judicial treatment calculated to
26 bring a efficient and rapid conclusion to all litigation of all wage and
27 hour related claims arising out of the conduct of DEFENDANT as to
28 the members of the CALIFORNIA CLASS.

1 43. DEFENDANT maintains records from which the Court can ascertain and
2 identify by job title each of DEFENDANT's employees who have been intentionally
3 subjected to DEFENDANT's company policy, practices and procedures as herein alleged.
4 PLAINTIFF will seek leave to amend the Complaint to include any additional job titles of
5 similarly situated employees when they have been identified.

6
7 **THE CALIFORNIA LABOR SUB-CLASS**

8 44. PLAINTIFF further brings the Second, Third, Fourth, Fifth, Sixth, Seventh,
9 Eighth, Ninth and Tenth causes Action on behalf of a California sub-class, defined as all
10 members of the CALIFORNIA CLASS who are or previously were employed by
11 DEFENDANT in California, including any employees staffed with DEFENDANT by a third
12 party, and classified as non-exempt employees (the "CALIFORNIA LABOR SUB-
13 CLASS") at any time during the period three (3) years prior to the filing of the complaint
14 and ending on the date as determined by the Court (the "CALIFORNIA LABOR SUB-
15 CLASS PERIOD") pursuant to Cal. Code of Civ. Proc. § 382. The amount in controversy
16 for the aggregate claim of CALIFORNIA LABOR SUB-CLASS Members is under five
17 million dollars (\$5,000,000.00).

18 45. DEFENDANT, in violation of the applicable Labor Code, Industrial Welfare
19 Commission ("IWC") Wage Order requirements, and the applicable provisions of California
20 law, intentionally, knowingly, and wilfully, engaged in a practice whereby DEFENDANT
21 failed to correctly calculate compensation for the time worked by PLAINTIFF and the other
22 members of the CALIFORNIA LABOR SUB-CLASS and reporting time wages owed to
23 these employees, even though DEFENDANT enjoyed the benefit of this work, required
24 employees to perform this work and permitted or suffered to permit this work.
25 DEFENDANT has denied these CALIFORNIA LABOR SUB-CLASS Members wages to
26 which these employees are entitled in order to unfairly cheat the competition and unlawfully
27 profit. To the extent equitable tolling operates to toll claims by the CALIFORNIA LABOR
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1 SUB-CLASS against DEFENDANT, the CALIFORNIA LABOR SUB-CLASS PERIOD
2 should be adjusted accordingly.

3 46. DEFENDANT maintains records from which the Court can ascertain and
4 identify by name and job title, each of DEFENDANT's employees who have been
5 intentionally subjected to DEFENDANT's company policy, practices and procedures as
6 herein alleged. PLAINTIFF will seek leave to amend the complaint to include any
7 additional job titles of similarly situated employees when they have been identified.

8 47. The CALIFORNIA LABOR SUB-CLASS is so numerous that joinder of all
9 CALIFORNIA LABOR SUB-CLASS Members is impracticable.

10 48. Common questions of law and fact exist as to members of the CALIFORNIA
11 LABOR SUB-CLASS, including, but not limited, to the following:

- 12 (a) Whether DEFENDANT unlawfully failed to correctly calculate and pay
13 compensation due to members of the CALIFORNIA LABOR SUB-
14 CLASS for missed meal and rest breaks in violation of the California
15 Labor Code and California regulations and the applicable California
16 Wage Order;
- 17 (b) Whether DEFENDANT failed to provide the PLAINTIFF and the other
18 members of the CALIFORNIA LABOR SUB-CLASS with accurate
19 itemized wage statements;
- 20 (c) Whether DEFENDANT has engaged in unfair competition by the
21 above-listed conduct;
- 22 (d) The proper measure of damages and penalties owed to the members of
23 the CALIFORNIA LABOR SUB-CLASS; and,
- 24 (e) Whether DEFENDANT's conduct was willful.

25 49. DEFENDANT violated the rights of the CALIFORNIA LABOR SUB-
26 CLASS under California law by:

- 27 (a) Violating Cal. Lab. Code § 510, by failing to correctly pay the
28 PLAINTIFF and the members of the CALIFORNIA LABOR SUB-

1 CLASS all wages due for overtime worked, for which DEFENDANT is
2 liable pursuant to Cal. Lab. Code § 1194;

3 (b) Violating Cal. Lab. Code §§ 1194, 1197 & 1197.1 *et seq.*, by failing to
4 accurately pay PLAINTIFF and the members of the CALIFORNIA
5 LABOR SUB-CLASS the correct minimum wage pay for which
6 DEFENDANT is liable pursuant to Cal. Lab. Code §§ 1194 and 1197;

7 (c) Violating Cal. Lab. Code § 226, by failing to provide PLAINTIFF and
8 the members of the CALIFORNIA LABOR SUB-CLASS with an
9 accurate itemized statement in writing showing the corresponding
10 correct amount of wages earned by the employee;

11 (d) Violating Cal. Lab. Code §§ 226.7 and 512, by failing to provide
12 PLAINTIFF and the other members of the CALIFORNIA LABOR
13 SUB-CLASS with all legally required off-duty, uninterrupted thirty
14 (30) minute meal breaks and the legally required off-duty rest breaks;

15 (e) Violating Cal. Lab. Code §§ 201, 202 and/or 203, which provides that
16 when an employee is discharged or quits from employment, the
17 employer must pay the employee all wages due without abatement, by
18 failing to tender full payment and/or restitution of wages owed or in the
19 manner required by California law to the members of the
20 CALIFORNIA LABOR SUB-CLASS who have terminated their
21 employment; and,

22 (f) Violating Cal. Lab. Code § 2802 by failing to reimburse PLAINTIFF
23 and the CALIFORNIA LABOR SUB-CLASS members with necessary
24 expenses incurred in the discharge of their job duties.

25 50. This Class Action meets the statutory prerequisites for the maintenance of a
26 Class Action as set forth in Cal. Code of Civ. Proc. § 382, in that:

27 (a) The persons who comprise the CALIFORNIA LABOR SUB-CLASS
28 are so numerous that the joinder of all CALIFORNIA LABOR SUB-

1 CLASS Members is impracticable and the disposition of their claims as
2 a class will benefit the parties and the Court;

3 (b) Nearly all factual, legal, statutory, declaratory and injunctive relief
4 issues that are raised in this Complaint are common to the
5 CALIFORNIA LABOR SUB-CLASS and will apply to every member
6 of the CALIFORNIA LABOR SUB-CLASS;

7 (c) The claims of the representative PLAINTIFF are typical of the claims
8 of each member of the CALIFORNIA LABOR SUB-CLASS.
9 PLAINTIFF, like all the other members of the CALIFORNIA LABOR
10 SUB-CLASS, were non-exempt employees paid on an hourly basis who
11 were subjected to the DEFENDANT's practice and policy which failed
12 to pay the correct amount of wages due to the CALIFORNIA LABOR
13 SUB-CLASS. PLAINTIFF sustained economic injury as a result of
14 DEFENDANT's employment practices. PLAINTIFF and the members
15 of the CALIFORNIA LABOR SUB-CLASS were and are similarly or
16 identically harmed by the same unlawful, deceptive, and unfair
17 misconduct engaged in by DEFENDANT; and,

18 (d) The representative PLAINTIFF will fairly and adequately represent and
19 protect the interest of the CALIFORNIA LABOR SUB-CLASS, and
20 have retained counsel who are competent and experienced in Class
21 Action litigation. There are no material conflicts between the claims of
22 the representative PLAINTIFF and the members of the CALIFORNIA
23 LABOR SUB-CLASS that would make class certification
24 inappropriate. Counsel for the CALIFORNIA LABOR SUB-CLASS
25 will vigorously assert the claims of all CALIFORNIA LABOR SUB-
26 CLASS Members.

27 51. In addition to meeting the statutory prerequisites to a Class Action, this action
28 is properly maintained as a Class Action pursuant to Cal. Code of Civ. Proc. § 382, in that:

- 1 (a) Without class certification and determination of declaratory, injunctive,
2 statutory and other legal questions within the class format, prosecution
3 of separate actions by individual members of the CALIFORNIA
4 LABOR SUB-CLASS will create the risk of:
- 5 1) Inconsistent or varying adjudications with respect to individual
6 members of the CALIFORNIA LABOR SUB-CLASS which
7 would establish incompatible standards of conduct for the
8 parties opposing the CALIFORNIA LABOR SUB-CLASS; or,
9 2) Adjudication with respect to individual members of the
10 CALIFORNIA LABOR SUB-CLASS which would as a
11 practical matter be dispositive of interests of the other members
12 not party to the adjudication or substantially impair or impede
13 their ability to protect their interests.
- 14 (b) The parties opposing the CALIFORNIA LABOR SUB-CLASS have
15 acted or refused to act on grounds generally applicable to the
16 CALIFORNIA LABOR SUB-CLASS, making appropriate class-wide
17 relief with respect to the CALIFORNIA LABOR SUB-CLASS as a
18 whole in that DEFENDANT fails to pay all wages due. Including the
19 correct wages for all time worked by the members of the
20 CALIFORNIA LABOR SUB-CLASS as required by law;
- 21 (c) Common questions of law and fact predominate as to the members of
22 the CALIFORNIA LABOR SUB-CLASS, with respect to the practices
23 and violations of California Law as listed above, and predominate over
24 any question affecting only individual CALIFORNIA LABOR SUB-
25 CLASS Members, and a Class Action is superior to other available
26 methods for the fair and efficient adjudication of the controversy,
27 including consideration of:
28

- 1) The interests of the members of the CALIFORNIA LABOR SUB-CLASS in individually controlling the prosecution or defense of separate actions in that the substantial expense of individual actions will be avoided to recover the relatively small amount of economic losses sustained by the individual CALIFORNIA LABOR SUB-CLASS Members when compared to the substantial expense and burden of individual prosecution of this litigation;
- 2) Class certification will obviate the need for unduly duplicative litigation that would create the risk of:
 - A. Inconsistent or varying adjudications with respect to individual members of the CALIFORNIA LABOR SUB-CLASS, which would establish incompatible standards of conduct for the DEFENDANT; and/or,
 - B. Adjudications with respect to individual members of the CALIFORNIA LABOR SUB-CLASS would as a practical matter be dispositive of the interests of the other members not parties to the adjudication or substantially impair or impede their ability to protect their interests;
- 3) In the context of wage litigation because a substantial number of individual CALIFORNIA LABOR SUB-CLASS Members will avoid asserting their legal rights out of fear of retaliation by DEFENDANT, which may adversely affect an individual's job with DEFENDANT or with a subsequent employer, the Class Action is the only means to assert their claims through a representative; and,
- 4) A class action is superior to other available methods for the fair and efficient adjudication of this litigation because class

1 treatment will obviate the need for unduly and unnecessary
2 duplicative litigation that is likely to result in the absence of
3 certification of this action pursuant to Cal. Code of Civ. Proc. §
4 382.

5 52. This Court should permit this action to be maintained as a Class Action
6 pursuant to Cal. Code of Civ. Proc. § 382 because:

- 7 (a) The questions of law and fact common to the CALIFORNIA LABOR
8 SUB-CLASS predominate over any question affecting only individual
9 CALIFORNIA LABOR SUB-CLASS Members;
- 10 (b) A Class Action is superior to any other available method for the fair
11 and efficient adjudication of the claims of the members of the
12 CALIFORNIA LABOR SUB-CLASS because in the context of
13 employment litigation a substantial number of individual
14 CALIFORNIA LABOR SUB-CLASS Members will avoid asserting
15 their rights individually out of fear of retaliation or adverse impact on
16 their employment;
- 17 (c) The members of the CALIFORNIA LABOR SUB-CLASS are so
18 numerous that it is impractical to bring all members of the
19 CALIFORNIA LABOR SUB-CLASS before the Court;
- 20 (d) PLAINTIFF, and the other CALIFORNIA LABOR SUB-CLASS
21 Members, will not be able to obtain effective and economic legal
22 redress unless the action is maintained as a Class Action;
- 23 (e) There is a community of interest in obtaining appropriate legal and
24 equitable relief for the acts of unfair competition, statutory violations
25 and other improprieties, and in obtaining adequate compensation for
26 the damages and injuries which DEFENDANT's actions have inflicted
27 upon the CALIFORNIA LABOR SUB-CLASS;
28

- 1 (f) There is a community of interest in ensuring that the combined assets of
2 DEFENDANT are sufficient to adequately compensate the members of
3 the CALIFORNIA LABOR SUB-CLASS for the injuries sustained;
- 4 (g) DEFENDANT has acted or refused to act on grounds generally
5 applicable to the CALIFORNIA LABOR SUB-CLASS, thereby
6 making final class-wide relief appropriate with respect to the
7 CALIFORNIA LABOR SUB-CLASS as a whole;
- 8 (h) The members of the CALIFORNIA LABOR SUB-CLASS are readily
9 ascertainable from the business records of DEFENDANT. The
10 CALIFORNIA LABOR SUB-CLASS consists of all CALIFORNIA
11 CLASS Members who worked for DEFENDANT in California at any
12 time during the CALIFORNIA LABOR SUB-CLASS PERIOD; and,
- 13 (i) Class treatment provides manageable judicial treatment calculated to
14 bring a efficient and rapid conclusion to all litigation of all wage and
15 hour related claims arising out of the conduct of DEFENDANT as to
16 the members of the CALIFORNIA LABOR SUB-CLASS.

17
18 **FIRST CAUSE OF ACTION**

19 **For Unlawful Business Practices**

20 **[Cal. Bus. And Prof. Code §§ 17200, *et seq.*]**

21 **(By PLAINTIFF and the CALIFORNIA CLASS and Against All Defendants)**

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

25 54. DEFENDANT is a “person” as that term is defined under Cal. Bus. and Prof.
26 Code § 17021.

27 55. California Business & Professions Code §§ 17200, *et seq.* (the “UCL”)
28 defines unfair competition as any unlawful, unfair, or fraudulent business act or practice.

1 Section 17203 authorizes injunctive, declaratory, and/or other equitable relief with respect to
2 unfair competition as follows:

3 Any person who engages, has engaged, or proposes to engage in unfair
4 competition may be enjoined in any court of competent jurisdiction. The court
5 may make such orders or judgments, including the appointment of a receiver,
6 as may be necessary to prevent the use or employment by any person of any
7 practice which constitutes unfair competition, as defined in this chapter, or as
8 may be necessary to restore to any person in interest any money or property,
9 real or personal, which may have been acquired by means of such unfair
10 competition.

11 Cal. Bus. & Prof. Code § 17203.

12 56. By the conduct alleged herein, DEFENDANT has engaged and continues to
13 engage in a business practice which violates California law, including but not limited to, the
14 applicable Industrial Wage Order(s), the California Code of Regulations and the California
15 Labor Code including Sections 204, 210, 221, 226.7, 246, 510, 512, 1194, 1197, 1197.1,
16 1198, 2802 and the Fair Labor Standards Act and federal regulations promulgated
17 thereunder, for which this Court should issue declaratory and other equitable relief pursuant
18 to Cal. Bus. & Prof. Code § 17203 as may be necessary to prevent and remedy the conduct
19 held to constitute unfair competition, including restitution of wages wrongfully withheld.

20 57. By the conduct alleged herein, DEFENDANT's practices were unlawful and
21 unfair in that these practices violate public policy, were immoral, unethical, oppressive,
22 unscrupulous or substantially injurious to employees, and were without valid justification or
23 utility for which this Court should issue equitable and injunctive relief pursuant to Section
24 17203 of the California Business & Professions Code, including restitution of wages
25 wrongfully withheld.

26 58. By the conduct alleged herein, DEFENDANT's practices were deceptive and
27 fraudulent in that DEFENDANT's policy and practice failed to provide the legally mandated
28 meal and rest periods, the required amount of compensation for missed meal and rest
periods and overtime and minimum wages owed, failed to timely pay wages, and failed to
reimburse all necessary business expenses incurred, and failed to provide Fair Labor
Standards Act overtime wages due for overtime worked as a result of failing to include non-

1 discretionary incentive compensation into their regular rates of pay for purposes of
2 computing the proper overtime pay due to a business practice that cannot be justified,
3 pursuant to the applicable Cal. Lab. Code, and Industrial Welfare Commission requirements
4 in violation of Cal. Bus. Code §§ 17200, *et seq.*, and for which this Court should issue
5 injunctive and equitable relief, pursuant to Cal. Bus. & Prof. Code § 17203, including
6 restitution of wages wrongfully withheld.

7 59. By the conduct alleged herein, DEFENDANT's practices were also unlawful,
8 unfair and deceptive in that DEFENDANT's employment practices caused PLAINTIFF and
9 the other members of the CALIFORNIA CLASS to be underpaid during their employment
10 with DEFENDANT.

11 60. By the conduct alleged herein, DEFENDANT's practices were also unlawful,
12 unfair and deceptive in that DEFENDANT's policies, practices and procedures failed to
13 provide all legally required meal breaks to PLAINTIFF and the other members of the
14 CALIFORNIA CLASS as required by Cal. Lab. Code §§ 226.7 and 512.

15 61. Therefore, PLAINTIFF demands on behalf of herself and on behalf of each
16 CALIFORNIA CLASS Member, one (1) hour of pay for each workday in which an off-duty
17 meal period was not timely provided for each five (5) hours of work, and/or one (1) hour of
18 pay for each workday in which a second off-duty meal period was not timely provided for
19 each ten (10) hours of work.

20 62. PLAINTIFF further demands on behalf of herself and each member of the
21 CALIFORNIA LABOR SUB-CLASS, one (1) hour of pay for each workday in which an off
22 duty paid rest period was not timely provided as required by law.

23 63. By and through the unlawful and unfair business practices described herein,
24 DEFENDANT has obtained valuable property, money and services from PLAINTIFF and
25 the other members of the CALIFORNIA CLASS, including earned wages for all time
26 worked, and has deprived them of valuable rights and benefits guaranteed by law and
27 contract, all to the detriment of these employees and to the benefit of DEFENDANT so as to
28 allow DEFENDANT to unfairly compete against competitors who comply with the law.

1 64. All the acts described herein as violations of, among other things, the
2 Industrial Welfare Commission Wage Orders, the California Code of Regulations, and the
3 California Labor Code, were unlawful and in violation of public policy, were immoral,
4 unethical, oppressive and unscrupulous, were deceptive, and thereby constitute unlawful,
5 unfair and deceptive business practices in violation of Cal. Bus. & Prof. Code §§ 17200, *et*
6 *seq.*

7 65. PLAINTIFF and the other members of the CALIFORNIA CLASS are entitled
8 to, and do, seek such relief as may be necessary to restore to them the money and property
9 which DEFENDANT has acquired, or of which PLAINTIFF and the other members of the
10 CALIFORNIA CLASS have been deprived, by means of the above described unlawful and
11 unfair business practices, including earned but unpaid wages for all time worked.

12 66. PLAINTIFF and the other members of the CALIFORNIA CLASS are further
13 entitled to, and do, seek a declaration that the described business practices are unlawful,
14 unfair and deceptive, and that injunctive relief should be issued restraining DEFENDANT
15 from engaging in any unlawful and unfair business practices in the future.

16 67. PLAINTIFF and the other members of the CALIFORNIA CLASS have no
17 plain, speedy and/or adequate remedy at law that will end the unlawful and unfair business
18 practices of DEFENDANT. Further, the practices herein alleged presently continue to occur
19 unabated. As a result of the unlawful and unfair business practices described herein,
20 PLAINTIFF and the other members of the CALIFORNIA CLASS have suffered and will
21 continue to suffer irreparable legal and economic harm unless DEFENDANT is restrained
22 from continuing to engage in these unlawful and unfair business practices.

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1 implementing a policy and practice that denies accurate compensation to PLAINTIFF and
2 the other members of the CALIFORNIA LABOR SUB-CLASS in regards to minimum
3 wage pay.

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

10 76. As a direct result of DEFENDANT's unlawful wage practices as alleged
11 herein, PLAINTIFF and the other members of the CALIFORNIA LABOR SUB-CLASS did
12 not receive the correct minimum wage compensation for their time worked for
13 DEFENDANT.

14 77. During the CALIFORNIA LABOR SUB-CLASS PERIOD, DEFENDANT
15 required, permitted or suffered PLAINTIFF and CALIFORNIA LABOR SUB-CLASS
16 Members to work without paying them for all the time they were under DEFENDANT's
17 control. During the CALIFORNIA LABOR SUB-CLASS PERIOD, PLAINTIFF and the
18 other members of the CALIFORNIA LABOR SUB-CLASS were paid less for time worked
19 that they were entitled to, constituting a failure to pay all earned wages.

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

26 79. DEFENDANT knew or should have known that PLAINTIFF and the other
27 members of the CALIFORNIA LABOR SUB-CLASS were under compensated for their
28 time worked. DEFENDANT elected, either through intentional malfeasance or gross

1 nonfeasance, to not pay employees for their labor as a matter of company policy, practice
2 and procedure, and DEFENDANT perpetrated this scheme by refusing to pay PLAINTIFF
3 and the other members of the CALIFORNIA LABOR SUB-CLASS the correct minimum
4 wages for their time worked.

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

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

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1 **THIRD CAUSE OF ACTION**

2 **For Failure To Pay Overtime Compensation**

3 **[Cal. Lab. Code § 510]**

4 **(By PLAINTIFF and the CALIFORNIA LABOR SUB-CLASS and Against All**
5 **Defendants)**

6 82. PLAINTIFF, and the other members of the CALIFORNIA LABOR SUB-
7 CLASS, reallege and incorporate by this reference, as though full set forth herein, the prior
8 paragraphs of this Complaint.

9 83. PLAINTIFF and the other members of the CALIFORNIA LABOR SUB-
10 CLASS bring a claim for DEFENDANT's willful and intentional violations of the
11 California Labor Code and the Industrial Welfare Commission requirements for
12 DEFENDANT's failure to pay these employees for all overtime worked, including, work
13 performed in excess of eight (8) hours in a workday, and/or twelve (12) hours in a workday,
14 and/or forty (40) hours in any workweek.

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

17 85. Cal. Lab. Code § 510 further provides that employees in California shall not
18 be employed more than eight (8) hours per workday and more than forty (40) hours per
19 workweek unless they receive additional compensation beyond their regular wages in
20 amounts specified by law.

21 86. Cal. Lab. Code § 1194 establishes an employee's right to recover unpaid
22 wages, including minimum wage and overtime compensation and interest thereon, together
23 with the costs of suit. Cal. Lab. Code § 1198 further states that the employment of an
24 employee for longer hours than those fixed by the Industrial Welfare Commission is
25 unlawful.

26 87. During the CALIFORNIA LABOR SUB-CLASS PERIOD, PLAINTIFF and
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1 CALIFORNIA LABOR SUB-CLASS Members were required, permitted or suffered by
2 DEFENDANT to work for DEFENDANT and were not paid for all the time they worked,
3 including overtime work.

4 88. DEFENDANT's unlawful wage and hour practices manifested, without
5 limitation, applicable to the CALIFORNIA LABOR SUB-CLASS as a whole, as a result of
6 implementing a policy and practice that failed to accurately record overtime worked by
7 PLAINTIFF and other CALIFORNIA LABOR SUB-CLASS Members and denied accurate
8 compensation to PLAINTIFF and the other members of the CALIFORNIA LABOR SUB-
9 CLASS for overtime worked, including, the overtime work performed in excess of eight (8)
10 hours in a workday, and/or twelve (12) hours in a workday, and/or forty (40) hours in any
11 workweek.

12 89. In committing these violations of the California Labor Code, DEFENDANT
13 inaccurately recorded overtime worked and consequently underpaid the overtime worked by
14 PLAINTIFF and other CALIFORNIA LABOR-SUB CLASS Members. DEFENDANT
15 acted in an illegal attempt to avoid the payment of all earned wages, and other benefits in
16 violation of the California Labor Code, the Industrial Welfare Commission requirements
17 and other applicable laws and regulations. As a direct result of DEFENDANT's unlawful
18 wage practices as alleged herein, the PLAINTIFF and the other members of the
19 CALIFORNIA LABOR SUB-CLASS did not receive full compensation for overtime
20 worked.

21 90. Cal. Lab. Code § 515 sets out various categories of employees who are exempt
22 from the overtime requirements of the law. None of these exemptions are applicable to the
23 PLAINTIFF and the other members of the CALIFORNIA LABOR SUB-CLASS. Further,
24 PLAINTIFF and the other members of the CALIFORNIA LABOR SUB-CLASS were not
25 subject to a valid collective bargaining agreement that would preclude the causes of action
26 contained herein this Complaint. Rather, PLAINTIFF brings this Action on behalf of
27 herself and the CALIFORNIA LABOR SUB-CLASS based on DEFENDANT's violations
28 of non-negotiable, non-waiveable rights provided by the State of California.

1 91. During the CALIFORNIA LABOR SUB-CLASS PERIOD, PLAINTIFF and
2 the other members of the CALIFORNIA LABOR SUB-CLASS have been paid less for
3 overtime worked that they are entitled to, constituting a failure to pay all earned wages..

4 92. DEFENDANT failed to accurately pay the PLAINTIFF and the other
5 members of the CALIFORNIA LABOR SUB-CLASS overtime wages for the time they
6 worked which was in excess of the maximum hours permissible by law as required by Cal.
7 Lab. Code §§ 510, 1194 & 1198, even though PLAINTIFF and the other members of the
8 CALIFORNIA LABOR SUB-CLASS were required to work, and did in fact work, overtime
9 as to which DEFENDANT failed to accurately record and pay as evidenced by
10 DEFENDANT's business records and witnessed by employees.

11 93. By virtue of DEFENDANT's unlawful failure to accurately pay all earned
12 compensation to PLAINTIFF and the other members of the CALIFORNIA LABOR SUB-
13 CLASS for the true amount of time they worked, PLAINTIFF and the other members of the
14 CALIFORNIA LABOR SUB-CLASS have suffered and will continue to suffer an
15 economic injury in amounts which are presently unknown to them and which will be
16 ascertained according to proof at trial.

17 94. DEFENDANT knew or should have known that PLAINTIFF and the other
18 members of the CALIFORNIA LABOR SUB-CLASS were under compensated for all
19 overtime worked. DEFENDANT elected, either through intentional malfeasance or gross
20 nonfeasance, to not pay employees for their labor as a matter of company policy, practice
21 and procedure, and DEFENDANT perpetrated this scheme by refusing to pay PLAINTIFF
22 and the other members of the CALIFORNIA LABOR SUB-CLASS for overtime worked.

23 95. In performing the acts and practices herein alleged in violation of California
24 labor laws, and refusing to compensate the members of the CALIFORNIA LABOR SUB-
25 CLASS for all overtime worked and provide them with the requisite overtime compensation,
26 DEFENDANT acted and continues to act intentionally, oppressively, and maliciously
27 toward PLAINTIFF and the other members of the CALIFORNIA LABOR SUB-CLASS
28 with a conscious of and utter disregard for their legal rights, or the consequences to them,

1 and with the despicable intent of depriving them of their property and legal rights, and
2 otherwise causing them injury in order to increase company profits at the expense of these
3 employees.

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

16 **FOURTH CAUSE OF ACTION**

17 **For Failure to Provide Required Meal Periods**

18 **[Cal. Lab. Code §§ 226.7 & 512]**

19 **(By PLAINTIFF and the CALIFORNIA LABOR SUB-CLASS and Against All**
20 **Defendants)**

21 97. PLAINTIFF, and the other members of the CALIFORNIA LABOR SUB-
22 CLASS, reallege and incorporate by this reference, as though fully set forth herein, the prior
23 paragraphs of this Complaint.

24 98. During the CALIFORNIA CLASS PERIOD, DEFENDANT from time to time
25 failed to provide all the legally required off-duty meal breaks to PLAINTIFF and the other
26 CALIFORNIA LABOR SUB-CLASS Members as required by the applicable Wage Order
27 and Labor Code. The nature of the work performed by PLAINTIFF and CALIFORNIA
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1 LABOR SUB-CLASS MEMBERS did not prevent these employees from being relieved of
2 all of their duties for the legally required off-duty meal periods. As a result of their rigorous
3 work schedules, PLAINTIFF and other CALIFORNIA LABOR SUB-CLASS Members
4 were from time to time not fully relieved of duty by DEFENDANT for their meal periods.
5 Additionally, DEFENDANT's failure to provide PLAINTIFF and the CALIFORNIA
6 LABOR SUB-CLASS Members with legally required meal breaks prior to their fifth (5th)
7 hour of work is evidenced by DEFENDANT's business records from time to time. Further,
8 DEFENDANT failed to provide PLAINTIFF and CALIFORNIA CLASS Members with a
9 second off-duty meal period in some workdays in which these employees were required by
10 DEFENDANT to work ten (10) hours of work from time to time. As a result, PLAINTIFF
11 and other members of the CALIFORNIA LABOR SUB-CLASS therefore forfeited meal
12 breaks without additional compensation and in accordance with DEFENDANT's strict
13 corporate policy and practice.

14 99. DEFENDANT further violates California Labor Code §§ 226.7 and the
15 applicable IWC Wage Order by failing to compensate PLAINTIFF and CALIFORNIA
16 LABOR SUB-CLASS Members who were not provided a meal period, in accordance with
17 the applicable Wage Order, one additional hour of compensation at each employee's regular
18 rate of pay for each workday that a meal period was not provided.

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

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1 **FIFTH CAUSE OF ACTION**

2 **For Failure to Provide Required Rest Periods**

3 **[Cal. Lab. Code §§ 226.7 & 512]**

4 **(By PLAINTIFF and the CALIFORNIA LABOR SUB-CLASS and Against All**
5 **Defendants)**

6 101. PLAINTIFF, and the other members of the CALIFORNIA LABOR SUB-
7 CLASS, reallege and incorporate by this reference, as though fully set forth herein, the prior
8 paragraphs of this Complaint.

9 102. PLAINTIFF and other CALIFORNIA LABOR SUB-CLASS Members were
10 from time to time required to work in excess of four (4) hours without being provided ten
11 (10) minute rest periods. Further, these employees from time to time were denied their first
12 rest periods of at least ten (10) minutes for some shifts worked of at least two (2) to four (4)
13 hours, a first and second rest period of at least ten (10) minutes for some shifts worked of
14 between six (6) and eight (8) hours, and a first, second and third rest period of at least ten
15 (10) minutes for some shifts worked of ten (10) hours or more from time to time.

16 PLAINTIFF and other CALIFORNIA LABOR SUB-CLASS Members were also not
17 provided with one hour wages in lieu thereof. As a result of their rigorous work schedules,
18 PLAINTIFF and other CALIFORNIA LABOR SUB-CLASS Members were periodically
19 denied their proper rest periods by DEFENDANT and DEFENDANT's managers.

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

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

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1 wage statements should reflect all applicable hourly rates during the pay period and the total
2 hours worked, and the applicable pay period in which the wages were earned pursuant to
3 California Labor Code Section 226(a). The wage statements DEFENDANT provided to
4 PLAINTIFF and other CALIFORNIA LABOR SUB-CLASS Members failed to identify
5 such information. More specifically, the wage statements failed to identify the accurate total
6 hours worked each pay period. When the hours shown on the wage statements were added
7 up, they did not equal the actual total hours worked during the pay period in violation of Cal.
8 Lab. Code 226(a)(2). Aside, from the violations listed above in this paragraph,
9 DEFENDANT failed to issue to PLAINTIFF an itemized wage statement that lists all the
10 requirements under California Labor Code 226 *et seq.* As a result, DEFENDANT from time
11 to time provided PLAINTIFF and the other members of the CALIFORNIA LABOR SUB-
12 CLASS with wage statements which violated Cal. Lab. Code § 226.

13 108. DEFENDANT knowingly and intentionally failed to comply with Cal. Lab.
14 Code § 226, causing injury and damages to PLAINTIFF and the other members of the
15 CALIFORNIA LABOR SUB-CLASS. These damages include, but are not limited to, costs
16 expended calculating the correct wages for all missed meal and rest breaks and the amount
17 of employment taxes which were not properly paid to state and federal tax authorities.
18 These damages are difficult to estimate. Therefore, PLAINTIFF and the other members of
19 the CALIFORNIA LABOR SUB-CLASS may elect to recover liquidated damages of fifty
20 dollars (\$50.00) for the initial pay period in which the violation occurred, and one hundred
21 dollars (\$100.00) for each violation in a subsequent pay period pursuant to Cal. Lab. Code §
22 226, in an amount according to proof at the time of trial (but in no event more than four
23 thousand dollars (\$4,000.00) for PLAINTIFF and each respective member of the
24 CALIFORNIA LABOR SUB-CLASS herein).

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1 and the CALIFORNIA LABOR SUB-CLASS members, DEFENDANT failed to indemnify
2 and reimburse PLAINTIFF and the CALIFORNIA LABOR SUB-CLASS members for
3 these expenses as an employer is required to do under the laws and regulations of California.

4 112. PLAINTIFF therefore demands reimbursement for expenditures or losses
5 incurred by herself and the CALIFORNIA LABOR SUB-CLASS members in the discharge
6 of their job duties for DEFENDANT, or their obedience to the directions of DEFENDANT,
7 with interest at the statutory rate and costs under Cal. Lab. Code § 2802.

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9 **EIGHTH CAUSE OF ACTION**

10 **For Failure to Pay Wages When Due**

11 **[Cal. Lab. Code §§ 201, 202, 203]**

12 **(By PLAINTIFF, and the CALIFORNIA LABOR SUB-CLASS**
13 **and Against All Defendants)**

14 113. PLAINTIFF, and the other members of the CALIFORNIA LABOR SUB-
15 CLASS, reallege and incorporate by reference, as though fully set forth herein, the prior
16 paragraphs of this Complaint.

17 1. Cal. Lab. Code § 200 provides, in relevant part, that:

18 As used in this article:

19 (a) "Wages" includes all amounts for labor performed by employees of
20 every description, whether the amount is fixed or ascertained by the
21 standard of time, task, piece, Commission basis, or other method of calculation.

22 (b) "Labor" includes labor, work, or service whether rendered or
23 performed under contract, subcontract, partnership, station plan, or other
24 agreement if the labor to be paid for is performed personally by the person
25 demanding payment.

26 114. Cal. Lab. Code § 201 provides, in relevant part, "that If an employer
27 discharges an employee, the wages earned and unpaid at the time of discharge are due and
28 payable immediately."

1 115. Cal. Lab. Code § 202 provides, in relevant part, that:

2 If an employee not having a written contract for a definite period quits his
3 or her employment, his or her wages shall become due and payable not
4 later than 72 hours thereafter, unless the employee has given 72 hours
5 previous notice of his or her intention to quit, in which case the employee
6 is entitled to his or her wages at the time of quitting. Notwithstanding any
7 other provision of law, an employee who quits without providing a 72-

1 hour notice shall be entitled to receive payment by mail if he or she so
2 requests and designates a mailing address. The date of the mailing shall
3 constitute the date of payment for purposes of the requirement to provide
4 payment within 72 hours of the notice of quitting.

5 116. There was no definite term in PLAINTIFF's or any CALIFORNIA LABOR
6 SUB-CLASS Members' employment contract.

7 117. Cal. Lab. Code § 203 provides, in relevant part, that:

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

14 118. The employment of PLAINTIFF, and many CALIFORNIA LABOR
15 SUB-CLASS Members has terminated and DEFENDANT has not tendered payment of all
16 wages owed as required by law. Additionally, at all times during the term of PLAINTIFF's
17 employment with DEFENDANT, PLAINTIFF, and CALIFORNIA LABOR SUB-CLASS
18 Members earned and accrued vested vacation and holiday time on the date of their
19 termination pursuant to DEFENDANT's uniform vacation policies and applicable California
20 law. The amount of vacation pay PLAINTIFF, and the other CALIFORNIA LABOR
21 SUB-CLASS Members earned and accumulated is evidenced by DEFENDANT's business
22 records. Additionally, DEFENDANT also underpaid accrued vested vacation wages to
23 PLAINTIFF, and other CALIFORNIA LABOR SUB-CLASS MEMBERS by failing to pay
24 such wages at the regular rate of pay and more specifically the final rate of pay that included
25 all non-discretionary incentive compensation. Rather than pay vacation wages at the regular
26 rate of pay, DEFENDANT underpaid vacation wages to PLAINTIFF and other
27 CALIFORNIA LABOR SUB-CLASS Members at their base rates of pay, instead of
28 including all of PLAINTIFF's, and CALIFORNIA LABOR SUB-CLASS Members'
non-discretionary incentive compensation into the vacation wage payment calculations.
DEFENDANT failed to specify in DEFENDANT's written vacation policy the rate at which
PLAINTIFF, and other CALIFORNIA LABOR CLASS Members would be paid vacation
upon leaving employment with DEFENDANT. As a result of DEFENDANT's unlawful

1 practice, policy and procedure to deny paying PLAINTIFF, and the other members of the
2 CALIFORNIA LABOR SUB-CLASS all of their vested vacation and holiday time,
3 DEFENDANT failed to pay PLAINTIFF, and the members of the CALIFORNIA LABOR
4 SUB-CLASS all vested vacation time as wages due upon employment termination, in
5 violation of the California Labor Code, Sections 201, 202, 203 and 227.3. Similarly,
6 DEFENDANT underpaid waiting time penalties to PLAINTIFF, and other CALIFORNIA
7 LABOR SUB-CLASS Members at their base rates of pay, instead of including all of
8 PLAINTIFF's, and the CALIFORNIA LABOR SUB-CLASS Members' non-discretionary
9 compensation into the waiting time penalty calculations. This failure by DEFENDANT is
10 believed to be the result of DEFENDANT's unlawful, unfair and deceptive refusal to
11 provide compensation for earned, accrued and vested vacation and holiday time, as well as
12 the corresponding waiting time penalties that were paid. DEFENDANT perpetrated this
13 unlawful, unfair and deceptive practice to the detriment of PLAINTIFF, and the members of
14 the CALIFORNIA LABOR SUB-CLASS. DEFENDANT's uniform practice and policy of
15 failing to pay the LABOR SUB-CLASS Members for all vested vacation and holiday time
16 accumulated at employment termination violated and continues to violate Section 227.3 of
17 the California Labor Code.

18 119. Therefore, as provided by Cal Lab. Code § 203, on behalf of PLAINTIFF and
19 members of the CALIFORNIA LABOR SUB-CLASS whose employment has terminated
20 and who have not been fully paid their wages due to them, PLAINTIFF demands thirty days
21 of pay as penalty for not paying all wages due at time of termination for all employees who
22 terminated employment during the CALIFORNIA LABOR SUB-CLASS PERIOD and
23 demand an accounting and payment of all wages due, plus interest and statutory costs as
24 allowed by law.

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1 **NINTH CAUSE OF ACTION**

2 **For Failure to Pay Sick Pay Wages**

3 **[Cal. Lab. Code §§ 201-204, 210, 233, 246]**

4 **(By PLAINTIFF and the CALIFORNIA LABOR SUB-CLASS**

5 **and Against All Defendants)**

6 120. PLAINTIFF, and the other members of the CALIFORNIA LABOR SUB-
7 CLASS, reallege and incorporate by reference, as though fully set forth herein, the prior
8 paragraphs of this Complaint.

9 121. Cal Lab. Code § 233 provides that an employer must permit an employee to
10 use accrued sick leave in accordance with Cal Lab. Code § 246.5 at the employee's then
11 current rate of entitlement. Cal Lab. Code § 246 provides that an employee is entitled to
12 sick pay wages for use of accrued sick leave pursuant to Cal Lab. Code § 246.5.
13 Specifically, once accrued sick leave is used as paid sick time, an employee has a vested
14 right to sick pay wages, which an employer must calculate and compensate based on one of
15 two calculations: (i) "Paid sick time for nonexempt employees shall be calculated in the
16 same manner as the regular rate of pay for the workweek in which the employee uses paid
17 sick time, whether or not the employee actually works overtime in that workweek," or (ii)
18 "Paid sick time for nonexempt employees shall be calculated by dividing the employee's
19 total wages, not including overtime premium pay, by the employee's total hours worked in
20 the full pay periods of the prior 90 days of employment." Under Cal Lab. Code §§ 218 and
21 233, employees may sue to recover underpaid sick pay wages as damages.

22 122. As a matter of policy and practice, DEFENDANT pays sick pay wages to
23 PLAINTIFF and the other members of the CALIFORNIA LABOR SUB-CLASS at the
24 incorrect rate of pay. PLAINTIFF and the other members of the CALIFORNIA LABOR-
25 SUB-CLASS regularly use accrued sick leave in the workweeks in which they also earn
26 non-hourly remuneration. As a matter of policy and practice, DEFENDANT pays sick pay
27 wages to PLAINTIFF and the other members of the CALIFORNIA LABOR-SUB-CLASS
28 at the base hourly pay, as opposed to the regular rate of pay, which would consider all non-

1 hourly remuneration in addition to base hourly wages, or the rate resulting from dividing the
2 employee's total wages, not including overtime premium pay, by the employee's total hours
3 worked in the full pay periods of the prior 90 days of employment. As a result,
4 DEFENDANT underpaid sick pay wages to PLAINTIFF and the other members of the
5 CALIFORNIA LABOR-SUB-CLASS.

6 123. Cal. Lab. Code § 204 provides that wages generally are due and payable twice
7 during each calendar month and are to be paid no later than the payday for the next regular
8 payroll period. Consistent with Cal. Lab. Code § 204, Cal. Lab. Code § 246 specifically
9 requires that, upon use of accrued sick leave, vested sick pay wages are due and to be paid
10 no later than the payday for the next regular payroll period after accrued sick leave is used as
11 paid sick time. Similarly, Cal. Lab. Code § 201 provides that if an employer discharges an
12 employee, wages earned and unpaid at the time of discharge are due and payable
13 immediately. Cal. Lab. Code § 202 provides that an employee is entitled to receive all
14 unpaid wages no later than 72 hours after an employee quits his or her employment, unless
15 the employee has given 72-hour notice of his or her intention to quit, in which case the
16 employee is entitled to his or her wages at the time of quitting. The Labor Code penalizes
17 untimely payments. For example, Cal. Lab. Code § 203 provides that if an employer
18 willfully fails to pay wages owed in accordance with Cal. Lab. Code §§ 201-202, then the
19 wages of the employee shall continue as a penalty from the due date, and at the same rate
20 until paid, but the wages shall not continue for more than thirty (30) days. Likewise, Cal.
21 Lab. Code § 210 provides penalties for violations of Cal. Lab. Code § 204 and untimely
22 payments during employment. Under Cal. Lab. Code §§ 203, 210 and 218, employees may
23 sue to recover applicable penalties.

24 124. As alleged herein and as a matter of policy and practice, DEFENDANT
25 routinely underpays sick pay wages and thus did not timely pay PLAINTIFF and the other
26 members of the CALIFORNIA LABOR-SUB-CLASS all owing and underpaid sick pay
27 wages. As a result, DEFENDANT violates Cal. Lab. Code §§ 201-204, 210, 233, and 246,
28 among other Labor Code provisions. PLAINTIFF are informed and believe that

1 DEFENDANT was advised by skilled lawyers and knew, or should have known, of the
2 mandates of the Labor Code as it relates to PLAINTIFF' allegations, especially since the
3 California Supreme Court has explained that "[c]ourts have recognized that 'wages' also
4 include those benefits to which an employee is entitled as a part of his or her compensation,
5 including money, room, board, clothing, vacation pay, *and sick pay.*" *Murphy v. Kenneth*
6 *Cole Prods., Inc.*, 40 Cal. 4th 1094, 1103 (2007)(emphasis added). Because DEFENDANT
7 willfully fails to timely pay PLAINTIFF and the other members of the CALIFORNIA
8 LABOR-SUB-CLASS all sick pay wages due, DEFENDANT is subject to applicable
9 penalties.

10 125. Such a pattern, practice, and uniform administration of corporate policy is
11 unlawful and entitles PLAINTIFF and the other members of the CALIFORNIA LABOR-
12 SUB-CLASS to underpaid sick pay wages, including interest thereon, applicable penalties,
13 attorney's fees, and costs of suit.

14 15 **PRAYER FOR RELIEF**

16 WHEREFORE, PLAINTIFF pray for judgment against each Defendant, jointly and
17 severally, as follows:

18 1. On behalf of the CALIFORNIA CLASS:

- 19 A) That the Court certify the First Cause of Action asserted by the CALIFORNIA
20 CLASS as a class action pursuant to Cal. Code of Civ. Proc. § 382;
21 B) An order temporarily, preliminarily and permanently enjoining and restraining
22 DEFENDANT from engaging in similar unlawful conduct as set forth herein;
23 C) An order requiring DEFENDANT to pay all wages and all sums unlawfully
24 withheld from compensation due to PLAINTIFF and the other members of the
25 CALIFORNIA CLASS; and,
26 D) Restitutionary disgorgement of DEFENDANT's ill-gotten gains into a fluid fund
27 for restitution of the sums incidental to DEFENDANT's violations due to
28 PLAINTIFF and to the other members of the CALIFORNIA CLASS.

- 1 2. On behalf of the CALIFORNIA LABOR SUB-CLASS:
- 2 A) That the Court certify the Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth,
- 3 and Ninth Causes of Action asserted by the CALIFORNIA LABOR SUB-
- 4 CLASS as a class action pursuant to Cal. Code of Civ. Proc. § 382;
- 5 B) Compensatory damages, according to proof at trial, including compensatory
- 6 damages for minimum and overtime compensation due PLAINTIFF and the other
- 7 members of the CALIFORNIA LABOR SUB-CLASS, during the applicable
- 8 CALIFORNIA LABOR SUB-CLASS PERIOD plus interest thereon at the
- 9 statutory rate;
- 10 C) The greater of all actual damages or fifty dollars (\$50) for the initial pay period
- 11 in which a violation occurs and one hundred dollars (\$100) per each member of
- 12 the CALIFORNIA LABOR SUB-CLASS for each violation in a subsequent pay
- 13 period, not exceeding an aggregate penalty of four thousand dollars (\$4,000), and
- 14 an award of costs for violation of Cal. Lab. Code § 226;
- 15 D) Meal and rest period compensation pursuant to Cal. Lab. Code §§ 226.7, 512 and
- 16 the applicable IWC Wage Order;
- 17 E) For liquidated damages pursuant to California Labor Code Sections 1194.2 and
- 18 1197;
- 19 F) The amount of the expenses PLAINTIFF and each member of the CALIFORNIA
- 20 LABOR SUBCLASS incurred in the course of their job duties, plus interest, and
- 21 costs of suit.; and,
- 22 G) The wages of all terminated employees in the CALIFORNIA LABOR
- 23 SUB-CLASS as a penalty from the due date thereof at the same rate until paid or
- 24 until an action therefore is commenced, in accordance with Cal. Lab. Code § 203.
- 25 3. On all claims:
- 26 A) An award of interest, including prejudgment interest at the legal rate;
- 27 B) Such other and further relief as the Court deems just and equitable; and,
- 28

1 C) An award of penalties, attorneys' fees and cost of suit, as allowable under the
2 law, including, but not limited to, pursuant to Labor Code §221, §226, §1194,
3 and/or §2802.

4 Dated: March 4, 2024

BLUMENTHAL NORDREHAUG BHOWMIK DE BLOUW LLP

5
6 By: _____
7 Norman B. Blumenthal
8 Nicholas J. De Blouw
9 *Attorneys for Plaintiff*
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DEMAND FOR A JURY TRIAL

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

Dated: March 4, 2024

BLUMENTHAL NORDREHAUG BHOWMIK DE BLOUW LLP

By: _____
Norman B. Blumenthal
Nicholas J. De Blouw

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